HOUSE OF COMMONS DEBATES

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COMPRISING THE PERIOD FROM THE EIGHTENTH DAY OF MAY, 1984
TO THE TWENTY-NINTH DAY OF JUNE, 1984

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HOUSE OF COMMONS

Friday, May 18, 1984

The House met at 11 a.m.

● (1105)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

FARM CREDIT CORPORATION

INTEREST RATE CHARGES

Mr. Mel Gass (Malpeque): Mr. Speaker, I would like to quote a statement made by the Minister of Agriculture (Mr. Whelan) in which he assured us that he would cap interest rates at 12 per cent should he become the next Prime Minister. He said:

> You have to have more stability in the interest rates to build the kind of confidence necessary for people to take the bold step into new ventures that they have on the drafting board ready to go.

In light of that statement, I am very upset and anxious to know why the Minister of Agriculture, who is responsible for the Farm Credit Corporation, has allowed the interest rate charged by the Farm Credit Corporation to rise from 12.75 per cent in April, 1983, to 14 per cent on April 9 of this year. Why will the Minister not honour his word, and cap interest rates at 12 per cent?

Not only are the interest rates set at 14 per cent but the Farm Credit Corporation has seen fit to change the method it uses to commute loan payments. It is now calculating the compound interest semi-annually rather than annually, which once again robs more money from the already struggling farmers. For example, on a $100,000 mortgage with interest calculated annually, interest payments amount to $15,098. The same interest payment calculated semi-annually, as is being done by the Farm Credit Corporation, amounts to $15,526. The additional cost to the farmer calculated over a 20-year period is $8,500 in interest.

The Minister of Agriculture is condoning this sneaky, underhanded method of squeezing even more money from the already distressed farmers. This terrible treatment of farmers is coming from a man who claims to be such a great benefactor of the farming community. This is just another example of how the present federal Government has treated the farmers of Canada, and really shows us just how much the Minister of Agriculture cares about Canadian farmers.

[*Translation*]

POLITICAL PARTIES

SOLICITATION OF FUNDS BY PROGRESSIVE CONSERVATIVE PARTY

Mr. Henri Tousignant (Témiscamingue): Mr. Speaker, one of my constituents, in fact, one of my friends recently received a letter from the Progressive Conservative Party, inviting him to contribute at least $100 or more. In doing so, he would become a member of the "select" club of friends of the Leader of the Official Opposition (Mr. Mulroney) and enjoy special privileges. Those privileges, as indicated in the letter, would include: frequent meetings with the Leader, a limited number of members in the club. He would also have the privilege of having his name appear on a special list of donors.

Mr. Speaker, perhaps the Leader of the Official Opposition would care to inform the House, for the benefit of all Canadians, what exactly a special donors' list is. Perhaps he could also tell us whether this donors' list will be administered by the Member for Joliette (Mr. La Salle).

* * *

[*English*]

RAILWAYS

TRANSPORTATION OF HAZARDOUS SUBSTANCES—DANGER TO URBAN AREAS

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, the continuing derailments, and accidents on our roads, streets, highways and railways are a constant reminder of the dangers inherent in the transportation of dangerous substances. To underscore the concern shared by local governments, I call attention to a resolution presented by the Chilliwack, British Columbia, District Council to the Lower Mainland Municipal Association. That resolution reads as follows:

> Whereas the national railways are undertaking major track upgrading programs;
>
> And whereas existing mainlines often pass through urban areas with consequent risks associated with hazardous material transport, contributing to traffic problems at level crossings, and creating dust and noise nuisances;
>
> And whereas rail corridors in rural areas can diminish the above problems and reduce infrastructure costs borne by local governments;
>
> Therefore be it resolved that the Federation of Canadian Municipalities request the Government of Canada to provide incentives to encourage the national railways or other rail carriers to bypass urban areas where feasible, in conjunction with twin tracking and other upgrading programs, and where not feasible, for the railways to provide a greater share of the funding for grade separation.

In order that the objectives of this resolution as it affects the residents of the District of Chilliwack and other areas may be

S.O. 21

realized,, I urge that the Minister of Transport (Mr. Axworthy) and the Minister of State for Social Development accede to a request to meet with representatives of the District of Chilliwack to hear their representations and render all possible assistance in resolving this problem.

Mr. Speaker: Order. The Hon. Member's time has expired.

* * *

PUBLIC WEAL

ACCOMPLISHMENTS OF NOTABLE CANADIANS—CALL FOR CONTINUOUS RECOGNITION

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, in a very threatening situation at the Quebec National Assembly, the Sergeant-at-Arms, René Jalbert, approached the still armed assailant and in a four-hour dialogue persuaded the gunman to surrender. This feat of heroism on the part of the Quebec Sergeant-at-Arms merits not only the publicity that it now receives but should be carefully documented so that, in years to come, the story of his actions will be remembered.

Major Jalbert's heroism is an accomplishment which has been immediately recognized and applauded by all Canadians. However, Canadians should also recognize and remember the men and women who have gained national stature through their accomplishments in science, the humanities, and medical and industrial research. These individuals, when they receive any public notice, are usually given one-shot general media recognition, after which their accomplishments are buried in anonymity. This is due partly to modesty and restraint on the part of the individuals involved, and to the failure of the media to appreciate the true status and significance of the contributions these individuals make to our nation.

There is a need for Government and appropriate national and provincial professional and non-professional organizations to promote the accomplishments of deserving Canadians in their fields of expertise and to keep these celebrated names in the forefront of public attention in order to inspire and encourage young Canadians to excel in fields other than sports and rock music. In this manner, many outstanding scientists, courageous and brave military and rescue workers, and accomplished authors will, in due course, become better known nationally—

• (1110)

Mr. Speaker: The Hon. Member's time has expired.

* * *

CANADA LABOUR CODE

WAGES OF THE HANDICAPPED—PROVISION IN AMENDING LEGISLATION

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, there are many important and useful changes in the Government's amendments to the Canada Labour Code which were tabled this week. Many of these improvements had been proposed by the New Democratic Party for months, and even for years.

One such change which we have been calling for is contained in Clause 2 of the Bill, and provides for the elimination of the rules which say that handicapped people may be paid less than the minimum wage. This was an attack both on the dignity of handicapped people and on their economic ability to survive and function as independent members of our society.

The New Democratic Party urges the Government to bring this legislation forward quickly so it may be passed. It will be a cruel joke on Canada's disabled if the Government has presented this Bill to the House for no other reason than electioneering, with no intention at all of passing the Bill. The Government is in a rush to pass legislation which will help banks. Over the next few weeks we will see if it is willing to do as much to help Canada's disabled.

* * *

DRUGS

MAGNITUDE OF ILLEGAL TRAFFICKING

Mr. Gordon Towers (Red Deer): Mr. Speaker, reports from the RCMP estimate that Canadians consumed $9.4 billion worth of illicit drugs, mainly cannabis, heroin, and cocaine, in 1982. The RCMP states that these figures are probably low. If the indicated figures are nearly factual, illegal drugs would account for about 5 per cent of all consumer spending in Canada, or nearly 3 per cent of the Gross National Product for that year. The RCMP have indications that this percentage is rising.

What must be the horrendous cost in human suffering and damage to our society? How is the economy to sustain strains such as these? The continued growth in drug production, and the massive profits which illegal drug traffic generates, give a relative growth and assistance to organized crime to flourish in our country.

In my opinion, Mr. Speaker, we must continue to make every possible effort to curb and curtail this traffic, not only by enforcement of strict law, but by education of our youth. We must make it clear to all our citizens, and especially our youth, the damage which can befall their bodies, their systems, and the damage which the residue of these substances in their systems can cause to their progeny.

* * *

INDUSTRY

MANUFACTURE OF MINING EQUIPMENT

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, Canada is without a doubt one of the leading mining nations of the world. Why, therefore, are we doing so poorly in the

production of mining equipment? We are importing machinery for our own mines when we should be a leading exporter.

Unlike countries such as Finland and Sweden, we have failed to capitalize on domestic markets, failed to devote sufficient research and development effort to mining technology, and failed to seek out export opportunities. When the Hon. Member for Nickel Belt was Minister of State for Mines there was some sign of movement. Since she left that portfolio, however, nothing seems to have happened.

A few Canadian companies have proven that it is possible to be successful in this field. Let mining companies and equipment manufacturers put more effort into developing new and more efficient tools so that Canada can recapture its fair share of the domestic and world market for mining equipment.

* * *

EMPLOYMENT

GRANT GIVEN TO ITALIAN ALLIANCE OF TORONTO

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I want to return to the matter of the grant to the Italian Alliance of Toronto. This was a grant of $583,000 given to them by the Minister of Employment and Immigration.

There was a political group formed in Toronto in 1983 of prominent Liberals who were seeking money to organize the Italian community for the Liberal Party. The same group of people formed a society. They received a grant for what they wanted, for a store front office, and so on. I raised complaints in the House of Commons. The Italian community raised complaints about this grant. The Minister said at the time that he did not know the politics of the people involved, in spite of the fact that he was chief political Minister for Toronto. So he was either corrupt or he was incompetent.

The Minister met with the Italian community. He was going to cut the grant to one-third. He said: "But you figure it out for yourself. You talk to Mr. Joseph Volpe. Mr. Volpe said, of course: "Don't cut the grant". We warned at the time that the group could be used for political purposes, or at the very least, it gave a bad smell to the affair. So what happens? We find now that 25 delegates have been delivered by Mr. Volpe to the Minister of Employment and Immigration.

• (1115)

If this were the United States, Mr. Speaker, the Minister would be gone. We have a docile press in Canada, with a few exceptions, which is not really reporting this properly. We are seeing the sleezy Liberal Party whose candidate for the new Liberalism, the Gary Hart candidate, is buying 25 delegates with $583,000 of our money.

POLITICAL PARTIES

LIBERAL PARTY'S SOLICITATION OF FUNDS FROM JUDGES

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, we know the Government has always felt it had a special relationship with judges. Witness the fact that their telephone directories are always conveniently handy. The latest is a letter from the Prime Minister (Mr. Trudeau), sent not only to a judge but to a judge at his court chambers. The letter says in part:

> I have enclosed a special letter from Liberal Party treasurer, Gordon Dryden—

That special letter is four pages of paranoia. It says in part:

> We must not let the politics of selfishness and fear leave us helpless in the years ahead—casting aside our concern for our neighbour, grabbing whatever we can for ourselves.

There is a P.S.:

> Remember your contribution to the Liberal Party entitles you to a tax credit of up to 75 per cent and the pride in knowing that you have come to the aid of Canada in her time of great need.

Mr. Speaker, I can understand the paranoia of the Liberal Party treasurer because it is difficult for them to raise money. I can understand their desire to raise money, but please, in the process, leave the judges alone.

ORAL QUESTION PERIOD

[*English*]

FINANCE

INCREASE IN MORTGAGE INTEREST RATES

Mr. Howard Crosby (Halifax West): Mr. Speaker, I have a question on mortgage interest rates for the Minister of State for Finance. Yesterday a major Canadian bank announced its new rate for a five-year residential mortgage would be 14.5 per cent. Everyone in the real estate industry knows a rate higher than 14 per cent is a serious danger signal. Home owners cannot make the higher payments, those seeking homes cannot afford to build or buy, construction stops, and jobs are lost.

What is the Government's policy on mortgage interest rates? Has the Government turned its back on the four million Canadian families who must face higher mortgage payments? The Government promised interest rates would be made in Canada for Canadians. Will the Minister now admit that this is another broken promise?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member opposite has expressed a concern that any of us would share if we saw evidence of a major increase in interest rates in Canada. We do not see that evidence. Indeed, if the Member were to consider yesterday's developments, he would recall that the bank rate declined yesterday. While fluctuations will occur, the bank rate is today

at 11.63 per cent, whereas it was 11.72 per cent last week. That will bring benefits in terms of mortgage and other interest rates in the Canadian economy.

The Hon. Member also fails to recall that it is the Government's intention, as outlined in the February Budget, to introduce a mortgage rate protection plan. We intend to introduce the legislation shortly to implement that plan and, as I have indicated to the House on several occasions, it will be effective as of last March 1. The rates that will be insured will be those at which a mortgage was either taken out or renewed from March 1 forward.

Finally, Mr. Speaker, the Member opposite will probably be aware that it is the Government's intention to introduce a mortgage backed security plan which can, in our view, do a significant amount to reintroduce longer term mortgages into the Canadian mortgage market. We anticipate the mortgage backed security plan will enhance the possibilities of ten-year mortgages in Canada in the future.

● (1120)

Mr. Crosby: Mr. Speaker, it is evident the Minister is going to put out a forest fire with a bucket of water.

EFFECT ON EMPLOYMENT IN CONSTRUCTION INDUSTRY

Mr. Howard Crosby (Halifax West): I am interested in the fact that the Minister does not seem to think a mortgage interest rate of 14.5 per cent is a serious problem. I would like to remind him of November 6, 1979, when the current Minister of Transport said that with a mortgage interest rate of 13.5 per cent 800,000 Canadian families could not afford a home. On November 6, 1979, the current President of the Treasury Board said that a mortgage interest rate of 13.5 per cent was taking us into unchartered economic waters and would lead to disaster.

There are 1.5 million people unemployed in Canada, Mr. Speaker. There are another one million people who are employed part-time in jobs below their levels of qualification. Yet the Government of Canada is spending public funds on construction projects in its Special Recovery Capital Program to the extent of $2 billion. With a mortgage interest rate of 14.5 per cent, jobs will be lost in the construction industry because people will not build houses with that kind of a rate.

Mr. Speaker: Will the Hon. Member please ask a question?

Mr. Crosby: How does he justify the policy of spending money on government construction, and stopping jobs in the housing industry?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, I think the Hon. Member opposite should be aware that in fact housing starts averaged 162,000 units in 1983, which was almost a 30 per cent increase from the average in the previous year. In the first four months of this year housing starts averaged 140,000 units, which was a 6.3 per cent increase over the fourth quarter of 1983. I think the Hon. Member opposite would want to recognize that in fact domestic construction has been going forward at levels substantially above those of recent years.

With regard to the level of interest rates in Canada, and particularly mortgage interest rates, obviously none of us are happy with that situation. However, as discussions in the House over the past several weeks have indicated, interest rates in Canada are, to a substantial degree, a result of interest rate levels in the United States. The American interest rates have increased over the past two months as a result of very large increases in government borrowing to finance a structural deficit of unparallelled proportions in the United States, and due to demands from the private sector during a period of economic growth. Those two pressures have combined to drive up interest rates in the United States. Due to our large volume of trade and an open money market with the United States, those upward pressures on interest rates inevitably spill over into Canada.

Mr. Crosby: Mr. Speaker, I would like to thank the Minister for the economic lecture, but I want to talk about people.

MORTGAGE RATE PROTECTION PLAN

Mr. Howard Crosby (Halifax West): Home owners faced with a 3 per cent or 4 per cent increase in their mortgages will be faced with an additional monthly payment of $100 or more. Where are they going to get the money? The Government says it has a mortgage protection plan. It advertised it in the newspapers on April 10. One and one-half months later we still have not seen the Bill. For the benefit of all those Canadians facing higher mortgage payments, can the Minister tell us when we are going to see this protection plan? You have the ads. Where is the Bill?

An Hon. Member: Where's the beef?

Mr. Hnatyshyn: Where's the baloney?

An Hon. Member: Here it comes.

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, I am sure that the Hon. Member opposite and his Party would no doubt endorse the general government policy of consulting with the private sector to the maximum degree possible on programs and policies which are going to have a significant impact on the private sector.

After we made the announcement in the Budget of the mortgage rate protection plan, we did two things. We undertook extensive consultations with consumers, companies financing mortgages, the construction industry, and a range of other entities interested in the mortgage market. At the same time we undertook to make the program, when it is introduced, retroactive to March 1, immediately following the Budget. Any Canadian who chooses to participate in the program will be able to do so from March 1 at the rate of mortgage interest which applied at the time when he or she either took out a new mortgage or renewed an older mortgage.

• (1125)

An Hon. Member: There's the baloney.

Mr. MacLaren: That is the situation. We shall have a program in place retroactively to March 1 as soon as we introduce the legislation, which I anticipate will be within the next few days.

* * *

INDUSTRY

PETROCHEMICAL INDUSTRY—PRICE OF NATURAL GAS

Mr. Scott Fennell (Ontario): Mr. Speaker, I wish to address my question to the President of the Treasury Board, as he is ultimately responsible for all costs relative to government expenditures. As he knows, the Petrochemical Task Force Report came down three months ago and work is being done on it, but at a very slow pace. There are over 200,000 jobs at stake. There is a city in southwestern Ontario that is very concerned about the situation. Does the President of the Treasury Board endorse the policy to reduce the cost of natural gas and natural gas liquids to the Gulf Gate rate?

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, this Government is very interested in the well-being of the eastern petrochemical industry. This is demonstrated by such initiatives as the pipeline between Sarnia and Montreal, and a number of other initiatives. I can assure my hon. friend that we are giving very serious attention to the report. It has some very broad ramifications.

I must say that if the friends of the Conservatives, the provincial Governments of western Canada, and particularly Alberta, had not taken certain actions, some of the studies we are carrying out with respect to the task force report, in my view, would not have been necessary. I think my hon. friend ought to direct some of his questions to his own colleagues in western Canada as well as to ourselves.

With respect to a detailed response, I think he should address the question to the Minister of Energy, Mines and Resources who, I am sure, will be happy to respond as soon as we finish our consideration.

Mr. Fennell: It is fine to build pipelines, but if you put a product through that pipeline that is uneconomical as far as the petrochemical industry is concerned, it does not provide the benefit to create jobs.

REQUEST FOR MINISTERIAL ACTION

Mr. Scott Fennell (Ontario): Mr. Speaker, considering that $2 billion of exports are derived from the petrochemical industry and that there are $600,000 in rubber tire exports indirectly from this industry, will the Minister take a firm stand to reduce the cost of natural gas and natural gas liquids by at least 15 per cent, and preferably to the Gulf Gate rate?

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, my hon. friend knows that questions of this sort should be addressed to the responsible Ministers. In this case it is the Minister of Energy, Mines and Resources.

Mr. Nielsen: Where is he?

An Hon. Member: They are never here.

Mr. Gray: I think the Minister of Regional Industrial Expansion also has a role.

Mr. Crosbie: Where is the responsible Minister?

Mr. Gray: My hon. friends ask where they are. Where are all the people sitting on your side? Where is your Leader, for example?

Mr. Hnatyshyn: Down in Windsor.

Mr. Gray: In any event, I want to confirm to my hon. friend the great interest that the Government has in the well-being of the eastern petrochemical industry. In that regard we have the benefit of the very firm views of the Hon. Member for Sarnia. Many of the things my hon. friend is saying, which he has just learned of, have been put forward very effectively by the Hon. Member for Sarnia. With his interest and support I am confident that we will make the right decision in the best interest of the petrochemical industry and its workers.

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EXTERNAL AFFAIRS

STRAIT OF HORMUZ—BOMBING OF OIL TANKERS—REQUEST FOR REPORT

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I wish to direct a question to the Minister of International Trade. I am sure he must be aware, as we all are, of the events in the Strait of Hormuz and the potential threats to the oil supply to the western world. Would he inform the House whether he has been in touch with the Canadian embassies in the area, and can he give us any further information on the damage to the ships there? Has the Government been in touch with the Government of the United States concerning the strategic reserves of the United States in particular, and of Canada?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, of course the Hon. Member touches on a very serious threat to world peace, the escalation of the conflict between Iran and Iraq down in the Gulf with the interference with tankers in that area. It is true that attacks have occurred on ships in that region and that this could pose a threat to the shipment of oil from an area that provides in excess of one-quarter of the world's oil supply. Actually only about 3.5 per cent of Canada's oil supplies came from that area as of 1979, of which the percentage has been tending downward since that time with Canada's temporary self-sufficiency in oil. We do

technically import some oil into Canada on the East Coast while we are able to do some exporting from the West Coast.

● (1130)

I see no short-term threat in relation to oil supplies as a consequence of the problem in the area. First, there are very substantial reserves around the world at the present time. There is, as the Hon. Member states, an international organizational agency that provides for a sharing scheme, of which this scheme can be triggered if a shortage occurs. That further protects our interest.

I want to say that we are concerned from the point of view of urging and supporting other nations in opposing the spreading of the conflict. We, of course, have an export embargo on arms and war supplies to both Iran and Iraq. We certainly join with other nations in doing everything to prevent the spread of the conflict.

* * *

ENERGY

FORECAST OF OIL SUPPLY SHORTAGES

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, let me warn the Minister of International Trade, and bring to his attention the possibility of an oil crisis in Canada in the near future. Perhaps he will be interested to know that at the recent National Energy Board hearings—the Energy Board is to give a report on Canada's oil supply and self-sufficiency in a few weeks—Shell Canada maintained that the last year for Canada's self-sufficiency will be 1985, and that imports will be necessary after that until the year 2000. The reason is mainly that the Hibernia and the Beaufort Sea Supplies will not come on stream until 1997. That will leave us a shortfall, or an oil gap if you like, between 1985 and the 1990s of 600,000 barrels a day. What plans does the Government have to fill this oil gap in the event of a potential crisis for Canada?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, I am not able to confirm the exact statistics which the Hon. Member presents, as being totally authentic. I do agree it is quite possible that there would be an interim period before new major oil supplies come on stream when Canada could be a net importer, but not to the same degree as we were a few years ago. The dependence on imported oil would be on a much smaller basis. In the meantime we are self-sufficient. I think our needs, if we do encounter the necessity of importing, can very well be managed from those sources with which, through Petro-Canada and through private oil companies, we have ongoing contractual relationships.

HIBERNIA OIL FIELD AND ALBERTA TAR SANDS

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I want to ask the Minister for International Trade a further question with respect to this potential oil gap, which Shell Canada calls a real oil gap, in the near future.

The Minister must be aware that the two great areas for oil in Canada are Hibernia, and a place where we have Saudi Arabian type oil, namely the tar sands which are located in the western provinces.

I want to ask the Minister a question with respect to these two areas. First, concerning Hibernia. Could the Minister indicate to the House whether he feels we are in a position where we have put the political disputes behind us so we can get on with the development of Hibernia? Second, with respect to the tar sands, given that the Albertan economy is so down right now, would the Minister be prepared to recommend to the Cabinet that there be a national effort, a commitment now, to develop the enhanced oil recovery and the tar sands projects of Alberta?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, I do not know whether the Hon. Member is taking me beyond the jurisdiction of the Department of External Affairs and into the field of the Minister of Energy, Mines and Resources. I will respond to the extent that it relates to the necessity for importation and to the extent it affects exports. There is no question but that Hibernia is a tremendous future source of hydrocarbons for the Canadian economy, and that the tar sands are a treasure trove for present and future generations in this country. But I do not think the Hon. Member should underestimate the potential for additional oil recovery in many areas—perhaps on a smaller basis in any one area, but in many areas of Alberta and Saskatchewan. I think he will find, with the passage of time, that we will have many sources of production in those provinces beyond those that already exist. Of course there is also the potential for increased gas production from the Member's own province.

Mr. Crosbie: Order.

Mr. Regan: It is also interesting to contemplate the ways in which gas may be used as a substitute for oil in subsequent times.

Mr. Crosbie: Gas is being used now.

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ESTIMATES

ATTENDANCE OF MINISTER OF ENERGY AT COMMITTEE MEETINGS

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I would like to put a question to the Minister for External Relations in his capacity as the Acting Prime Minister. It is appreciated that the President of the Treasury Board told us to ask questions of the Minister of Energy, Mines and Resources. The problem is that the Minister of Energy, Mines and Resources, after setting May 24 as the day on which he would be before committee, is now refusing to appear before any of the estimates committee meetings prior to May 31 when Estimates must be reported to the House. Is there any way in which his senior colleague in the Cabinet can bring the

Minister to fulfil his duties, for which he is being paid an extra $30,000 annually, and report to the committee?

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I cannot accept the proposition. I do not know about it.

Mr. Crosbie: Why can you not accept it?

Mr. Pepin: I doubt very much whether the Minister of Energy, Mines and Resources implied that he would refuse to go to committee. However, I will make absolutely sure of that as soon as I can.

EXAMINATION OF ESTIMATES

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, after checking with the clerk of the committee, the executive assistant to the Minister, and with David Zussman in the Minister's office—and although I warned them yesterday that I would be asking a question of this nature today and asked them to get back to me because I did not want to make it difficult at this time of the Liberal leadership Campaign—I find nobody can confirm that the Minister will be around to come to the committee to defend his Department's estimates. We are concerned about Petro-Canada, the Beaufort Sea discussions, and all the various areas of the national energy policy. Could the Minister make an effort and report back on Tuesday as to whether a date has been found on which the Minister could come and be examined?

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, again I cannot accept the postulate, but I will discuss it with my colleague and make sure that he is available next week.

* * *

TRADE

SHOE IMPORT QUOTAS

Mr. Bill Kempling (Burlington): Mr. Speaker, my question is for the Minister for International Trade. There has been extensive media coverage on the shoe quotas which are due to expire on November 30. I understand the Minister met with industry representatives last Monday and confirmed to them that the shoe quotas would be extended for another 18 to 24 months beyond November 30. Based on this information, many people engaged in the shoe business are making commercial decisions anticipating and announcement which the Minister has promised for next Tuesday. Will the Minister confirm that he will be announcing next Tuesday an extension of shoe quotas for an additional 18 to 24 months, or is it his intention to abolish the shoe quotas?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, I will make an announcement as soon as Cabinet finalizes its considerations with reference to the course that will be taken on the quantitative restrictions for shoes. That matter will be before Cabinet again on Tuesday morning. It is quite possible that the matter will be concluded at that time, but I cannot give the Hon. Member an absolute assurance. I am anxious to have a firm position at the earliest possible date so that shoe manufacturers, importers, retailers and others involved in the trade can make their plans accordingly.

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[*Translation*]

EXTERNAL AFFAIRS

PARTICIPATION OF FEDERAL GOVERNMENT IN MONTREAL SEMINAR ON QUEBEC'S PLACE IN WORLD

Mr. Claude-André Lachance (Rosemont): Mr. Speaker, my question is directed to the Minister for External Relations. The Minister is aware that in Montreal, on May 29 and 30, the Government of Quebec will host a summit conference on Quebec in the World. Since this summit conference may be expected to focus as well on federal authority as it complements that of the Government of Quebec, could the Minister inform the House what the federal Government's intentions are about participating in this event and the conditions for that participation?

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I can confirm that we have indeed been invited to participate in this event and also that we have agreed with the topics to be discussed, provided we can also agree on the conditions for federal participation. I think my hon. friend will agree with our proposal, which is that since the federal Government has most of the responsibility in this area, it cannot be treated as just another participant, like the co-operative movement, for instance.

Thus, we are trying to reach agreement with the Government of Quebec on having a position at least equal to theirs in this seminar or mini-summit. We are negotiating with the Government of Quebec about this problem. I wrote a letter to Mr. Landry this morning, to get us a little further down the road towards a consensus.

* * *

● (1140)

[*English*]

HOUSING

REQUEST THAT MINISTER PERSUADE BANKS TO ROLL BACK MORTGAGE INTEREST INCREASES

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is directed to the Minister responsible for housing. Despite a marginal drop in the central bank rate yesterday, the Toronto-Dominion Bank increased its one-year mortgage rate by one-half per cent. It has gone up by 2.5 per cent since January 1, from 10½ to 12¾ per cent. That means the average

mortgage has increased by $40,000 over a 25-year period, which puts housing out of reach of ordinary people. Does the Minister intend to use his good offices to try to persuade the bank to roll back interest rates so that ordinary people can afford to buy housing?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, obviously it is in everybody's interest for us to have access to many markets and many sources of mortgage money, not only one, two, or three major institutions. I will be very much interested in knowing what the Hon. Member's Party intends to do when we bring in the mortgage protection plan. If, as I am informed, they intend to oppose it, I wonder what they offer those Canadians who, since March 1, have known that they could have access to an insurance plan which could go a long way to protect them against unexpected rises in interest rates.

[*Translation*]

REQUEST THAT INTEREST RATES BE SET AT REASONABLE LEVEL

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, the Minister failed to answer my question. Perhaps I may ask a supplementary? As the Minister is aware, during the sixties Parliament set the mortgage rate at 6 per cent. Could the Minister inform the House whether he is prepared to do the same? In other words, is he prepared to introduce a Bill, setting the mortgage rate at a reasonable level for the average Canadian, since today, Canadians do not have the money to buy a home?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, I am not an expert on these matters, but it does seem to me that since we have access to a certain amount of money, by the savings of Canadians, and since these savings can be invested in either financial institutions or mortgages, the effect of the Hon. Member's proposal would be that the money available for residential mortgages would soon be exhausted. I would like to hear what the Hon. Member has to suggest as an alternative solution.

* * *

[*English*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF UNDER-SECRETARY OF THE MINISTRY OF INFORMATION OF KUWAIT

Mr. Speaker: May I call to the attention of the House the presence in the gallery of His Excellency Sheikh Nasser Mohamed Al-Ahmed Al-Jaber Al-Sabah, the Under-Secretary of the Ministry of Information of Kuwait, as well as Chairman of the Petroleum Information Committee of the Arab Gulf States.

Some Hon. Members: Hear, hear!

FISHERIES

PROPOSED LEGISLATION DEALING WITH WEST COAST FISHING INDUSTRY

Hon. John A. Fraser (Vancouver South): Mr. Speaker, I have a question for the Minister of Fisheries and Oceans. Several weeks ago Senator Jack Austin made a speech in Vancouver in which he said that a West Coast fisheries Bill was imminent and that he expected it to be passed speedily by this House. That was several weeks ago. These rumours are not new. They have been going around for many weeks. Will a West Coast fisheries Bill be introduced during this session and, if so, when?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, I am very happy that my hon. friend has put that question to me. I am very optimistic that I will be able to table a Bill in the very near future. I am having last-minute consultations. If they are fruitful, I will be able to come forward with a policy that I hope the Hon. Member will be able to support. Next week I intend to have consultations with the Government of British Columbia to secure its support. After that, hopefully, the House will give the green light to this new policy.

TIMING OF IMPLEMENTATION

Hon. John A. Fraser (Vancouver South): Mr. Speaker, if this Bill does come before us, to what degree will its provisions be applicable during this season's venture, or will the provisions of the Bill not apply until sometime in the future, perhaps as long away as a year from now?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, I believe it is unwise to start unravelling the whole Bill today before Hon. Members. However, I can say this to my hon. friend. My objective is to relieve the pressure caused by the over-capacity of the fleet as quickly as possible. If the negotiations going on at the moment are fruitful, and I have the support of the Hon. Member, I hope that within this calendar year we can resolve a great part of the problem of over-capacity. That is, of course, if I have the co-operation of all the different players.

* * *

[*Translation*]

CANADA POST CORPORATION

RETAIL SALES PROJECT

Mr. Henri Tousignant (Témiscamingue): Mr. Speaker, my question is directed to the Minister of Labour, who is responsible for the Canada Post Corporation. Could the Minister inform the House what the situation is with respect to the Corporation's well-known plan to act as a middleman, or should I say promoter, for a company called Consumers Distributing? Does the Canada Post Corporation intend to extend this pilot project to the entire country? If it does, we

are going to declare war on the Corporation. If it does not, does it intend to axe this project?

Hon. André Ouellet (Minister of Labour): Mr. Speaker, I believe the President of the Canada Post Corporation appeared yesterday before a Parliamentary Committee, where the matter was discussed and where the Corporation promised to submit a full report on this pilot project within the coming weeks.

I am also aware that the Canada Post Corporation intends to issue a press release within the next few days, if not hours, regarding this pilot project.

As for the agreement between the Canada Post Corporation and Consumers Distributing, I have been informed that both parties have agreed to terminate the project on June 29, 1984, in all post offices where the pilot project is being tested.

* * *

[*English*]

CULTURAL AFFAIRS

STUDENT EXCHANGE PROGRAM

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, my question is directed to the Secretary of State. I draw to his attention a letter he received from the Programme D'Échange Étudiants du Canada, exchange programs in which all Members of Parliament have been involved at one time or another. We feel they are very worth while. They have been asking for seed money for some considerable time; I understand for a total of about 14 years. Will the Minister reconsider this request because money spent on this type of program is far more beneficial than putting together brochures with pictures of Liberal Members of Parliament and handing them out to their constituents on the South Shore?

[*Translation*]

Hon. Serge Joyal (Secretary of State): Mr. Speaker, the Hon. Member has mentioned one of my Department's most important programs, which is aimed at increasing Canadians' knowledge of this country, and its various regions. The Student Exchange Program of Canada has been in existence for many years and has been very successful. We turn down nearly as many requests as we accept, owing to the tremendous popularity of this program. This group, which has received money in past years, will also be receiving offers of financing, depending on the financial resources made available to us by Parliament and on the number of applications we receive. I would therefore urge all young people who wish to participate in the program to file an application, because in doing so they will not only be helping us to help them know their country better, but they will also realize the diversity of Canadian culture and understand how Canada's cultural resources are a part of our Canadian identity.

• (1150)

[*English*]

THE CENSUS

COLLECTION OF DATA ON VISIBLE MINORITIES

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, my question is addressed to the Minister who is covering for Statistics Canada. Recommendation 24 of the report Equality Now recommends that in the 1986 mini-census, and in the 1991 Census, Statistics Canada should include the requisite additional questions to elicit accurate information regarding visible minorities and that these questions should be accompanied by an appropriate explanation. I am wondering if we could have a response from the Minister to indicate what action is being taken on this particular recommendation contained in the Equality Now report, and if he could indicate what the current status is of the 1986 Census.

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I am sorry. I see that there is no one volunteering to answer the question, so I will take notice of it.

Mr. Speaker: In the circumstances it is difficult to have a supplementary question if the Minister is just taking notice of it. However, if the Hon. Member feels that he has a legitimate supplementary question, I will hear him.

DATA ON RELIGION

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, I wonder if I may ask the Minister who is covering for Statistics Canada and is taking notice of my question to find out why the questions related to the religion module are being dropped, or are proposed to be dropped by Statistics Canada, when the recommendations contained in the Equality Now report recommended the recognition of all cultural groups. As well, our own Charter of Rights and Freedoms guarantees the freedom of religion. I do not feel that this kind of action on the part of Statistics Canada can be justified.

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I will be pleased to add a religious dimension to my inquiry.

* * *

PENITENTIARIES

ESCAPED CONVICT—THREAT TO TRIAL WITNESSES

Mr. Jim Hawkes (Calgary West): Mr. Speaker, my question is directed to the Solicitor General who will know that Wayne Boden was convicted partly on the basis of evidence provided by Calgarians. In return for giving evidence, the lives of those Calgarians were threatened. I would like the Minister to give us some indication of what steps his Department took to warn those witnesses that Wayne Boden was loose and what

steps, if any, it took to provide them with extra protection while Wayne Boden was loose?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I would like to look into the circumstances of the matter so that I could give the Hon. Member a fuller report. Of course Mr. Boden was released on an escorted temporary absence and it was the intention that he be under surveillance for the entire time that he was out of the prison. As Hon. Members know, unfortunately he escaped from custody and was at large in the Montreal area for a period of 36 hours. However, I will look into the circumstances to see if I can provide the Hon. Member with more details.

In the mean time I know that the Hon. Member will be interested to know, and to tell the concerned citizens of Calgary, that at twelve o'clock today I will be presenting a change in policy to the Correctional Service and to the National Parole Board, to provide greater control in circumstances where escorted temporary absences are granted, or may be granted, to offenders like Mr. Boden.

Mr. Speaker: Could the Hon. Member make his a short supplementary question? There are several other Hon. Members whom I am trying to recognize.

TEMPORARY ABSENCES—POLICY STATEMENT

Mr. Jim Hawkes (Calgary West): Mr. Speaker, will the Minister make that statement in the House in a statement on Motions? Will the Minister give us some indication of what the Departmental policy is? Witnesses are frequently threatened, and prisoners do escape. When prisoners escape, what is departmental policy on warning those witnesses, and what is the departmental policy on providing them with some protection?

Mr. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, in the event of escapes it is the policy of the Correctional Service of Canada to warn police departments in areas to which there is reason to believe that the fugitives may go. It is then left to the police departments in those areas to take appropriate steps like those described by the Hon. Member.

* * *

INDUSTRY

LOSS OF UNITED STATES MILITARY ORDER TO PORT COLBORNE PLANT

Mr. Girve Fretz (Erie): Mr. Speaker, my question is directed to the Minister for External Relations. The Minister will know that a directive has been issued by the American Government which states that, as of May 24, no defence contracts for forgings are to be let to Canadian companies. This ruling affects at least six companies in Canada, including Port Colborne Forgings which is in my riding, and could cause the loss of at least 25 jobs there. I wonder what the Minister has done about that matter.

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, the question of the participation of Canadian firms is one that has been brought to the attention of the Government, and representations have been made to the Americans on the subject. It was one of those situations in which the general ruling was not aimed at Canada but could affect Canada, and I am very hopeful that the matter will be remedied shortly.

* * *

EXTERNAL AFFAIRS

UNITED STATES SPACE STATION INITIATIVE—REQUEST FOR CANADIAN SUPPORT

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, my question is directed to the Acting Prime Minister. It is understood that the United States will be seeking support for its $10 billion space station initiative at the upcoming London Economic Summit. Of course, President Reagan has already invited Canada's participation in this project.

Will the Acting Prime Minister confirm that President Reagan has written to the Prime Minister in recent weeks requesting Canada's support at the London Economic Summit for this initiative, and will he indicate the nature of the Prime Minister's response to the President of the United States? Was his answer to the President yes, or no?

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I think it would be unwise to comment on possible subjects that may be raised or may not be raised at the Summit meeting in London. Such meetings are usually preceded by an extensive discussion among the participants on what subjects should be debated. I assume that my hon. friend knows that it would be better for all of us to wait until the discussion takes place and not get involved in what subjects are to be discussed and what subjects will be accepted or eliminated.

* * *

IMMIGRATION

REFUSAL OF VISITORS' VISAS TO APPLICANTS DENIED LANDED IMMIGRANT STATUS

Miss Aideen Nicholson (Trinity): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. Is the Minister prepared to change the practice of having visitors' visas automatically refused to applicants who have recently applied unsuccessfully for landed immigrant status by substituting the practice of having each application assessed individually on its merits?

Hon. John Roberts (Minister of Employment and Immigration): Mr. Speaker, I will be happy to reflect on the suggestion that has been made to us by the Hon. Member.

PENITENTIARIES

ESCORTED TEMPORARY ABSENCES PROGRAM

Mr. Vince Dantzer (Okanagan North): Mr. Speaker, my question is supplementary to that posed by the Hon. Member for Calgary West, and is directed to the Solicitor General. From the Solicitor General's answer, am I to understand that the program for escorted temporary absences, which allows dangerous criminals like murderers and rapists to use their credit cards to buy beer at the local beer parlour during temporary absences, will continue?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, no dangerous offenders are released on escorted temporary absences for re-socialization purposes. They may be excused to go to hospital for an operation, or they may be excused under close escort on a humanitarian basis to attend a funeral or something of that nature. However, relating to the type of socialization absence that was granted in Mr. Boden's case, it was the opinion of the Correctional Service of Canada that Mr. Boden was no longer a dangerous offender. My concern about that was that I felt inadequate attention was paid to the risks to society, which are the concern of the Parole Board in deciding whether or not inmates are to be released. Therefore, one minute early, I am glad to inform the Hon. Member through you, Mr. Speaker, that the new policy will require that the input of the National Parole Board be obtained before offenders can—

Mr. Speaker: The Hon. Minister has indicated that he will make a statement later. The Chair would like to recognize one or two other Members.

* * *

FISHERIES

ATLANTIC SALMON STOCK—PREVENTION OF POACHING

Mr. Bob Corbett (Fundy-Royal): Mr. Speaker, my question is directed to the Minister of Fisheries and Oceans. In the 1984 Atlantic Salmon Management Plan the Minister is asking both sports fishermen and commercial fishermen to make great sacrifices for the sake of rebuilding stocks. He is also aware that there is a tremendous enforcement problem with the salmon management program. Under this new program we can expect a rise in black market prices for salmon, which will be a great incentive for over-fishing and poaching. The situation could easily get out of control because the resources are not available for enforcement. What plans, if any, does the Minister have to improve the enforcement program this year? How can he assure the fishermen who abide by the rules of the new program that their sacrifices will not be offset by greater profits for poachers?

• (1200)

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, I think the Hon. Member agrees that the situation is very serious and that the salmon river systems in New Brunswick as well as in Quebec and Nova Scotia are really well below their potential. That is why the salmon management plan which I have decided upon this year is one that is in accord with the Muir Report. That report has recommended draconian measures to save the resource. One of the segments of that plan is the release of over 80,000 kilos of salmon from the Atlantic area to the mainland. That should help.

The Hon. Member has referred to poaching, which is certainly a very serious problem. My opinion, as a Member of Parliament for an area which has salmon rivers, is that poaching is not only the responsibility of the state and the Department; it also is the responsibility of the community. People in those communities know who are the poachers. It is their duty as citizens to help our enforcement people. It is a futile exercise to add hundreds and hundreds of enforcement people. If the money is available, of course I will do that, but I think the best tool is the co-operation of the citizens, and 99 per cent of them are law abiding.

POSSIBLE IMPACT OF UNITED STATES OIL LEASE PROGRAM ON WEST COAST FISHERY

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is also directed to the Minister of Fisheries and Oceans. He will know that a note was delivered last week to the State Department in Washington regarding oil leasing lands off the coast of the Alaska Panhandle. I was wondering if the Minister was informed of that note prior to its presentation and, if not, why not. Did he make representations in order that the environmental and fisheries concerns of Canada would be taken into account in the formulation of that note? I would also like a copy of the note presented to the House.

[*Translation*]

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, I think my hon. friend will have to take my word for it that decisions made by our Government are decisions that involve all Departments and which are supported by all of us. The Hon. Member may rest assured that the policy that was announced is the Government's official policy.

[*English*]

Mr. Speaker: The Chair has gone beyond the hour which is normally permitted and has tried to recognize a number of Members with difficult supplementaries. The Hon. Member may ask a short supplementary.

ENVIRONMENTAL HEARINGS IN ALASKA

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I do have a short supplementary. I would like to know whether the Minister of Fisheries and Oceans made representations to the Department of the Interior, when it was holding environmental hearings in February of this year, so as to protect the fish that are spawned in Canada and go through Alaskan waters?

Point of Order—Mr. Hnatyshyn

[*Translation*]

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, I think my hon. friend is aware of the efforts being made by the Department to defend the interests of our fishermen on the Pacific coast.

* * *

[*English*]

PETITION

MR. THACKER—EXTENSION OF HOURS AT PORTS OF ENTRY

Mr. Speaker: I have the honour to inform the House that the petition presented by the Hon. Member for Lethbridge-Foothills (Mr. Thacker) on Thursday, May 17, 1984, meets the requirements of the Standing Orders as to form.

* * *

POINT OF ORDER

MR. HNATYSHYN—MOTION TO REFER "NEW CANADIAN AIR POLICY" TO TRANSPORT COMMITTEE

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I rise on a point of order. I will be very brief. I would like to refer to the motion which was presented by the Parliamentary Secretary to the President of the Privy Council (Mr. Evans) yesterday, which was moved by unanimous consent and, indeed, received the consent of the House. I acknowledge that there was unanimous consent and that the motion was in proper form; there is no difficulty in that respect. The advice I received from our representatives on the committee was that, in their wisdom, they decided that that would be the form in which the motion would be posed.

It was brought to my attention this morning that there is an unusual provision in this particular motion, and I would like to raise it with Your Honour. I think for a variety of reasons it compromises—and it could so compromise if it were a precedent—the activities of parliamentary committees. I refer Your Honour to the provision following paragraph 6 of the motion in which it states:

That the Committee have the power to retain the services of expert, professional, technical and clerical staff as may be deemed necessary and after approval by the Clerk of the House of Commons—

Mr. Speaker, to my knowledge that is a novel proposition in terms of the method in which committees are able to have expert or technical assistance provided for the committees. I suggest, Your Honour, that this provision places the Clerk of the House of Commons—a distinguished and eminent person indeed—in a rather invidious position in that the Clerk may be faced with the prospect of having to overrule the recommendations of the committees.

The reason I raise the point at this time is that, having had a chance to consider this matter, I would hope that this would not be considered as a precedent in the future. As well, I would hope that we would give some thought with respect to placing officers of the House of Commons in a position whereby they may indeed be placed in the unfortunate situation of having to approve or disapprove the recommendations of a House of Commons committee. Committees should have a free and unfettered ability to carry on their affairs.

Mr. Speaker: If other Members are not prepared to respond, the Chair would like to make a few brief observations.

First, the Chair has noted the Clause and is giving careful consideration to the implications of it. The Chair may want to make a statement. However, it appears to the Chair that since the Clerk is under the direction of the Speaker of the House, this might be an instrument by which some over-all consistency in terms of rates of remuneration and scales by which people would be engaged by committees will be obtained, and some uniformity of practice in committees which might be in the interests of the House if it were introduced achieved. Certainly it is not the intention of the Chair, through the Clerk, to act in a dictatorial or difficult fashion, but it appears on first reflection that there might be some benefit to all Hon. Members of the House if some reasonable consistency of rates of remuneration and scales for people engaged for committee work might be considered. However, this is merely an observation at this point. The Chair may have more to say later.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. FRIESEN—TESTING OF CRUISE MISSILE ON CANADIAN SOIL

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, I have the honour to present a petition forwarded to me by the Peace Petition Caravan Campaign with 41 signatures on it. Among other things, it asks that the Parliament of Canada act to refuse the testing of the Cruise missile in Canada and to reject research, production, testing and transport of any nuclear weapons and delivery systems or components in Canada. They ask that Canada be declared a nuclear weapons free zone in accord with similar initiatives by other nations, and become actively involved in working for multilateral de-escalation of the arms race. They further ask that wasteful spending on the arms race be diverted to fund human needs so as to ensure prosperity through peace. Finally, they ask that the above-stated objectives be subject to ratification through a free vote in the Parliament of Canada.

MR. LEWYCKY—RIGHTS OF THE UNBORN

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, I have the honour to present a petition signed by 265 petitioners from Manitoba, primarily from Dauphin. I would also like to note that there are signatures from Ste. Rose du Lac, Roblin, Sifton and Ashville. They now exercise their right to present a grievance and humbly sheweth that since abortion

claims the lives of over 60,000 unborn babies annually in this country and living aborted babies have become a useful by-product for commercial use and medical experimentation, and because the undersigned believe that the unborn is truly a human being, they therefore ask the Government to pass legislation to recognize unborn babies, as well as the living survivors of abortion, to be truly living persons having the same rights as all citizens. In duty bound your petitioners will ever pray.

* * *

● (1210)

SENATE AND HOUSE OF COMMONS ACT

AMENDMENT RESPECTING LEASING OF CROWN LANDS

Mr. Dave Nickerson (Western Arctic) moved for leave to introduce Bill C-241, an Act to amend the Senate and House of Commons Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Nickerson: Mr. Speaker, the objective of this Bill is to remove the inadvertency in the current legislation which disallows the leasing of Crown lands in the Yukon and Northwest Territories by Members of Parliament and Senators.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 152, 721, 785 and 786.

[*Text*]

CNR—BOARD OF DIRECTORS—LEGAL SERVICES

Question No. 152—**Mr. Crosby:**

1. What are the names of the members of the Board of Directors of the Canadian National Railways who reside in or represent Nova Scotia?

2. In the past five years, were (a) solicitors or lawyers from Halifax, Covert retained to represent or to provide legal services to CNR and, if so, what were their names?

3. (a) Was Mr. J.W.E. Mingo, Q.C., retained to represent or to provide legal services to CNR in the past five years (b) is Mr. Mingo a member of the Board of Directors of the (i) Port of Halifax Authority and, if so, who appointed him to that office (ii) CNR subsidiary or affiliate Halterm Limited and, if so, who nominated or recommended him for the appointment (c) is Mr. Mingo a solicitor for Halterm Limited and, if not, does the law firm of Stewart, MacKeen and Covert act as solicitors for Halterm Limited?

4. Does the Government consider that membership in the Port of Halifax Authority, together with a directorship of Halterm Limited, plus a solicitor-client relationship with CNR or its subsidiaries or affiliate companies either directly or through a law firm might result in the holder of those offices, as a solicitor, receiving inside and confidential information which could result in a conflict of interest?

5. Was Mr. Mingo the recipient of confidential and inside information about the Port of Halifax Authority, CNR or its subsidiaries and affiliates and Halterm Limited and their relationship with Dart Container Lines and does the government consider this is a conflict of interest with his duties as Chairman of the Halifax—Dartmouth Port Commission?

Hon. Lloyd Axworthy (Minister of Transport): The management of Canadian National Railways, the Canada Ports Corporation and Transport Canada advise as follows:

1. Professor John Sears is a director of CN and resides in Nova Scotia.

2. (a) Yes. The firms of Cox, Downie; and McInnes, Cooper & Robertson. (b) No.

3. (a) No. (b) (i) Yes. The Minister of Transport. (ii) Mr. J.W.E. Mingo, Q.C., is a director of Halterm Limited, a company of which CN is a minority shareholder; however, he was not nominated by or on behalf of CN. (c) Since CN is a minority shareholder only, this question should more properly be addressed to Halterm Limited.

4. The Government does not consider that the posts held by Mr. Mingo place him in a conflict of interest position.

5. Canadian National, its subsidiaries and affiliates and the Canada Ports Corporation did not provide Mr. Mingo with confidential and inside information about their own affairs. It would be improper for CN, as a minority shareholder, to reply on behalf of Halterm Limited. See also answer to 4.

AGRICULTURE CANADA—LOCATION OF ADMINISTRATIVE OFFICES

Question No. 721—**Mr. Hnatyshyn:**

With reference to the answer to question No. 48, since February 2, 1984 was any decision made concerning the location to which the administrative offices of the Department of Agriculture, which are currently located in Saskatoon (that is the Prairie Regional Headquarters of the Research Branch, the Finance Directorate of the Finance and Administrative Branch, the Administration Directorate and Personnel) will be moved in Regina, Saskatchewan and, if so, will all or some of those offices be located in (a) Woodbine Place (b) the Derrick Building and, if so, what tendering procedure was followed in the selection of the building or buildings?

Hon. E. F. Whelan (Minister of Agriculture): No decision has been made concerning the location of Agriculture Canada administrative offices in Regina, Saskatchewan.

INDUSTRIAL AND REGIONAL DEVELOPMENT POLICY BOARD

Question No. 785—**Mr. Mazankowski:**

1. Is there an Industrial and Regional Development Policy Board and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or

expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Board meet and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): As of April 4, 1984, the reply for the Department of Regional Industrial Expansion is as follows:

1. Yes, as publicly announced on January 5, 1984.

(a) The Board will make recommendations to the Government regarding industrial policy objectives and priorities; improvements in the design and implementation of regional policies and programs; improvements in the coherence of regional, industrial and trade policies; and implications of the Government's other economic policies and priorities for regional industrial development. In addition, the Board will advise on the priorities for allocation of the department's resources and the department's agenda for policy research.

(b) As announced on January 5, 1984, Mrs. Shirley Carr, Executive Vice-President and Chief Executive Officer of the Canadian Labour Congress, and Mr. Paul Martin, President, Chief Executive Officer and Director of the CSL Group Inc. will be co-chairing the Board. The appointment of all Board Members and their terms of appointments have not as yet been finalized.

(c) Board Members would receive no remuneration but will be compensated for travel expenses.

(d) Nil.

2. No. However, it is suggested that a meeting could be held every two months.

ADVISORY COMMITTEE ON CANADA'S SYSTEM OF NATIONAL ACCOUNTS

Question No. 786—**Mr. Mazankowski:**

1. Is there an Advisory Committee on Canada's System of National Accounts and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Committee meet and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Mr. Paul-André Massé (Parliamentary Secretary to Minister of Supply and Services): Statistics Canada reports:

1. (a) Terms of Reference. Yes, there is an Advisory Committee on Canada's System of National Accounts. Its terms of reference are to advise and consult Statistics Canada on the concepts, methods, standards and results of the system.

(b) (i) and (ii) Committee Members. The members have been selected for their expertise and not as representatives of particular communities or interest groups. Current membership is as follows:

Chairperson: Dr. Ian Stewart, Senior Advisor in the Ministry of State for Economic and Regional Development will serve as Chairman for an initial three-year term. Dr. Stewart has extensive experience in federal government economic portfolios and was previously a deputy minister in the Departments of Finance and Energy, Mines and Resources.

Members:

Dr. Simon Goldberg, Former Director of the United Nations Statistical Office.

Fred Gorbet, Assistant Deputy Minister in the Department of Finance.

Professor Richard Lipsey, Queen's University.

Professor David McQueen, Glendon College in Toronto.

Professor Marcel Dagenais, University of Montreal.

William White, Chief of the Research Department of the Bank of Canada.

John Grant, Director and Chief Economist in the firm of Wood Gundy.

(iii) Each member has been asked to serve a three-year term.

(c) Those members not employed by the Government of Canada will receive a $500 honorarium per year. The travel expenses of each member are paid by Statistics Canada in accordance with Treasury Board regulations. Two of the members who are distinguished consultants and do not currently earn a salary from an institution will require some additional reimbursement via contracts which are being negotiated. The members have received nothing to date.

(d) No other direct funding is provided; however, certain secretariat costs, such as office supplies, stationery, et cetera, are covered by Statistics Canada.

2. As the Committee was formed on March 29, 1984 there was no activity for the fiscal year 1982-83. The Committee will meet twice a year.

[*Translation*]

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

Mr. Speaker: The questions as enumerated by the Parliamentary Secretary have been answered. Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

COASTAL FISHERIES PROTECTION ACT

MEASURE TO AMEND

Hon. Pierre De Bané (Minister of Fisheries and Oceans) moved that Bill C-4, an Act to amend the Coastal Fisheries Protection Act, be read the second time and referred to the Standing Committee on Fisheries and Forestry.

He said: Mr. Speaker, this amendment is to increase the penalties in cases of violations of the Coastal Fisheries Protections Act. At the moment the penalties are very low, particularly for foreign vessels. This amendment is a non-contentious one and would give some incentive to the fleets, particularly the foreign fleets which have fishing allocations in our waters, to abide by the regulations of the Department.

I would even say that the regulations in the Bill as it now stands are stiffer, more so for Canadians than for foreigners. It is a very short Bill to amend the scale of penalties in order to encourage compliance with the Coastal Fisheries Protection Act.

Mr. Howard Crosby (Halifax West): Mr. Speaker, the Minister has, of course, explained that Bill C-4, a Bill to amend the Coastal Fisheries Protection Act, is a very simple Bill in substance in that it merely increases the penalties now provided for under the Act. However, the Minister must realize that the introduction of a Bill on coastal fisheries raises the whole question of the management of the coastal fisheries, not only in terms of the control of fish stocks and fishing, but in relation to the protection of that fish stock, both from foreign fishing fleets and from those who would fish in our coastal waters without proper licensing and permission.

I would like to review the situation in a more general way because it is of grave importance to the fishing community in the Maritime Provinces, particularly in the Province of Nova Scotia. I might say at the outset, Mr. Speaker, that the fisheries critic for the Official Opposition, the Hon. Member for South Shore (Mr. Crouse), is unavoidably absent from the House today. Had he been here, I am sure he would have had some cogent remarks to make, not only with respect to the specific provisions of Bill C-4 but generally with respect to the problems which have occurred in the coastal fishery. It is with his great interest over a long period of time in the Atlantic fisheries in mind that I rise as a Member of Parliament from Nova Scotia to record some of our concerns with respect to the Atlantic fisheries.

Let me deal first, Mr. Speaker, with Bill C-4 itself in the context of the Act which it amends. As we have indicated, we have no great objections to the Bill, and we recognize and realize that it will pass and be of some benefit in protecting the Atlantic fishery. However, we should not divorce this amendment from the whole context of the legislation which is involved. I must say, Mr. Speaker, that I would raise for consideration—not so much with respect to this particular Bill but other legislation brought before the House—the whole problem of subordinate legislation. The Bill raises penalties from a level of $25,000, which is the current level, to $100,000 and in the case of some other of the offences which may be committed under the Act or the regulations, from $5,000 to $25,000. That is, the new minimum penalty will be $25,000.

One of my points, Mr. Speaker, is that the Bill provides for an offence under the regulations and a fine by way of penalty for such an offence. Those of us who are interested in legislative and regulatory reform have taken the position that all serious provisions, particularly penal provisions, should appear in the statute itself, that is, the Act passed by Parliament.

Subordinate legislation may be essential in some situations, but it is very difficult to face penalties which relate to provisions made in subordinate legislation, that is, legislation which is not brought before the Parliament of Canada but simply passed by the Privy Council which, of course, is the Cabinet. That is what Bill C-4 does, Mr. Speaker, among other things. It provides for an offence against the regulations.

In that context, it is important to look at the provision of the Coastal Fisheries Protection Act which provides for the making of regulations. Section 4 of the Coastal Fisheries Protection Act allows the Governor in Council to make regulations authorizing the issuance of licences and permits to foreign fishing vessels. It provides for regulations which relate to suspension and cancellation of those licences and permits, and it allows for authority to be given to enforce the provisions of the Act and for keeping goods and other equipment seized under the Act.

Therefore, Mr. Speaker, what we are providing for here is that a person may be brought before the courts in Canada charged with an offence against a regulation and fined as much as $25,000. That offence is created by the Cabinet, by the Privy Council, and it never appears before Parliament. That kind of legislative provision may be justifiable in this situation, but it is not one which a person interested in the reform of the legislative process would condone.

However, Mr. Speaker, we are dealing here with a Bill, the paramount purpose of which is to protect a public resource, the Canadian coastal fishery. The persons who would take advantage of and attack that resource are, for the most part, non-Canadians. So I suppose it makes very little sense for me to stand here and defend the civil rights of non-Canadians who might be robbing a Canadian public resource, and I do not want to do that. However, I do want to point out that this is not the kind of legislation which is regarded by proper standards as good legislation.

● (1220)

Beyond that, Mr. Speaker, it is in the public interest to increase the penalties for offences related to the protection of the coastal fishery. We have had a recent example in the Province of New Brunswick where fishermen from the State of Maine, who apparently make a habit of fishing in Canadian coastal waters without permission, find that the value of the fish they catch during those invasions of Canadian waters is

much greater than any fine which could be imposed against them. It is a situation where crime does pay. A fisherman, particularly one from an area near Canadian coastal waters like the State of Maine, can simply fish illegally in Canadian waters, sell the catch and, if apprehended, pay the fine out of the proceeds. To the extent this amendment corrects that situation it is most certainly desirable.

Of course, I hasten to point out that the fines here are maximum fines. That is to say, the court has the discretion to determine the amount of the fine and in the exercise of that discretion it may impose a much lower fine. That point should probably have a little more consideration by this House; that is, whether there should be minimum fines imposed under the Act. As it stands now, while the fine which can be imposed for fishing illegally in Canadian waters can reach $100,000, there is nothing to prevent a court of law from imposing a fine of $500 or $1,000. If the fisherman has caught a ton of halibut, he would not have any trouble paying a fine like that, to say the least.

Once again, as in all legislative matters, you have to create a balance of what is fair and reasonable in the circumstances, bearing in mind that we want to have good relations with other nations. I am not in a position to make a judgment as to whether this particular amendment concerning the maximum amount of a fine, bearing in mind it does not provide for a minimum, is the best solution. I can only say, as we must say with other legislation at times, let us pass it and see whether it resolves the problem. If it does not, then it may be necessary to seek other solutions. The invasion of Canadian coastal waters by foreign fishermen is a real problem and has been for a long time. If we serve notice to those who invade Canadian waters to fish that there are serious penalties, then that will be an effective deterrent and will stop the problem.

I would like to make a few remarks of a general nature with respect to the coastal fishery, bearing in mind that we have no quarrel with the Bill itself. There have been a fairly substantial number of cases arise under this Act. Over a period of three years, as I understand it, there has been something in the area of $250,000 in fines imposed and almost the same amount in forfeitures under the provisions of the Act. While it is not an immense item, it is certainly substantial. As a matter of interest, many of these cases have occurred on both coasts involving fishing off Newfoundland and Nova Scotia as well as off British Columbia.

With respect to the general problem of management and control of the Atlantic fishery, it might be worth while to review very briefly the developments which have occurred. Foreign fishing off the East Coast of Canada presented no real problem in the mid-1950s. At that time only Canadians, residents of the United States and a few western European countries utilized the Atlantic fish stock. However, there was a literal invasion on both coasts of foreign fishermen, particularly the Japanese and Russians, subsequent to this point. With their modern fishing equipment and processing facilities, they utilized an immense amount of the fish stock on both coasts. It almost destroyed the Atlantic fishery. I am led to believe it was very difficult for the Pacific coast fishery as well. That led to pressure which resulted in the imposition of the 200-mile commercial zone which then marked a new era for the Canadian fishery because that gave very substantial protection to the Canadian fish stock on both the Atlantic and Pacific coasts. It gave us the ability to create a proper system for management of that stock. However, Mr. Speaker, in the years that have gone by since the establishment of the 200-mile limit in the late 1970s, we continue to have grave difficulties in the Atlantic fishery.

According to statistics I have, the Atlantic fishery accounts for 14 per cent of the labour force in Newfoundland and a little over 7 per cent in Nova Scotia. It is a very substantial industry which none of the Maritime Provinces, particularly Nova Scotia, can afford to lose. Therefore, when we talk about fisheries protection on the Atlantic coast, we should have the same concerns as we do when we talk about protection of our central Canadian manufacturing industries. They are well protected by tariff and trade barriers and are allowed to be economically successful in Canada because of that protection. We do not have that kind of protection in the fishing industry so we really have to have this physical protection; that is to say, we have to be assured that there will be no unauthorized fishing in our coastal waters.

Let me review very briefly, Mr. Speaker, some of the problems which exist with respect to the management and utilization of the Atlantic fishery. Of course, the Minister of Fisheries and Oceans (Mr. De Bané) knows very well that we have in the last year witnessed an attempt to restructure the Atlantic fishery and all the problems that went with that. There are two main problems in the Atlantic fishery: the determination and management of the fish stock; and the capacity we have to catch the fish at the appropriate time and process them.

One of the great difficulties I have, as do many, many people in Nova Scotia, some of whom are experts in the matter, is that there just does not seem to be enough valid information with respect to the kind and quality of the fish stock. This leads to great quarrelling. The Minister and his Department will impose restrictions upon fishermen with respect to the areas in which they can fish and the amount of fish they can catch. This is presumably in order to protect the stock, but it leaves those fishermen in a situation in which they cannot succeed economically. That is to say, they cannot catch enough fish at the right time of the year to get the benefit of a quick sale in the market. At the same time, the fishermen will tell you that there are abundant stocks and there is no need to restrict the areas in which they can fish or the species or quantities that they can catch. This bothers me, Mr. Speaker, because a non-expert is certainly in no position to make a judgment.

● (1230)

After the almost 10 years during which we have had the control and management of the 200-mile coastal zone, we still do not really know whether there is a sufficient supply of fish

to support larger quotas, or any of those facts. The Minister and his predecessors have said many times that there are too many fishermen chasing too few fish. Many people in the fishing industry quarrel with that. They are out on the sea hauling in their nets full of fish. They reach the quota which they are allowed for that vessel for a certain period of time and they cannot fish any more. The fish are there but they cannot catch them.

As fishermen will tell you, the fish do not wait around. They are not like western cattle; they do not stay in the pen until you come out next week to catch them. They go swimming off to other places, hide behind rocks, and that sort of thing. The fish which you may have caught this week when you had filled your quota may not be there next week when you go out and start on a new quota.

There is a lot of silliness in the fishing industry. Hon. Members from Ottawa may laugh, but fishermen have had to forgo taking in a net full of fish because they had filled their quota. They let those fish go and the fish swim off, or, more likely, die in the water because of the oxidization or whatever it is that takes place when they come up from the depths.

Mr. Waddell: It sounds fishy to me.

Mr. Crosby: I would like to take this opportunity to ask the Minister of Fisheries to take the steps which are necessary to review once again what the Department is doing with respect to the biological aspect of the operation in determining what the quantity and quality of the fish stocks are in the Atlantic fishery. I would like him to provide information in a readable form so that fishermen can have access to this information and decide whether the information on which the Department of Fisheries and Oceans is basing its judgment is reliable and accords with their own experience.

Fishermen have told me that they could not get a permit to fish in a particular zone because there were not sufficient fish there to support the permits which had already been issued. They have told me that they passed through those zones many times and the fish were there in abundance. The fishermen who had permits to fish in those zones took their catches, returned to port, and the fish were still there. That is what I mean. They are not going to stay there waiting to be caught by Canadian fishermen who have permits issued by the Department of Fisheries and Oceans. They do not know anything about the permits. That can be a lost resource. I think a lot more can be done in that area, Mr. Speaker.

With regard to protection of the coastal fishery, we see some ridiculous situations. I keep looking at my colleague from Red Deer in the Province of Alberta. If they ever managed the red meat industry in Canada the way the fisheries industry is managed by the federal Government, the whole industry would be down the drain. Everything would be put into a hamburger machine. You would not get top quality steak. There would be no such thing as sirloin. They would take all the cattle and turn them into McDonald's hamburgers. That is really what they are doing in the fishing industry today. There is talk of quality but there is nothing done. The fish are out there. They are caught today. They are let go. No one knows what is going on.

When our colleague in the other place, Mr. Kirby, was just a lowly citizen like the rest of us, he restructured the Atlantic fishery. However, paper will not restructure the Atlantic fishery. You cannot just write tomes of material; you must deal directly with the people involved, and those are the fishermen, the inshore fishermen and the independent fishermen as well as the large companies. You just cannot go to the large companies and say that the Government and the large fishing companies will take over the Atlantic fishery. That is not going to work; you must manage the industry in its totality. You must do it with a great deal of knowledge, common sense and judgment. You cannot just mash it all together and turn the fish into fishsticks for McDonald's. It is not that kind of industry.

There is quality in fish just as there is quality in western beef. No one knows better how to distinguish the qualities in the red meat industry than the western Canadian farmers. That is one of the problems. If the Department of Fisheries and Oceans would give the fishermen the facts, equipment and facilities to educate them in the way the western farmers and the cattle producers have educated themselves in their industry, the problem would be resolved. In the Atlantic fishery we want useful bureaucratic assistance. We want information, direct aid, equipment and facilities.

I could give you 100 examples, Mr. Speaker, of how the Department of Fisheries operates, but I will just give you two. As I say, western cattlemen would not put up with this kind of nonsense. The Department builds wharves in small craft harbours to accommodate local fishermen. They do not build these with a couple of carpenters and a few pieces of timber. You cannot build a wharf on the Atlantic coast in half a day. With the force of tides and so on, any wharf must be a very substantial structure. A new wharf for Indian Harbour or Peggy's Cove involves a $.5 million expenditure or even more. The small craft harbours branch of the Department of Fisheries builds these wharves. We call the Member for South West Nova (Miss Campbell) the queen of small craft harbours. There is more money spent on small craft harbours in the federal constituency of South West Nova than there has been on fences for beef cattle in western Canada. A good wharf in a harbour means everything to a fishing community. Those wharves are expensive. The Department of Fisheries builds a $1 million wharf, but does not put a light on it. Someone else must put the light on it. Some fishermen must make a deal with the Nova Scotia Power Corporation to put a light on that wharf and pay the monthly charge in order for that wharf to be used during dark hours. Anyone who lives in Nova Scotia will tell you that from about October to early May there are a lot of dark hours. I do not want to give anything away that would adversely affect the tourist industry, but there is not all that much daylight. If there is a $1 million wharf with no light on it, one cannot make very good use of that investment. However, that is our Department of Fisheries and Oceans; it is what you call pennywise and pound foolish. For the sake of

$10 a month it makes a $1 million facility unusable for about 18 hours a day.

I can give another example of the nonsense in the fishing industry.

Mr. Evans: Please do not.

Mr. Crosby: The Member for Ottawa Centre (Mr. Evans) is enjoying this. He will not believe this but he has to lay the blame with his Government. Let me tell him about the swordfishing industry.

Mr. Evans: I am just wondering what it has to do with the Bill.

Mr. Crosby: Sambro in the federal constituency of Halifax West is a beautiful place. People think of Peggy's Cove, but there are many coves and inlets on the coast of St. Margaret's Bay that may not be the equal of Peggy's Cove, but are very close to it. I am talking about places like Herring Cove and Sambro. They are beautiful. You can take wonderful pictures and show them to your friends. However, that is the tourist industry. I am talking about the fishing industry.

● (1240)

Sambro is a fishing community right on the Atlantic Ocean near the great Port of Halifax. Most of the fishermen were swordfishermen who had approximately 90 per cent of this one-time multimillion dollar swordfishing industry right in the village of Sambro. However, what happened was that someone, probably from the Department of Fisheries and Oceans, obtained a piece of swordfish and decided there was mercury in swordfish. People asked what mercury was and did not know whether the fish was supposed to contain mercury.

To make a long story short, swordfishing was banned. The Government said that swordfish would not be allowed to be consumed in Canada. That was the end of the business for the swordfishermen. However, they hung in there because it was possible to sell the same swordfish that was not allowed into Canada to the United States. We all know that Americans are different and can eat a lot of mercury without getting sick while Canadians are weak and have to be careful!

Residents of the United States continued to utilize the swordfish. Although Canadians were the ones with the ability to catch the swordfish, the Americans wanted to buy the fish only from American fishermen. They would not buy Canadian fish when Canadians would not eat it, they would catch their own fish. Consequently Canadian fishermen caught the fish, sold it to the Americans who then brought it into the United States. The Government did not want that to happen so it passed a law saying that American fishermen had to catch the swordfish and could not bring the fish into Canada if they went to a Canadian port. This is what the Americans were doing. They simply sailed their boats to the Canadian ports to buy the swordfish and brought it back to the United States. In effect, they were running a transportation business instead of a fishing business. The Government stopped that procedure.

This problem has been solved and we can now catch and consume swordfish. However, the market has been destroyed in the meantime and people have forgotten about eating swordfish. Furthermore, they have the belief that something is wrong with swordfish. The industry is not flourishing as it once did. One only has to look at the swordfishing industry if one does not believe there is a connection between what happens on the coast in terms of the fishing industry and marketing of fish products and government policy that is administered by government officials.

Let me just add one sour note to that discussion. Some Nova Scotia fishermen who continued to try and survive in the swordfishing industry after being confronted with these regulations were in the position of violating American regulations that were similar to our Coastal Fisheries Protection Act. They were ultimately fined thousands of dollars and threatened with jail terms in the United States. That is the kind of crime we are talking about in this area. It was a crime to sell swordfish to another person. Who would have thought that people would go to jail in a western democracy for selling swordfish to another person by simply putting it on the market for consumption quite legally? That is an example of the sort of difficulties we experience in the fishing industry.

If there is any doubt that this legislation has a very practical application, members need only recall the tuna war on the West Coast. The argument concerned the pursuit of tuna. Tuna migrate from Japan right across the Pacific Rim. At some point Canadians had the idea that the fish that swam by was theirs and did not belong to the person who had chased it for 2,000 miles. This ultimately led to a fish war and to a downturn in the tuna industry.

St. Margaret's Bay in the federal constituency of Halifax West, which I am proud to represent in the Parliament of Canada, has something that westerners would not believe. There is a corral in the middle of that Bay in which there are tuna. Tuna are caught and put into that submarine corral as babies. When they are mature and healthy they are taken to the Halifax International Airport, loaded on a plane and shipped to Tokyo within 48 hours, where that tuna fish sell for $10 or $121 or more an ounce. That is an aspect of the fishing industry that people do not even realize. Those who think that the Atlantic fishery merely consists of people who jump into boats, throw out a net and return to port just do not understand the industry.

The future of the Atlantic fishery lies in quality production and international marketing. When it is possible to get up to $20 an ounce in Tokyo for a fish that was raised in St. Margaret's Bay, Nova Scotia, it makes for a rather interesting industry. In light of that, one might ask why not raise 2,000 tuna fish rather than 200? The answer is that the Department of Fisheries and Oceans will not permit it. The tuna may swim by but they cannot be taken.

Mr. Waddell: They want some for next year.

Mr. Crosby: That is a reasonable point. They want some to swim by next year. However, the fishermen are saying that

they may or may not swim by next year. The Department of Fisheries and Oceans does not know the answer to that question and that is what annoys those fishermen. The Department tells the fishermen that they cannot catch any more than the allowable limit for this year in the interest of conservation and of ensuring that there will be some fish in the following year. The fishermen do not see tuna for another ten years, at which time they come back in abundance.

My point is that we need more information about these matters. The Department should not limit the tuna catch if it does not know what the results of that limitation will be, particularly if it means that that resource will be lost to the industry.

There are other problems affecting the coastal fishery. I have already spoken in Parliament about the Georges Bank problem. What will happen if the Government loses the Georges Bank case? It will not talk about it because it believes that it will not lose the case. I say again that the federal Government is gambling with Nova Scotia's chips in the International Court at The Hague. If it does not win that case it better have an alternative plan because there will be a problem when Government Members meet those fishermen on the south shore of Nova Scotia who are deprived of their ability to fish off Georges Bank.

Let me conclude my remarks about this area on a positive note. I know that my colleague, the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall), agrees with me that our economic hope for the future lies in international trade. It is said that a $1 billion increase in international trade creates 17,000 jobs in Canada. If we could return to the share of international trade that we had in the mid-1970s, we could eliminate unemployment in Canada. The fishery is very much a part of this international trade because it is an exported product in its finished state.

I want to make one suggestion about this to the Minister of Fisheries and Oceans. I suggest that free trade zones would be one method to provide greater access to international trade for the fishery. That is to say, areas where fishermen from all nations could come and process fish, which would really become a Canadian product with Canadian labour being utilized and then exported. This is a real possibility.

The Minister must know that the future of the fishing industry, the Atlantic fishery in particular, is dependent on the development of international markets and that development is dependent upon co-operation with foreign nations that are interested in the fishing industry. It will not be helped by taking foreigners off their boats and fining them in Canadian courts. That may be necessary to protect the industry and the fish stock, but co-operation is also required.

In conclusion, my advice to the Minister is to meet with officials of other nations that are interested in the fishery and ensure that we participate to a greater extent in international trade with respect to fish products. In that way we will not only benefit from the restructuring of the Atlantic fishery, but we will remove what must be the worst social problem this nation has faced in its history. I am speaking of the unemployment problem we face today, the 1.5 million Canadians who are officially unemployed along with the many more who have stopped looking for work, those who are employed part-time and those who have jobs below their qualifications.

• (1250)

We are not trying to save the fish, Mr. Speaker. We are trying to help Canadians. We will only do that if we use the fish stock to create a better economic condition for Canadians. Specifically that means employment for Canadians. The fishing resource can do that. All the industry needs is proper help, direction and assistance from the Government of Canada.

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I do not purport to be an expert on fish. Some people might say I am the exact opposite. However, I would point out that my riding is one of the few landlocked ridings in the lower mainland of British Columbia, the only one that does not face on the ocean. We do have a lake, Trout Lake. You can sort of throw a stone across it and I hope this weekend to do some fishing there. However, I do have many fishermen in my riding, including the President of the United Fishermen and Allied Workers Union, Mr. Jack Nichol, who is a strong advocate for the fishermen's cause, and Bill Jarvie, a fisherman in my riding who comes to Ottawa many times.

The Hon. Member for Halifax West (Mr. Crosby) who just spoke used the old slogan about too many fishermen chasing too few fish. It is a bit of a cliché. It comes out of the West Coast Pearse Commission. A lot of fishermen on the West Coast would dispute that. I do not think the Hon. Member adopted it. If you look at that expression of too many fishermen chasing too few fish, you could apply some of the Prime Minister's Jesuit logic and say what you have to do is either one of two things. One is to decrease the number of fishermen which, of course, is what the Government would propose to do; or you could increase the number of fish.

That is why we support this Bill. It has one element, only a small element, to help increase the number of fish. The Bill, as I understand it, proposes to revise the penalties for the violation of the Coastal Fisheries Protection Act. It will make it an offence to violate the regulations made under the Act and it will increase the penalties. This really applies to foreign countries that fish in our waters. I believe there are 15 of them which have fishing treaties with Canada. I understand that when foreign fishing fleets did violate the Act, the fines were too small to make much of a dent in their fishing practices. Perhaps boats could be seized in addition to the levying of fines. Perhaps there is an element of international law and particular difficulties of which I am not aware that would preclude doing that, or there may be other statutes that would allow it.

I shall speak only briefly on the Bill because I think the Bill should go through today. The Bill does increase the fines, and that is good. But perhaps the Department should also look at increasing enforcement. I used to be a Crown attorney. I know you can increase fines. Fines are some element of a deterrent but you have to catch the violators before you can fine them. It

seems to me there has to be some particular enforcement provision.

I found a problem in the Minister's Vancouver office. People have visited me in my Vancouver office and told me there is a problem with staffing. The problem revolves around the large amount of contracting out which is done for some reason or another, and that disturbs some of the employees. It is more expensive in the long run to contract out. You can end up using personnel agencies and you have to pay them 20 per cent of the fee. Perhaps the Minister could take a look at that. Maybe he could save some money and have the staff feeling better if they were employed on permanent contracts rather than on the basis of contracting out. I am not familiar with all the internal workings of his Department; he is probably much more familiar with that than I am, but I wanted to tell the Minister, who is here in the House, that that matter came to my attention.

With respect to increasing the number of fish, we have to do more in that area. We have to talk about enhancement, in particular salmon enhancement on the West Coast. We have to talk about protecting the environment from competing uses. We have to talk about enforcing our fishing treaties and so on. This Bill deals with that matter.

I want to point out to the Minister of Fisheries and Oceans (Mr. De Bané) and to the House that the environment critic for the New Democratic Party, the Hon. Member for Skeena (Mr. Fulton), has raised with the Minister the launching of an inquiry into the dumping of tailings into a northern British Columbia fjord by Amax of Canada Ltd. That is a measure which could be looked at to protect the environment.

I also draw to the Minister's attention the Kemano II project which Alcan proposes in British Columbia, the problem that will raise concerning the threat to salmon and the threat of diverting rivers in British Columbia.

There is another matter I draw to the Minister's attention which has been raised in this House a number of times by the Hon. Member for Nanaimo-Alberni (Mr. Miller), our fisheries critic. On February 3, 1984, he raised various matters with the Minister, including funding for habitat protection, increasing enforcement and for salmonid enhancement. He asked the Minister to make a real commitment to this renewable resource which can provide jobs forever and ever if looked after properly. Those were the words of our fishery critic.

In British Columbia we always face the problem of competing uses—forestry affecting the fish, oil and gas affecting the fish, and so on. This is something with which we have to come to terms. I hope the Minister will be an advocate of the fishery against these alternate uses when they are in conflict.

I want to conclude by reading a telegram which I think sums things up very well. It was sent by a Mr. Erik Larsen, the Mayor of the beautiful coastal community of Ucluelet on the West Coast of British Columbia. This is what we in the NDP feel our fisheries policy should be. The telegram was sent to the Prime Minister (Mr. Trudeau) and reads:

> I have today sent telegrams to the Prime Minister and the Minister of Fisheries and Oceans requesting them to review present and proposed policies regarding the fishing industry, with the industry and communities affected. Privatization of a resource, halting of the Salmonid Enhancement Program, mandatory instead of voluntary buy-back program, lack of control over depredation of the resource by other countries, and a proposed harvesting in terminal fisheries only spell economic disaster to Ucluelet and many coastal communities dependent on the fishing industry. Widespread unemployment and social upheaval will result. We urge you to take all steps possible to see that there is more consideration given these facts before new policies are allowed.

I close by saying the Minister should take that message to heart. This Bill is a beginning. We support it.

Mr. Evans: Mr. Speaker, I rise on a point of order. There have been discussions among the Parties. It has been agreed that after speakers from all three Parties we proceed to put the Bill into Committee of the Whole and then through third reading stage as well. Would it be possible at this time, Mr. Speaker, for you not to see the clock, to proceed to Committee of the Whole and finish the Bill before we break for the luncheon adjournment?

The Acting Speaker (Mr. Herbert): This will require unanimous consent. The Hon. Member for Dartmouth-Halifax East (Mr. Forrestall) is rising on the same point of order?

Mr. Forrestall: Mr. Speaker, that is quite acceptable to us if it is amendable to you. We would be prepared to give unanimous consent.

The Acting Speaker (Mr. Herbert): First, we will require unanimous consent to amend the motion of the Minister that the Bill be referred to the Standing Committee on Fisheries and Forestry and instead referred to the Committee of the Whole. Is there unanimous consent?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): Second, we will require unanimous consent not to see the clock. Is there unanimous consent?

Some Hon. Members: Agreed.

[*Translation*]

The Acting Speaker (Mr. Herbert): Mr. De Bané, seconded by Mr. Pepin, moved that Bill C-4, an Act to amend the Coastal Fisheries Protection Act, be now read a second time and, with unanimous consent, be referred to a Committee of the Whole.

Is it the pleasure of the House to adopt this motion?

Some Hon. Members: Agreed.

• (1300)

[*English*]

Motion agreed to, Bill read the second time, and, by unanimous consent, considered in Committee, reported, read the third time and passed.

[*Translation*]

The Acting Speaker (Mr. Herbert): It being 1:04 p.m., I do now leave the chair until two o'clock.

At 1:04 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

PRAIRIE GRAIN ADVANCE PAYMENTS ACT

AMENDMENT TO INCREASE MAXIMUM AMOUNT OF ADVANCE

Hon. Jean-Luc Pepin (Minister for External Relations) moved, for the Minister of Transport, that Bill C-23, an Act to amend the Prairie Grain Advance Payments Act, be read the second time and referred to the Standing Committee on Agriculture.

He said: Mr. Speaker, it is a great pleasure for me to read these notes on behalf of the Minister of Transport (Mr. Axworthy) and to be associated once again with the advancement of the interests of farmers in Western Canada.

[*English*]

The Prairie Grain Advance Payments Act was introduced in 1957 as a way to provide—

Mr. Mazankowski: Under a Diefenbaker administration.

Mr. Pepin: Yes, under a Diefenbaker regime. I cannot do anything about dates.

The Prairie Grain Advance Payments Act was introduced in 1957 as a way to provide grain producers with much needed cash in the form of interest-free advances on Canadian Wheat Board initial payments when quota delivery opportunities are restricted and grain must be stored on the farm. During the first few months of each crop year, there is a large amount of grain ready for delivery to country elevators. Due to market conditions and particularly the need to ensure an orderly flow of grain throughout the year, the Wheat Board must restrict delivery opportunities at that time. Since cash requirements during harvesting are relatively high, producers have been provided by the advance payments program with a means of maintaining cash flow without having to resort to taking bank loans at commercial rates.

● (1410)

The program is very much a productive investment, as it gives producers confidence to continue production at satisfactory levels despite short-term negative markets and delivery considerations. This confidence, in turn, has positive implications for long-term export targets, price stability, the cost of other federal grain support programs, and for the prairie economy as a whole.

The amount of the advance is calculated on the basis of per acre quota rates and per tonne payment rates. The rates are set by the Governor in Council at the beginning of each crop year. There is also a maximum limit for any advance, currently set at $15,000 for an individual; $30,000 for a multi-farmer unit—corporation, partnership or co-operative—involving two participants; and $45,000 for a multi-farmer unit involving three or more participants. This procedure ensures that the advance is of a size capable of being retired by the end of the crop year, through deductions from producer receipts at delivery. The word "advance" is made clear. But it is not supposed to be a long-term payment. It is a short-term payment because the recovery must be within the same year. Thus the objective of providing short-term cash requirements is met.

Why are we here today? We are here because we would like to make three amendments to the Act.

Mr. Forrestall: That is a good reason.

Mr. Pepin: That is the obvious reason. If we were not to make changes, we would not be here. We would simply be implementing the law as it exists.

In order to be successful, programs such as this must evolve to meet the changing circumstances and the changing needs of those whom it serves. The proposed amendments would ensure the continued success of the advance payments program well into the future.

Since the last amendments to the maximum levels of advance payments in 1975—and that was due under a Liberal regime—there has been a clear trend to larger farm operations. I have three separate statistics to demonstrate that. One is the number of permit book holders. That number has dropped from 155,693 in 1975-76 to 143,588 in 1982-83. That is a decrease of 7.8 per cent.

Mr. Mazankowski: What is your source?

Mr. Pepin: I do not have a footnote, but I will find out.

The total acreage has risen from 108,043,460 acres in 1975-76 to 110,547,588 acres in 1982-83. That is an increase of 2.3 per cent. The average size of farms, in acres, has risen significantly. The average size in 1975-76 was 694 acres. The average size in 1982-83 was 770 acres. That represents an increase of 10.9 per cent. These are figures which my hon. friend from Vegreville (Mr. Mazankowski) will remember. They were mentioned, at least in conceptual form, in the debate on the western transportation system.

The average size of farm operations has increased and, therefore, larger producers are subject to correspondingly higher cash requirements and financial risk. If they have bigger operations, they obviously require more cash and their risk is higher. Therefore, the Government is proposing that the limits on payments be doubled to $30,000 for individual producers, from $15,000; to $60,000 for multi-farmer units with two participants; and to $90,000 for multi-farmer units with three or more participants. In addition, the maximum advance for drying damp or tough grain would be raised from

$1,500 to $3,000, and the maximum advance for unthreshed grain would be raised from $7,500 to $15,000. That is in addition to the figures I have already indicated. That is the first change.

The second amendment is that since the Government recognizes that further adjustments to the maximum advance payment would be necessary from time to time—life being what it is—it is also proposing that future adjustments be made a part of an Appropriation Act of Parliament. In this way the Act would become more quickly responsive to the changing needs of producers, while at the same time Parliament would maintain control and scrutiny over adjustments. That is the second change.

The third change is that a further provision of Bill C-23 is the revocation of Subsection 7(3.2) of the Act, which excluded spouses from participation in the program. It was first introduced as a safeguard in the administration of the program. Considering the fact that more and more farm businesses are run these days by both husband and wife playing a direct and active role in the operations, the continued inclusion of this provision is frankly discriminatory. The Canadian Wheat Board no longer considers spousal participation an administrative difficulty.

Those are the three amendments that the Bill introduces. Virtually all major western grain producer organizations have urged such increases in the maximum limits on advance payments; therefore, they should be well received. Early passage of the Bill would permit the Wheat Board to implement the revised program on the specified effective date, which is August 1, the start of the new crop year.

Those are the three amendments. I am quite sure that my hon. friends on the other side of the House as well as Members on this side will be pleased with the amendments. If Hon. Members want to insist on passing the Bill through the three steps today, I think that would be welcomed by the rest of the population.

Mr. Gordon Towers (Red Deer): Mr. Speaker, first I must say that it is a pleasure to speak on behalf of our spokesman for the Canadian Wheat Board who is unavoidably out of Ottawa on this Friday. Had the Bill come into the House yesterday, he would have been here and he would have been prepared to take his responsibility seriously on this very important matter.

I do not intend to speak too long because I know my hon. colleague from Vegreville (Mr. Mazankowski) would like to speak on this Bill as he comes from a very large grain growing area in western Canada. Certainly he has had much to do with the well-being of the western grain producers, especially in relation to the so-called Crow debate.

● (1420)

I should tell the Hon. Minister of Transport—

Mr. Pepin: "Ex".

Mr. Towers: —that he does have a lot of friends in western Canada. Pardon me, he is no longer the Minister of Transport; he is Acting Prime Minister today, filling in for the Minister of Transport (Mr. Axworthy). However, if he had remained in that portfolio until the debate was completed, having finished as well as he started, we would have had a lot more happy farmers in western Canada than we have today. The farmers did not really realize exactly what the consequences would be of the Crow debate, and I would like to refer to some comments made by the agriculture critic of our Party.

The Hon. Member for Portage-Marquette (Mr. Mayer) said on May 3, 1984, and I quote:

> Western grain producers will have to pay an extra $25 million in freight costs which should be borne by the federal government, . . . This amount represents the cost of shipping higher volumes of grain than forecast from August 1, 1983 to December 31, 1983. However, as the new Crow legislation did not come into effect Until January 1st, 1984, the shipper should only have to pay additional costs for grain shipped during the last seven months of the current crop year. Instead, producers are paying for the bigger-than-expected volumes shipped before the new rate took effect—costs which should be borne by the federal government.
>
> The $25 million is part of the CTC calculation of the new rate for the upcoming 1984-1985 crop year, which includes the establishment of an interim adjustment based on the apportionment of costs between the producers and the federal government. For a year in which actual volume shipments exceed the forecast tonnage on which the rate calculation is based, the shippers pay less than they should. The CTC calculates the underpayment and adds it to the shippers' share for the next crop year.
>
> For 1983-1984, tonnage shipped is estimated to be 34.55 million tonnes, considerably greater than forecast. As a result, the CTC has calculated the underpayment to be $60.1 million, and has added this amount to the producers' share in determining the rate for 1984-1985. The new rate means that producers will pay 33 per cent more to ship their grain in the next crop year (from $5.76 to $7.70/tonne), while railway investment is decreasing by 25 per cent.
>
> The government should own up to its responsibility and not charge producers for additional costs incurred for the five months prior to the new rates coming into effect by ordering a $25 million reduction in the 1984-1985 freight rate to be paid by producers.

That statement is very relevant, Mr. Speaker, and consideration should be given to it by the Government. As I said, it would have been much better if the Acting Minister had retained his portfolio as Minister of Transport, had been able to initiate his former position on the Crown legislation, and if that $650 million which went into the railway's pocket had been put into the hands of the western producers, as was suggested by the Hon. Member for Vegreville. Unfortunately, that was not to be because we had to beef up the CPR so it would have room for the latest director to be appointed, who is now running for the leadership of the Liberal Party.

Mr. Hnatyshyn: Who is that? What is his name?

Mr. Towers: I am asked who it is, and with your approval, Mr. Speaker, it is the Hon. John Turner who used to sit in this House of Commons.

Mr. Hnatyshyn: And he is on the board of directors of the CPR? That is shameful!

Mr. Towers: I would like to bring to the attention of the House that however graciously the Acting Prime Minister has presented this Bill today on behalf of the Minister of Trans-

port, all this Bill is doing is keeping up with the inflation factor from the year 1975, when, as he said, the Diefenbaker Government initiated this proposal. Of course, at that time you will remember, Sir, that grain stocks had built up somewhat and this was supposedly a quick cure for the situation which had developed at that time. However, we must realize that the present Bill just barely keeps up with inflation and does nothing for increased costs and the low selling price for grain. It certainly does nothing to lower the input costs, the cost factor which is associated with grain production. There is nothing whatsoever in this Bill for that. As the Minister said, it just puts short-term money into the hands of the producer. Everyone must understand that it is really not a gift to the producer at all. It is just a consequence of the build-up of grain so that there can be an orderly supply of grain for market for the 12-month period. It is certainly not a gift to the western producers at all.

My colleague, the Hon. Member for Elgin (Mr. Wise), asked a question in the House on April 16, 1984. He requested the Government at that time to give consideration to making this an encompassing program which would cover the grain producers in Ontario and Quebec as well, and include corn and other grains which are grown for sale in Ontario and Quebec.

We intend to let this Bill pass today because we want its provisions in place by August 1. Grain prices went down considerably a year ago. Statistics Canada figures showed that a year ago number one wheat dropped about 12 cents a bushel, oats dropped about 23 cents a bushel and barley dropped about 39 cents a bushel. When you add to that loss, Mr. Speaker, the loss in the initial price which is going to be paid after August 1 of this year of another 7 per cent to 10 per cent, you can understand what is happening in the grain industry. You do not have to be a mathematician to figure that out. Grain prices are going down, yet costs are escalating.

We in our Party are of the opinion that there are many ways in which the Government could assist in the production of food. It is, after all, a vital industry. It makes such a tremendous contribution to our balance of payments, tradewise, on the world market. Perhaps the Prime Minister (Mr. Trudeau) had forgotten that fact when on December 13, 1968 he stated: "Why should I sell the Canadian farmers' wheat? You grew it; you sell it".

Mr. Pepin: You have the Canadian Wheat Board to do it.

Mr. Towers: He apparently did not understand the benefit which accrued to our Canadian economy by the production and sale of western grain. It has to be within the $8 billion bracket, Mr. Speaker, and that is considerable.

In view of that thinking, the western grain producer and agriculture generally seems to have suffered a lot at the hands of this Government. Taxes placed on farm fuels have escalated costs tremendously. It has been estimated by different farm groups, such as the Palliser Grain Growers, that the tax on diesel fuel and gasoline alone represents about 30 per cent of the actual energy cost in the maintenance of a farm. It works out to about $1 an acre. The taxes consist of the federal sales tax of 2.9 cents a litre on gasoline and diesel fuel, .7 cents for the Canadian ownership tax, and the PGRT amounts to about 4.6 cents a litre. You can understand, Mr. Speaker, why there is a tremendous cost input in the production of food, which the Government could alleviate if it so desired. We think it would be desirable to cut that tax because the Minister of Agriculture (Mr. Whelan) is always complaining in the House of Commons that we have to be careful that we do not export some subsidized agricultural product.

• (1430)

Let me impress upon this House, Mr. Speaker, that just because the Government takes away an input cost, it cannot be construed as a subsidy. It has to have a top loading factor involved. That is where you get into trouble with subsidies for foreign markets. We hope that our side of the House will form the Government after the next election, and we will then be able to implement some of these proposals which we believe are absolutely of fundamental importance if the agricultural community in Canada is going to maintain any stability at all.

In the first three months of this year bankruptcies in the farm community were 42 per cent higher than they were in the first three months of 1983, a tremendous escalation. I know all Members of Parliament are getting calls of desperation from different individuals in the farming community who got caught in a bind. Unfortunately there are a lot of good young farmers in this situation.

Ever since possibly 1945 the economy of Canada has been gradually growing. As it did so, the only mistake anyone could make was to not buy something. Whatever you bought, you could always turn it over and make money on it over the next year or so. Some of our future farmers have been caught in this way, so unless something is done it is just going to create a desperate situation for a lot of those farmers.

With that, Mr. Speaker, I will say that we are prepared to pass this Bill as quickly as possible, but my colleague from Vegreville wants to make some comments for the benefit of the Members opposite.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, Bill C-23 does a couple of fairly important things concerning cash advances on the Prairies. I will start by going over a little bit of history. One of the significant things about this Bill is that it, in the words of the Minister, eliminates discrimination against the farm spouse when it comes to giving a cash advance. I am very pleased to see that and I want to give credit to the person I think really deserves the credit, the Hon. Member for Prince Albert (Mr. Hovdebo). This thing really started back about 1980-81 when a farmer in the Mackenzie riding and another farmer in the Prince Albert riding complained to his Member of Parliament, Stan Hovdebo.

Mr. Hnatyshyn: Order!

Mr. Nystrom: At that time he wrote a letter to the Minister in charge of the Canadian Wheat Board, the Hon. Senator from Assiniboia. That was in January, 1982. He received a

reply on March 10 saying that he thought the provision was worth reviewing again and he undertook to re-examine the regulations in this regard when the Prairie Grain Advance Payments Act is next opened up for amendment. The good Senator started to take a look at it after the matter was raised by my friend from Prince Albert.

After that he raised the question in the House. He directed questions to the Minister of State for External Relations (Mr. Pepin) who was then in charge of transportation. He shakes his head no. In any event, he raised the question in the House, saying that the Act as written discriminated against farm wives. At that time the cash advance was some $15,000. To explain to those people who might not know what a cash advance is, it means a farmer could get an advance on the grain stored in his bins. The maximum is $15,000. Under the old Act, which we are amending today, if there was a partnership that $15,000 could be doubled to $30,000. If there were three partners, it became $45,000. But that was not the case if your partner was your spouse. In 99 per cent of the cases the spouse, of course, is the wife because it is the man who is registered as the permit book holder. Despite the fact that the wife is a full-time farmer and equally responsible for the work on the farm, when she applied for a cash advance she was turned down. That was discimination against women, it was wrong, we all now think it was wrong, and it is just too bad we took so many years to correct it.

I wanted to give credit to the Hon. Member for Prince Albert for initiating this matter, for raising it in the House and writing to the Minister. He also went to the Human Rights Commission and launched a complaint in his campaign to make sure we had a change in the law. I have a report from Stan Hovdebo, MP for Prince Albert, dated February 1, 1981 concerning the fight against discrimination in this legislation. I also know from personal experience that he discussed this issue with the National Action Committee on the Status of Women. He talked about it with our local action committee in Saskatchewan. So it is a great pleasure for me to say a few words in testimony to the work that Hon. Member has done. Unfortunately he is not here today, he is back in his riding office in Prince Albert, but I had a chance to speak to him very briefly on that earlier this afternoon.

The other important point about the Bill before us today is the doubling of the cash advance from $15,000 to $30,000. Farmers have been calling for this, as we have on this side of the House, for several weeks. I am pleased it is in the Bill and it will be of some use to the prairie farmers.

I want to make the point that the solution to the problems being faced by ordinary farmers on the Prairies is not only advancing them more credit. We have to find a more lasting solution which will provide them with the means to stay on the farm and continue farming. I am very fearful that if we continue this kind of drift we will get larger and larger farms and eventually the day will come when we have just a few large corporate farms covering several townships of land. The small towns and communities will practically disappear and we will be like the State of Colorado which has very few farms, all basically run by large corporations, and the farm workers are paid a minimum wage, not unionized and exploited right down the line. With this, of course, comes the destruction of the fabric of rural life which we have known in this country ever since it was opened up in western Canada back around the turn of the century and even before.

• (1440)

I would like to suggest at this time, Mr. Speaker, that we do something immediately to stimulate the farm economy. We need an immediate injection of cash into the hands of farmers. I would like to suggest to the Minister and his officials that we should persuade the Cabinet to eliminate the federal gas tax on farm fuel. There are three or four different kinds of gas tax on farm fuel. There is the sales tax, the well-head charge, the Canadian ownership charge and so on. These taxes amount to around 30 cents for every gallon a farmer buys to plant his crops, cultivate his land and harvest the crops in the fall.

I believe we should be eliminating those federal fuel taxes. That would cost the federal treasury a couple of hundred million dollars. In effect, we would be giving the small and average farmer in the country an immediate stimulation of hundreds of dollars. In many cases it would be $1,000 or $2,000. This would go a long way toward keeping farmers on the land. Farmers are running a Canadian-owned business. This money would be kept right here at home. Farmers are great spenders. They will spend this money. They will buy more farm machinery which will help places like Brantford, Ontario. They will make more repairs and fix up their buildings. This will stimulate the economy right across the board. I cannot think of a better way of stimulating the economy and trying to make a dent in the unemployment rate in urban Canada than by stimulating the farm economy.

I come from Yorkton-Melville and if one eliminates the native population, according to the latest census data my riding has the lowest per capita income in Saskatchewan. Perhaps that is why the gas tax is more important to me than it is to most Members of the House. We have more small, marginal and average farmer than any other riding in Saskatchewan. In the Yorkton area there are still a lot of farmers on a half section, three-quarters or section of land who are having an extremely difficult time making ends meet. Many farmers are massively into debt and just cannot afford the high interest rates and high energy costs we are experiencing. A saving of an extra thousand dollars on farm fuel would help immensely to keep them on the land. I appeal to Members of the House not only to pass the legislation before us, but to do something substantial and significant for the ordinary farmers of the land.

Farm bankruptcies in my area have doubled in the last year or so. I believe the same is true in other areas as well. I do not know what is going to happen to some of those people. I have met with several farmers who have just lost their land or are in the process of losing their land. Some of these people are forty or fifty years old and have no other particular skill or trade that they can exercise. Some of them are younger, of course,

but they do not have any technical skill or university training. They go into cities and look for jobs. Some of them are unemployed and some are on welfare. It creates a tremendous personal hardship and a tremendous social problem for society as a whole.

We give hundreds of millions of dollars to the oil companies each year in this Parliament through PIP grants, write-offs and all kinds of grants to the friends of the Liberal Party. Instead of doing that, why do we not give some money to the ordinary citizen of the country? Why do we not start priming the pump at the bottom with the ordinary farmer who will spend that money? He will stay on the land, stimulate the economy and create more jobs in Toronto and the rest of the country. That is a very important thing which we can and must do immediately.

I think we should pass the amendment to the Western Grain Stabilization Act as quickly as possible so that payments can be made immediately to western farmers. That should have been done months ago. There is no excuse for that to be left until the fall. If that Act had been passed, a lot more farmers would be in better condition today than those in the constituency of Yorkton-Melville. Those are some of the immediate things we can do, Mr. Speaker.

One more thing we should be doing with regard to the survival of farmers is to give them more long-term security and guarantees about the prices they will receive for their commodities. The time has come in this country for parity pricing for farm products. I have a Private Member's Bill in the House which I would like to have passed as soon as possible. It would provide parity pricing for farm products. In other words, it would guarantee farmers a price for their livestock and grains. Other Canadians often have this type of thing. Members of Parliament have a guaranteed salary. Unionized workers sign contracts. Lawyers and doctors have very powerful associations which work for them. The business community has powerful associations and lobbyists. They have guaranteed prices for their products and work. I make an appeal to the House for parity pricing for farm products so that farmers will have guaranteed prices for the commodities that they produce. That would keep a lot more people on the farms and we would have healthier rural communities.

We certainly support Bill C-23 which is before the House today. I am particularly interested in the part which ends discrimination against farm wives. Mr. Speaker, this is not the only way in which farm wives are discriminated against. Farm wives have had to endure a lot of discriminatory practices in past years. Farm wives do not have pensions and many of the other benefits which urban wives sometimes take for granted. I hope this will be only a beginning toward equality between the sexes on the farm.

I recommend quick passage of this Bill, Mr. Speaker. I am pleased to see the end to discrimination and I am pleased to see the amount of cash advance go up. However, after this Bill is passed, let us do something really meaningful to help the farmers stay on the land, such as ending federal gas taxes on farm fuels.

Advance Payments

Hon. Don Mazankowski (Vegreville): Mr. Speaker, I am very pleased to have the opportunity to participate in this debate on the amendment to the Prairie Grain Advance Payments Act. While I want to speak in absolute support of the Bill, it does afford one the opportunity to speak about the very serious problems which are affecting the agricultural sector, and particularly the grain sector, in western Canada.

At the outset I would like to say that it is a pleasure to see the former Minister of Transport in his place taking up the issues which affect the prairie grain industry and western Canadian farmers. I would like to echo the words of my colleague from Red Deer (Mr. Towers) who alluded to the fact that the former Minister of Transport did make a lot of friends in western Canada, not only in his former capacity as Minister of Trade and Commerce some years ago, but also throughout the course of his initiatives in grappling with the Western Grain Transportation Act. There is one thing that is almost universal as far as western farmers are concerned. That is that they always felt that they had the ear of the Minister and could trust him and that he was very frank and forthright. I think that is an excellent tribute to the Minister. We are very pleased that he is still involved, albeit sometimes on the periphery, but he is still here showing an active interest.

I would also like to acknowledge the fact which has been referred to earlier that this piece of legislation originated with a Conservative administration under the leadership of the former great Prime Minister, the Right Hon. John George Diefenbaker. It is an excellent piece of legislation which has served the test of time and has been upgraded and updated from time to time. That is essentially what we are doing here today.

It is very interesting, Mr. Speaker, that this vehicle, the Prairie Grain Advance Payments Act, is generally used when there is trouble or the imminence of trouble in the prairie farm economy. Since the year 1957, when this Act was first implemented, there has been some $2.3 billion advanced to the prairie farmers. One could wonder what would have happened if that mechanism had not been available. In going through the statistics that have been provided in the last annual Canadian Wheat Board Report, it is interesting to note the years in which it was used very heavily, the years of difficulty. For example, in the crop year 1968-69, almost $152 million was advanced. In the year 1969-70, almost $273 million was advanced. There was then about a ten-year period when the advances were less than $100 million. In 1978 it went up again to $150 million. In the last two crop years, 1981-82 and 1982-83, advance payments were up approximately $334 million and $309 million respectively. One can almost look at that statistical data and identify the years of difficulty in the prairie grain economy.

• (1450)

I believe the only criticism we can make about this piece of legislation is the fact that it has taken so long to come forward. Our Party has been advocating amendments to this Bill for quite some time. As a matter of fact, on June 23, 1982 our

spokesman for the Canadian Wheat Board wrote a letter to the Minister in charge of the Canadian Wheat Board in the other place, requesting that he give serious consideration to the kind of amendments that we have before us right now. It is interesting to note that he stated at that time, speaking on behalf of the Conservative Party, that we would support that kind of initiative and also grant speedy passage.

The Senator from the other place responded on July 5, 1982, and said:

> I can affirm that I am in general agreement with suggestions that the ceiling on cash advances be increased, and that the matter is receiving active consideration.

Some active consideration! It is almost two years later and now the Bill is before the House. He went on to say:

> You have presented sound arguments in support of such an adjustment and there are also other practical considerations that will be brought to bear in arriving at a decision on the matter.

It has taken too long. We have been continually raising this issue on the floor of the House of Commons. The Hon. Member from Drumheller has been pushing for this. It is the subject matter of a Private Member's Bill, Bill C-218. Literally every day when we talk about the plight of the agricultural industry, particularly the western agricultural industry, we have been raising this issue.

Our Party came out with a ten-point agricultural program a year ago. Among other things, we called for the doubling of the cash advances. We recognized the difficulties in the agricultural sector throughout Canada. Our first point was to advocate some interest rate relief for farmers who were caught in that period of high interest rates and were unable to bail themselves out or arrange their affairs in such a way as to take advantage of the reduction in interest rates. We were asking for at least $100 million to provide some relief and amelioration from the impact of high interest rates.

We called for the establishment of an agri-bond. We called for Farm Finance Review Boards. The Hon. Member for Yorkton-Melville (Mr. Nystrom) is correct in pointing out that literally every day there are farmers going bankrupt. Every weekend when we go home, we are faced with the prospect of a visit from farmers who are caught in a bind. There was a postponement of any action by the banks but now they are moving in and the crunch is coming. It has been very difficult. In many respects they have no one to turn to, so we were suggesting the establishment of a Farm Finance Review Board which would act as a negotiator or referee to help them out of their difficulties.

We talked about the reduction of fuel taxes. Again, we see a clear example of the hypocrisy of the NDP who talk out of both sides of their mouth. They were the great supporters of the Liberal National Energy Program and of the pricing arrangements. They bought it hook, line and sinker. Now they are saying that it is not very good for farmers. We have always advocated the removal of at least the sales tax on farm fuels. We also said a year ago that the initial grain prices should remain the same. We said that the Western Grain Stabilization Act should be modified so that it could trigger an immediate pay-out. At that time I believe there was between $750 million and $800 million available.

We called for a national income stabilization program for the red meat industry. We also asked for revisions to Section 31 of the Income Tax Act through which Revenue Canada again was taking advantage of its clout and intimidating acts to hurt those farmers who found that they had to gain employment outside of their farm operations in order to sustain their operations.

We also called for the dual labelling of farm chemicals and fertilizers because that is still a very sore point with the average farmer.

Our criticism is that the Government, as has been alluded to by both previous speakers, has not considered agriculture to be in the forefront as it deserves. While we talk about getting this country rolling again, we sometimes fail to take cognizance of an industry that is very important. Agriculture in Canada is a $19 billion annual megaproject. Statistics shows that approximately 55 per cent of that agricultural activity is generated in western Canada. In terms of exports, we export $10 billion worth of agricultural products. Since it is so dependent on exports, the agricultural industry is very vulnerable. It is very vulnerable to inside and outside forces. It must be competitive. Therefore, transportation breakdowns, markets, prices and quotas all have a major effect. There must be some provision to ensure that there is continual stability. That is the purpose of this Bill.

If we consider the agri-food industry in total, it accounts for approximately 18 per cent of the total labour force, albeit that maybe 4 per cent or 5 per cent represents actively engaged farmers. Furthermore, there are tremendous spin-offs. Again, the Member for Yorkton-Melville alluded to the fact that farmers spend approximately $2 billion a year on farm machinery and the purchase of parts. They spend about $1.3 billion on the purchase of energy and approximately $1.1 billion or $1.2 billion for fertilizer. These are big dollar items which cause tremendous reverberations throughout the economy.

It has been said that for every dollar generated in agriculture, another $4 is generated throughout the economy. This is a very important sector that is experiencing serious difficulty right now, notwithstanding the fact that it stood up very well during the recession. While the rest of the economy is recovering, agriculture is now feeling the full brunt. There was some postponement of debts and some debt consolidation, but the chickens are coming home to roost. Farmers need some consideration and help right now. That is why bankruptcies and other difficulties are occurring. I would say that there are at least two dozen farmers in my immediate area who are on the verge of going bankrupt. Not only young or inexperienced people are going bankrupt, it is occurring across the board. These people are caught in the squeeze of low commodity prices, high fuel prices, high fertilizer prices and high interest rates. It has been disastrous for them. Their net incomes have dropped by 30 per cent since 1978.

We know that with respect to grain it is necessary to be competitive in order to penetrate those markets. Our wheat prices today are at the level which was in place in 1973. The price of wheat has been reduced again this year. The initial price is $160 per tonne whereas it was $222 three years ago. The $160 per tonne translates to $4.35 per bushel.

It is suggested that the reduction in initial prices will result in some $250 million less in the western agricultural economy. As I said previously, the reality of the reduction in prices coupled with the huge input costs, such as interest, fertilizer and fuel, the price of which has doubled in four years, makes it so important for the Government to take cognizance of the fact that there should be some relief for the producers of food in this country. That is why we have advocated, at least as a minimum, the reduction of the 9 per cent sales tax on farm fuel. This would give farmers a little bit of hope and optimism. It would recognize that somebody is really considering their future and looking after their best interests. In *The Financial Post* for April 28, 1984, a headline reads, "The great farmland sell off underlines desperate plight of Western farmers". Even people in the financial community recognize the problem. Let me quote the following from the article which appeared in *The Financial Post:*

● (1500)

The classified pages of Canadian farm newspapers testify to a growing desperation in the Prairie countryside this spring.

Here is another example from this article:

After 25 years farming, Freeman finds himself sitting on a $400,000 mound of debt. Interest payments alone ate up 40 per cent of his $200,000 revenue last year, he says.

"If my creditors are willing to take write-offs of 50 cents on a dollar, then I can stay in business," says the 47 year old father of four. Otherwise he'll join the ranks of those forced from farming—a group agricultural officials say is no longer the exclusive preserve of bad managers.

I think that sums it up. Coupled with that we have this uncertainty in the additional impact of freight rates. I do not think there is any question about it. With all respect to the former Minister of Transport, I think the farmers have been taken to the cleaners on this western grain transportation Bill. Farmers have been sold a bill of goods. Freight rates are now rising much faster than projected. They were projected to rise by 58 per cent at the beginning of this crop year. That is certainly a lot more than was originally anticipated. The average is $7.70 a tonne. That is what the new rate is going to be. In some areas, however, that figure is $11, $12 and $13 a tonne, which has a tremendous impact. We know the safety net is not going to have any significant effect. We know the volume cap is really hurting here because of the increased sales. The farmer is picking up the full rate on anything over 31.5 million tonnes, and that is driving the rate up.

My good friend and colleague from Red Deer, when he quoted our agricultural critic, pointed out that the Government has a responsibility. The Government is asking the farmer to pay the full shot for the one year. Farmers should be paying only seven-twelfths, because the new regime did not go into effect until January. That is coupled with the aspect of the railways reneging on their investment, which was $16.5 billion, and is now $12.5 billion. Three hundred and seventy-five thousand jobs were to have been created but it is more like 155,000 jobs. What do we have now? I just received the *Manitoba Co-operator*. I see from it that there is another CTC hearing where the two national railways are seeking revisions to the cost of capital formula. If the railways get their way, it will add another $100 million to the freight bill.

I remember that when we were dealing with this Bill it was originally anticipated that there would be a 20.5 per cent return on capital investment. That was adjusted to 18 per cent. It seems that the railways are still not happy with that, so they have gone to the CTC. They want more. If they get their way, as this article points out, it will mean an additional $3 a tonne for freight rates, which will result in an additional $700 for the farmer. Coupled with all the difficulty we have, that is what is causing further apprehension and anxiety in the minds of the producers. They have no confidence in this group across the way, Mr. Speaker, because of the heavy influence of the railways on the activities and decision-making process of the Liberal Party.

We have Mr. Turner who is the leading leadership contender, still an active member of the board of directors of CPR. He is working very closely with the Minister of Transport (Mr. Axworthy). As a matter of fact, the Minister of Transport is his policy adviser and western chairman. I note from this paper that Mr. Argue is a staunch supporter of Mr. Turner. I notice the former Minister is a staunch supporter of Mr. Turner, and of course there is Mr. Jack Horner. They are all in this game together. Then you have Mr. Ian Sinclair, the former Chairman of the CPR. He has been appointed to the Senate as a Liberal. We have Mr. Horner, a former chairman of the CNR, administering and managing the Grain Transportation Agency. This does not give producers much confidence, Mr. Speaker. That is why they are so pessimistic about the future. This whole thing is balanced too heavily in favour of the railroads. This will have to change.

The producers of this country are in serious trouble. When you have a situation where other countries are increasing their support to the farmers while we are reducing our support, we are in trouble.

I just picked up *The Citizen.* In an article in it it says that the new government in Argentina is going all out. The new government in Argentina is cutting taxes on fertilizer and herbicides and is reducing transportation costs to rebuild the agricultural industry.

Mr. Pepin: Would you like their inflation?

Mr. Mazankowski: While other countries are providing more support for their producers, Canada is reneging on its commitments and reducing its support. We will regret that some day. I call upon this Minister and this Government not only to move this Bill ahead but to bring on the stabilization Bill and other measures which will help alleviate the difficulties that farmers face today.

Mr. Evans: Mr. Speaker, I rise on a point of order. There have been discussions among the Parties. I think that if you seek unanimous consent, you will find agreement that we should move Bill C-23 into Committee of the Whole and finish all stages of the Bill this afternoon before we move on to Bill C-5.

Mr. Hnatyshyn: We can certainly move on to Committee of the Whole, Mr. Speaker.

Mr. Deputy Speaker: The House has heard the proposal put forward by the Parliamentary Secretary to the President of the Privy Council (Mr. Evans). Is it agreed?

Mr. Hnatyshyn: We will move to Committee of the Whole stage by stage.

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Mr. Pepin, for Mr. Axworthy, seconded by Mr. Gray, moves: that Bill C-23, an Act to amend the Prairie Grain Advance Payments Act be now read a second time and, by unanimous consent referred to a Committee of the Whole. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Accordingly the Bill stands referred to a Committee of the Whole.

Motion agreed to, Bill read the second time and, by unanimous consent. The House went into committee thereon, Mr. Corbin in the chair.

[*Translation*]

The Chairman: The House is in Committee of the Whole to consider Bill C-23, an Act to amend the Prairie Grain Advance Payments Act.

Shall Clause 1 carry?

On Clause 1—*Maximum*

[*English*]

Mr. Hnatyshyn: Mr. Chairman, I do not propose to delay passage of this Bill. The Parliamentary Secretary to the President of the Privy Council is quite right in saying we would like to pass this Bill through all stages today. But I want to take the opportunity at this time in Committee of the Whole on the first clause of the Bill to make a few observations. Then I want to put a question to the Minister for External Relations who is sitting in for the Minister of Transport.

First I want to associate myself with the remarks that have been made this afternoon by my colleagues and good friends from Red Deer and Vegreville—

Mr. Nystrom: And Yorkton-Melville.

Mr. Hnatyshyn: Indeed, Yorkton-Melville. I am going to deal with that in just a moment. But I simply want to say that the opportunity to discuss matters relating to agriculture in Canada, particularly respecting western agriculture are few and far between in this Parliament. That is why I feel moved now to address a few remarks and to associate myself with some of the thrusts put forward by my colleagues from Red Deer and Vegreville. I want to remind the Government that this Bill gives us the opportunity to reflect upon the very serious lack of policy which this Government has had and continues to have with respect to Western Canada.

• (1510)

I listened to my colleague from Vegreville who, in the administration of the Right Hon. Member for Yellowhead was Minister of Transport. I know from personal experience the outstanding contribution which the Hon. Member made at that time. I recall the sensitivity he showed to the hopes and aspirations of western Canadians. I think of the approach that was taken in terms of the administration of the Right Hon. Mr. Diefenbaker, a western Prime Minister. The Conservative Party has had a tradition of dealing with matters relating to western agricultural problems. They are keen and sensitive to those issues. As pointed out by the Minister in introducing this Bill today, it was Mr. Diefenbaker who introduced the concept of advances on farm-stored grain. His Government brought forward the legislation which we are now amending.

I say with all the sincerity that I have in my body and person that, after the next federal election, it is my hope that we in this country will again have a federal Government that shows sensitivity, that understands the problems of western farmers, and that will include such people as my colleagues from Vegreville and Red Deer. They will be able to speak on behalf of western farmers. They have an idea of what is going on there, not like the paucity of initiatives and policies that we get from this Government.

I listened to the Hon. Member for Yorkton-Melville speak in this debate. It reminded me of something that brings to light the changes in western Canada, particularly in the Province of Saskatchewan, which is the most significant and important grain-growing province in this country. My father ran in the federal riding of Yorkton on three occasions, and was not successful. He put up a good fight on behalf of the Conservative Party. At that time the constituency of Yorkton was represented by a Member of the CCF, Mr. G. H. Castelden.

We talk about the disappearance of the family farm in western Canada, Saskatchewan in particular. At the time my father was running on the federal political scene, there were 21 Members of Parliament in the House of Commons from Saskatchewan. Saskatchewan had more Members of Parliament than the Province of Alberta or the Province of British Columbia. At that time Saskatchewan had a higher population, in particular rural population. The family farm was the fabric of the province.

By virtue of the current legislation, we now have 14 seats. If there was a free-fall, Saskatchewan would only have 12 seats. Because of the legislation, we keep at least 14 seats. We can see the deterioration in terms of population, particularly rural population.

We have to look at what is happening in the agricultural sector. A very important economic sector is suffering greatly at this time. There are pressures of increased cost, increased interest rates and a static price for what they receive for their product. After imprecations and imploring by Members of this Party with respect to amending this Bill, we now have a Bill which, while welcome, merely increases the amount of money available for advances which can be made with respect to farm-stored grain. This is to be repaid by the farmers. It is a serious problem.

The Conservative Party has taken its responsibilities in Opposition and has forced the Government as best it can to bring forward legislation which will be of assistance to the western grain producer. It was by dint of our insistence and constant harassment of the Government that it is now coming forward with amendments to the western grain stabilization Bill.

When that Bill was first introduced in the House, we indicated some of the serious flaws and defects in it. We said the Bill was deficient inasmuch as it was not sensitive to what was happening in western Canada regarding western grain stabilization. Under that legislation, there would not be a substantial payment for a long time. This was because of the way in which the formula had been set out. We have now forced the Government to come forward with this legislation. It is committed to bringing it forward on Friday next. We are prepared to give that matter expeditious consideration, notwithstanding the very serious deficiencies and defects in it.

Let us look at the legislation now before us and some of the circumstances. My colleague from Vegreville referred to some of the problems faced by western grain producers at the present time, the prospect of bankruptcy for many producers and the other pressures they face. At this time when there are economic pressures on our farmers, including those in western Canada, freight rates will be increased by 33 per cent.

My colleague pointed out that a principal co-conspirator with respect to the Crowsnest Pass legislation, which was forced through this House by closure against the wishes of the western producer, was the Canadian Pacific Railway. The board of directors co-operated with this Government. They were the handmaiden in getting that legislation through. It is interesting to note that John Turner, now seeking leadership of the liberal Party was instrumental, as a member of the board of directors of CPR, in helping to write that legislation which is regarded with such distaste by every western producer. We now see the transformation taking place.

The Liberal Party is sending out siren calls to the western farmer and western Canadians generally about what it intends to do. The most interesting piece of hypocrisy that I have observed is the fact that the Minister of Transport is now supporting Mr. Turner and acting as his policy adviser in the leadership campaign.

Mr. Pepin: Relevance to the Bill.

Mr. Hnatyshyn: The relevance is that we talk about pressure on the farmers with respect to the cost of carrying on farm operations. We had a Bill foisted on us by this Government and on which closure was imposed. It involved a substantial increase in the cost of transportation for the farmer. It put pressure on western grain producers. What does the Minister of Transport advise Mr. Turner with respect to his statement on the Crowsnest Pass legislation? All of a sudden he advises him that the cap of 31 million tonnes is too low. Mr. Turner now says he will give serious consideration to increasing that level. Now he is making another promise at the behest of the Minister of Transport. Now he is going to give consideration to having a different safety net.

Mr. Mazankowski: He refused to entertain any changes.

Mr. Hnatyshyn: My colleague is right. We pressed on a number of occasions for precisely those changes in the legislation. They were rejected time after time. That is hypocrisy. The people of western Canada understand this kind of shenanigan. The western grain producers understand what is happening. They are not going to be taken in for one moment, Mr. Turner or no Mr. Turner.

While we appreciate that the Government has taken this initiative at long last, my colleague, the Hon. Member for Vegreville, pointed out that in our ten-point agricultural policy, which was released on April 5, 1983, we urged the Government to double the advance payments. In his Private Member's Bill C-218, the Hon. Member for Bow River urged the repeal of the provision in this Bill which was discrimination against farm women. That Private Member's Bill contained the very provision that was not supported by the Government at that time but was the forerunner of the provision in this Bill which urges the repeal of subsection 7(3.2).

• (1520)

I would simply like to ask a question of the Minister whose Bill is before the House today for passage. In view of the fact that the Government has taken this particular initiative with respect to the Prairie Grain Advance Payments Act, and I am sure the Minister has had notice of my question because the Hon. Member for Elgin raised this matter yesterday, I wonder if the Minister could tell us whether or not the Government is considering increasing the level of advances with respect to the Advance Payments For Crops Act, which covers grain which falls outside of the Wheat Board's authority and which covers other crops as well. Perhaps the Minister would have that information for me, or perhaps he will be able to get it for me.

Notice was given of our Party's interest in making sure that farmers outside of the Wheat Board's authority are also treated with some equity.

Mr. Pepin: Mr. Chairman, I apologize for not having the answer. It is because I was not given the notice. Perhaps my friend will pose a question on Monday or some other time and I will elucidate the answer to his question.

The Chairman: Shall Clause 1 carry?

Some Hon. Members: Agreed.

Clause 1 agreed to.

On Clause 2—

Mr. Nickerson: Mr. Chairman, Clause 2 deals with paragraph 7.1(4) of the Prairie Grain Advance Payments Act. This is the part which deals with payments in respect of tough grain. I have very little knowledge, Sir, of western agricultural affairs but I know that the Deputy Prime Minister, who used the term "tough grain" in his initial presentation today, has a great deal of such knowledge. I wonder if I might be permitted to ask him what tough grain is.

Mr. Pepin: Mr. Chairman, I do indeed have a lot of experience. During the speech of my hon. friend from Vegreville, reference was made to these difficult grain years, with the year 1968-69 being one of those dandies. We had a lot of damp grain at that time as well as tough grain. Dealing with the relationship between tough and damp, I know when something is tough and damp and I know when something is damned tough. However, I would not be able to elucidate that on the floor of the House this afternoon. I will send a learned essay on the subject to my friend.

The Chairman: Shall Clause 2 carry?

Some Hon. Members: Agreed.

Clause 2 agreed to.

The Chairman: Shall Clause 3 carry?

Some Hon. Members: Agreed.

Clause 3 agreed to.

The Chairman: Shall Clause 4 carry?

Some Hon. Members: Agreed.

Clause 4 agreed to.

The Chairman: Shall the title carry?

Some Hon. Members: Agreed.

Title agreed to.

The Chairman: Shall the Bill carry?

Some Hon. Members: Agreed.

Bill reported, read the third time and passed.

* * *

[*Translation*]

RADIATION EMITTING DEVICES ACT

MEASURE TO AMEND

Hon. Pierre De Bané (for the Minister of National Health and Welfare) moved that Bill C-5, an act to amend the Radiation Emitting Devices Act, be now read a second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

Mr. Speaker, the mandate and powers vested in the Minister of National Health and Welfare (Mrs. Bégin) cover all matters that relate to promoting and safeguarding the health of the Canadian people and lie within the jurisdiction of this Parliament.

Today, we are exposed to various forms of radiation emitted by an increasing number of industrial and consumer products. Information is released daily to the general public on the dangers of ionizing and non-ionizing radiation. However, many people do not fully realize that as far as exposure to ionizing radiation is concerned, the greatest danger stem from X-rays. Medical use of X-rays accounts for over 90 per cent of total exposure due to artificial sources.

On the other hand, X-rays form an essential part of modern medical practice. It is believed that half of all vital decisions concerning the health of patients are based on radiological procedures.

We must protect ourselves against ionizing and non-ionizing radiation because exposure to these types of radiation may have harmful effects which are apparent not only in exposed individuals but also in their descendants. In 1972, the federal Government introduced the Radiation Emitting Devices Act, thereby taking responsibility for regulating the safety of radiation emitting devices imported and sold in Canada. Since that time, the Department directed by my hon. colleague, the Minister of National Health and Welfare, has developed and implemented regulations for various types of devices, including TV sets, dental X-ray equipment, microwave ovens, X-ray devices for baggage inspection, equipment for ultrasound therapy, X-ray equipment for diagnostic purposes and X-ray equipment for therapeutic use.

After considerable experience in developing and implementing these regulations, the limitations of the legislation became clear. The present amendments are aimed at consolidating the legislation. They will make it possible to add to the Radiation Emitting Devices Act some important changes I shall mention later on.

[*English*]

First, there is the extension of the scope of the Act to cover all electro-magnetic and acoustic frequencies. This, for example, would permit the establishment of a standard for radio frequency heaters. Many of these devices have been found to emit radiation at levels well in excess of currently accepted international standards. Extending the scope of the Act to include all acoustic frequencies would permit an assessment of the health effects of high levels of infrasound which come from air conditioning, heating and ventilating systems, compressors and large diesel engines. The biological effects which have been attributed to infrasound include hearing loss, involuntary eye movements, nausea, slowed reactions and fatigue.

Second, there is the extension of control of devices for which standards have not been prescribed and which are defective or create a risk of injury to the health of the user. Under the present Act, new types of radiation-emitting devices for which standards have not been prescribed can be sold even though these devices may be hazardous or ineffective. For example, new applications for the use of lasers are being discovered. However, in view of advancing technology in this area, the establishment of adequate safeguards in the form of standards could require an appreciable period of time.

• (1530)

The third point is the extension of the control of devices for which standards are applicable at the time of sale, importation or lease. Under the existing Act, radiation emitting devices manufactured outside of Canada, prior to the establishment of prescribed standards, can continue to be imported and sold indefinitely, even though these devices are potentially hazardous to Canadian users. For example, the dental X-ray equipment, which was manufactured more than ten years ago and considered to be substandard, may continue to be sold or leased under the present Act unless it is amended.

The fourth point is the prohibition of false or misleading representations with respect to the design, construction, performance and safety of radiation emitting devices. The present Act contains no restrictions on false or misleading claims made by manufacturers or distributors.

Finally, there would be a provision for notification of devices which create a risk of injury to health, or do not meet the prescribed requirements. This provision will require a manufacturer or importer to notify the Minister of any device which, after sale or lease, the manufacturer or importer finds to be injurious to health, or fails to perform according to the indicated performance characteristics.

My dear colleagues can readily see that these amendments to the Radiation Emitting Devices Act are essential for the regulatory control of radiation emitting devices that are potentially hazardous to the Canadian user and are not now subject to the provisions of the present legislation. Parliament passed a Bill early in the 1970s to control radiation, but after 12 years of experience we have discovered that there are circumstances which that law does not cover and which should be under legislation. Therefore, this Bill is to ask for the support of the House to cover those other matters in order that the Department of National Health and Welfare will be able to protect the health of the Canadian people. In view of that, I would invite my colleagues to give speedy passage to this Bill.

Mr. Scott Fennell (Ontario): Mr. Speaker, the first place we should start on radiation emitting devices is right here in this House. I have never been in any one room where so many people are forced to wear glasses. I am sure it is indirectly having a negative effect on our health, and that it is caused by electronic products.

I am concerned with the broadness of this Bill. As the Minister of National Health and Welfare (Miss Bégin) is aware, the Bill was originally drafted on September 12, 1979, by a Consrevative Minister. It is a little bit shocking that the Government has taken so long to upgrade this Bill, because each day there are new devices being developed and there are new problems resulting from the new devices. I agree that the Bill requires speedy passage. But there are problems and weaknesses in the Bill which were not in the original amendment submitted by the Conservative Minister in 1979.

First, the Bill should be restricted to radiation emitting devices. It should not, through the back door, be covering other noise levels, which are provincial territory. I am worried that the Bill will include such things as chain-saws. If a chain-saw is muffled to too great an extent, it does not have the same effect. That problem can be solved by wearing ear mufflers. I hope that the Minister is not intending to include such things as chain-saws, jackhammers, diesel engines and scrapers. That is not the intent of the Bill.

Originally, the Act was passed principally to cover X-ray equipment. It has now gone beyond that. As the Minister mentioned, it now includes lasers and video screens. There is a lot of doubt and a lot of misunderstanding concerning video screens. There are so many new technological changes in the workplace resulting from electronic devices that I agree the Bill must be broad enough to protect people from the hazards of the new devices of which we are not aware. However, I would be very annoyed if the Bill were designed in such a way as to protect, through the back door, against certain industrial noises which come under provincial jurisdiction.

I think the Bill will be given speedy reading, but it is our request that it be sent to committee and that it be examined carefully, clause by clause. It is a very serious Bill and it is particularly serious in this age of new technology. I would suggest that the Bill should only apply to new devices which are developed in the future arising out of new technology. It should not apply to the basic tools of construction and of other industries as that could have a negative effect on those industries at a time when we cannot afford to stop people from working.

Hopefully, with time things will improve. As the Minister of Fisheries and Oceans (Mr. De Bané) pointed out, if the Bill is passed, it could have an effect on air conditioning and heating. I would like to point out to the Minister that perhaps we should deal, under this Bill, with some of the window air

conditioners in the House of Commons. People cannot work when those air conditioning units are operating. However, I do not think that that is the intent of this Act. It was certainly not the original intent. The intent is to protect people. Cases have been made regarding video terminals. People have argued that they have had a negative effect on pregnancy. There has been no proof of that, but I think we must investigate what are the effects on people.

Personally, I use a computer. I find that it is very tiring on my eyes to use that computer for more than 45 minutes to one hour at a time. There must be some hidden effect of which we are not aware and which we must address. I also feel that there must be an effect on children and that they must be suffering from watching television. Perhaps that should be looked at. Specifically, we should only be looking at electronic devices. Those devices should be monitored and vetted. I agree that they should be labelled and totally checked by analysts, as provided for in the Bill. That is what the Bill should address. It should not address the complaints of some people who are not directly affected. It is the do-gooders who do not like the noise. If we stop the machines, the noise stops but the people will have to stop working, and we cannot afford that today. Therefore, I think it is important that we remove the concept of industrial noise and make this very specifically "noise resulting from new technology in electronics".

● (1540)

There is one other area in the Bill which could be broadened. Possibly stereo systems could be allowed to play only at a certain level. I feel that is an infringement on the rights of the Canadian public. However, I must admit, as an individual, that there are many times when I would be delighted if people were not allowed to turn the noise level of their stereos up so high. I have raised children, so I am very much aware of this problem. I worry about their ears. But I do not believe we can regulate, or should regulate, that noise level.

As I said earlier, we must be careful in this Bill that we do not infringe upon the provincial areas of occupational health, which fall under the Workmen's Compensation Boards in the various provinces across this country, or which fall under the jurisdiction of the Minister of Labour in the various provinces. I believe we have to be careful that we do not put ourselves in the position of going beyond our purpose.

With respect to the importation of radiation emitting devices, I believe the standards of those products are very important. There are many newly industrialized countries, NICs, which are producing these products with possibly lower standards than we require or are used to. We must ensure, when something is brought into Canada that it is not going to be a new danger to the people of this country. Radiation emitting devices are safe if proper safety standards are built in. But let us be very careful, before they are put on the consumer market or allowed to be sold in this country, that they are thoroughly tested so that ten years from now we do not find that we have problems in the health area because we had allowed these units in.

Labelling and packaging is very important. I notice some of the previous regulations call for signs. However, those signs do not really tell me enough. They do not give me the whole story. There must be warnings. For instance, I am not certain about microwave ovens. No one has satisfied me totally that there is not some radiation being emitted from them. I am concerned about children who are at home and have access to microwave ovens while their parents are at work. I am not satisfied that we have looked at all the ramifications with respect to the danger in the use of those units. I would like to have put in place some defence mechanism so that our health costs will not be affected in the future. If we make sure that there will not be illness resulting from these things, it will have a direct and positive effect on our health costs.

I agree with certain regulations in this Bill. I agree there are certain safety checks we must take. However, in this field, where there is a proliferation of new devices produced over the last few years, we must be very careful to have complete analyses done, and a section should be added to define an analyst as a person designated by the Minister as an analyst under the Act. I do not believe that is stated clearly enough. I believe it must be someone with expertise in the field. I do not feel we can generalize and appoint a friend or acquaintance who happens to be adequate. Perhaps we should work this out with the provinces. It could be that they already have these people in their safety associations.

I would like to talk about manufacturers for a moment. Unfortunately, we do not produce a large amount of electronic equipment in this country. It is predominantly imported. We lost that industry because we did not move as quickly as the Japanese. We must make certain of who the manufacturer is, what the regulations are in the country of manufacture, and that the same standards which are acceptable in the country of origin apply. As well, they should meet the same standards as in the United States, which had these standards in place before us.

I have a great deal more to say on this subject but I do want to see this Bill go through second reading today, and I understand there are two more speakers. However, I want to say that we must be careful that we deal directly with radiation emitting devices and do not broaden the Bill beyond its scope. This is a very specific field with which we must deal. We must not get mixed up with other things, because if we do it will water this Bill down.

Having said that, I thank the House for bearing with me in my few remarks and I look forward to having a further discussion on this subject when we get the Bill to committee.

Mr. Dan Heap (Spadina): Mr. Speaker, this Bill amending the legislation which controls radiation emitting equipment is one which should be adopted whether in its present form or with any amendments. It is not a new idea. This is a Bill which has been updated from time to time as our legislation tries to catch up with new developments in industry.

I wish to speak about two specific points in the Bill and then add one generalization. The two points are, first, the matter of

acoustics and, second, the matter of video screens. I wish to comment generally that the consideration which should be given when approaching this subject should be much wider and deeper.

With respect to acoustics, I am not opposed to having this Bill cover the subject of sound waves and excessive sound. I have worked in industry. I have also been an alderman in a downtown area of a large city. I know that in the modern world, loud noise is becoming a serious problem. I do not believe it was, perhaps, in my parent's or grandparent's time, but in our time it is, and it has to be controlled. The instruments for controlling loud noise are not yet well developed and must be worked on.

I believe this legislation, if properly used, does not have to have the bad results which the previous speaker fears. It could, but it does not have to. What is needed is to develop precise criteria, test equipment and techniques as they are brought into the market. Rather than waiting for 10, 20 or 30 years of complaints, we must make it politically necessary to do something in a hurry. It is the same with video screens, televisions or microwave ovens, which might have bad effects on genetics and on the reproductive prospects of our people. I may be biased in favour of children. I have ten grandchildren. I am concerned when I hear of the long-range and often unpredictable effects of radiation. I would like to see us provide the framework for controlling and, if necessary, restricting devices found to have harmful genetic effects. That is one of the amendments before us today. It does not necessarily automatically ban new equipment. It does suggest that we have to develop precise criteria for the use of new equipment for processes and we have to test them early, not after we have found a whole generation or two generations of genetic defects.

● (1550)

This brings me to a point I am very much concerned with. As I say, having worked in industry and having represented the residents of an extremely busy and intense downtown district for almost nine years, I find that we are always being told that we cannot hinder progress. It would hurt the economy if we stopped these new processes or restricted these new kinds of equipment. Let them go ahead and maybe they will not hurt anyone. Who knows? Let us wait another ten years or 50 years to see whether asbestos is going to hurt anyone. That was the attitude more than a generation ago when asbestos was known by those responsible to be harmful. Let us not apply the "miner's canary" technique to our children. A canary was carried down in the mine by the miner so that if it fell over, the miner knew he should get out of there because there was poison gas in the mine and it would get him soon after the canary. Our children are delicate. Let us not wait until they are harmed before we test and, where necessary, let us restrict and correct the equipment to be used.

That will cost money, Mr. Speaker. Whether it is the federal or provincial Government the ultimate reason given for neglecting these new health hazards is that they do not have enough inspectors or the inspectors do not have enough equipment. Mr. Speaker, if we are going to have and use the wonderful labour saving devices which modern science enables us to create, if we are going to have one person do the work of 100 through these new machines, then we have an opportunity to find useful work for the other 99. A few of them can economically be put to work testing the new substances, the thousands of new and poisonous chemicals in industry, the many new potential radiation hazards we have from new equipment. They can be tested. We can hire the technicians and the inspectors, and we can buy the equipment to do the testing.

I hope this Bill will provide a framework for doing that. It will still be up to governments to decide to spend the money to enforce this legislation in an intelligent way, and I hope that will be done. I hope that whatever discussions there may be in committee, they will not shut off that possibility but will, rather, open it up.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, the Government will undoubtedly be pleased to hear that I can confirm there is a disposition on this side to deal with this Bill by the appointed time and have it sent on its merry way to the proper committee.

Having read the Bill, I approve in general of the legislation. The principle of the Bill is to widen slightly the definition of radiation emitting devices, not in the way that the Hon. Member for Ontario (Mr. Fennell) read it, because we do have difficulties with very broad interpretations. But if the principle is to widen it somewhat to deal with new types of equipment coming on the market, then we will be pleased to see this Bill go into committee for further study.

Reference has been made to radiation associated with products like microwave ovens and televisions. Television has been with us a long while and I believe the amount of radiation emitted from the average colour TV set has been reduced considerably over the last little while. But we still have something to worry about with children who spend a lot of time sitting very close to television sets.

There is a question about the harmful effects that cathode ray tubes from video screens might have, especially on pregnant female operators. I would imagine that this is why we have included in the amendments to this Bill the term "genetic injury", whereas previously we had confined ourselves to death and personal injury. I think there is considerably more research needed into the dangers associated with these types of radiation emitting devices. Certainly it will be difficult to determine the long-run genetic effects of low levels of radiation to which people might be subjected over an extended period of time. We might want to look at transferring some of these radiation emitting devices, not those of the X-ray or gamma-ray type, but those types that emit alpha particles and beta particles presently covered, I believe, under the Atomic Energy Control Act. These are becoming numerous because they are not only used in atomic energy production but are showing up quite frequently in many walks of industrial life. Given that, it might be more appropriate to deal with some types of alpha and beta radiation emitting devices under this

Act rather than under the Act by which they are presently covered. I am thinking about bore hole logging devices used in the oil industry and new types of equipment coming on stream for *in situ* analysis in mines, a kind of instant assay equipment. That might be better dealt with under this legislation.

I just wanted to say that the regulations form an integral part of this Bill. Hopefully, they will be available for study in committee. I have looked at the search and seizure provisions of this Bill and they seem to be quite acceptable. The penalty clause of the present Act might be changed to bring it more into line with this inflationary period, as well as similar Acts of Parliament and statutes of provincial legislatures. In closing, I repeat that in principle we on this side are in favour of this Bill.

[*Translation*]

Mr. De Bané (for the Minister of National Health and Welfare) moved that Bill C-5, an Act to amend the Radiation Emitting Devices Act, be now read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt this motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

• (1600)

[*English*]

Mr. Deputy Speaker: It being four o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

Mr. Deputy Speaker: Shall all orders and items preceding No. 105 stand by unanimous consent?

Some Hon. Members: Agreed.

REGULATORY REFORM

SUGGESTED CONVENING OF FEDERAL-PROVINCIAL-TERRITORIAL CONFERENCE

Hon. Don Mazankowski (Vegreville) moved:

That, in the opinion of this House, the Government should, as soon as possible, convene a federal-provincial-territorial conference on regulatory reform to begin the process of simplifying and streamlining the regulatory burden on the Canadian economy.

He said: Mr. Speaker, the purpose of this motion is self-explanatory. It calls upon the Government to convene a federal-provincial-territorial conference to deal with the scaling down of the regulatory burden in the country. I think that such an initiative would be timely and very important. We all recognize the fact that our economy is undergoing a very major adjustment in terms of our survival. The reality of the 1980s is that in order for us to survive in the international marketplace we must be competitive. That means that we must establish the kind of environment which would be conducive to allowing the competitive spirit of enterprise, efficiency and innovation to flourish.

I would like to detail what is happening in Canada to some extent *vis-à-vis* our trading partners and competing countries with respect to the total economic picture. I guess we are really talking about the global picture. The objective is to reduce costs and cut out inefficiency and waste. Over the last 30 years we have built up a very heavy bureaucratic and regulated structure. All statistical data and studies will clearly reveal that this is imposing enormous costs, not only on individual Canadians, but on industry and its ability to compete. There is no question that it is hampering our efforts to be competitive.

A recent study by the European Management Forum ranked Canada eleventh out of 22 countries in terms of our competitive ability. It is interesting that it is in precisely the same position in terms of the regulatory burden. That becomes a very important component in the over-all assessment of the criteria which are taken into consideration.

The European Management Forum is an independent non-profit foundation based in Switzerland. It has been preparing international competitiveness comparisons for five years. Some 284 factors are taken into consideration. I would like to quote briefly from the report. It says:

As far as the statistical side goes, it's not very surprising that Canada has lost ground, as many numbers have been depressed by what was the worst recession of any industrial country.

It then goes on to identify some of the components which are considered. For example, in industrial efficacy, that is productivity, labour costs and profitability, Canada ranked fifteenth out of the 22 countries which were surveyed. In outward orientation, that is foreign trade and investments and attitudes, Canada ranked fourteenth out of the 22 countries surveyed. In innovative forward orientation, that is R and D and adaptability to future requirements, Canada ranked fifteenth out of 22 countries. I believe that all of those components are relative and pertinent to our ability to compete more effectively and to be more flexible and innovative. We do not stack up very well in those areas. A lot of it stems back to the

regulatory burden which has been imposed year after year upon industry, both from within and outside of industry and particularly by Government.

Productivity growth is another interesting point to consider. During the period of 1977 to 1982, Canada registered an improvement of .3 per cent. Japan, on the other hand, showed a productivity growth rate of 27.6 per cent; Germany, 14.7 per cent; France, 22.3 per cent and the United States, 3.6 per cent. I cite those, Mr. Speaker, because those are countries with which we compete head to head.

The Economic Council of Canada made a report in 1981. Unfortunately, this report gathers dust. There have been a few initiatives taken, but very little of a constructive nature has emerged. The Economic Council of Canada did a rather detailed and in-depth study and analysis with respect to the amount of regulation in our country. It has estimated that close to 30 per cent of domestic product is subject to direct and significant regulation. Almost every sector that we can think about is regulated in some way, shape or form. The Council concluded that Canadians are over-regulated. The Economic Council of Canada is paid for by the taxpayers. It was set up to advise Government and Parliament on current issues of the day. It said that Canadians are over-regulated, resulting in waste, inefficiency and higher prices. It recommended that the economy be stripped of regulations and that incentives, rather than punishment, be used to respond to social concerns.

It is difficult to assess in accurate terms what the cost of the regulatory burden was. These statistics were taken some years ago so I suspect we could automatically increase them by a certain percentage factor. The Council said that between $35 million and $50 million was spent annually by Bell Canada, a cost which had to be passed on to the consumer as a result of over-regulation. The regulatory burden of Dow Chemical in 1978 amounted to some $20 million. The EEC stated that the licensing process in the trucking industry alone cost some $40 million annually. It also stated that there were indirect costs associated with restrictions and operating inefficiencies. There was a lot of deadheading. That is, a trucker was licensed to haul a load to a certain point but could not bring a load back. That reduces the operating efficiency by 50 per cent.

It has been stated in the study that some $1.5 billion will be spent in the eight-year period of the National Energy Program on supervising and regulating the oil industry. There is a well known statement that prior to the National Energy Program there was one bureaucrat for every three geologists in the oil industry. Now it is just the reverse. There are something like three bureaucrats for every geologist. It is said that just to operate the CTC, the NEP, the CRTC, the Atomic Energy Control Board and FIRA will cost in excess of $100 million.

We have noted something rather interesting during the process of deflation which occurred during the last two or three years. Unregulated prices responded more accurately to the realities in the marketplace than regulated prices. We found that during that period of deflation, the regulatory prices were going up much faster than the unregulated prices.

• (1610)

It is disturbing that the recommendations of the Economic Council have not been transformed into action. The report is only gathering dust. Some initiatives have been taken but there has been little in the way of action.

The Special Committee of the House on Regulatory Reform reported in December of 1980. There has been no significant response from the Government in that connection. The Joint Committee on Regulations and Other Statutory Instruments issued its fourth report on regulatory procedures in July, 1980, but there has been no significant response in that connection.

At the same time, the Government is urging Canadians and industry to trim the fat, to be more productive, efficient, innovative, flexible and dynamic. It has been pointing a finger at industry but has not been leading the way or demonstrating by example. It is contradictory because the Government has demonstrated little leadership in terms of scaling down the burden of regulation which it imposes on the industry. I can cite numerous examples of that.

There are the initiatives of the Minister of Transport (Mr. Axworthy) with respect to the airlines. I believe that that is clearly a step in the right direction, but the fact of the matter is that again a finger is being pointed at the industry to develop a more lean, efficient, productive and innovative industry, while the Government is not moving any distance at all toward untangling the regulatory burden that it has imposed upon the operation of the airport system.

We are fortunate that we now have some clear examples and experiences from other countries about the effects of regulatory reform, scaled down regulations or outright deregulation. We can certainly benefit from those experiences and take into consideration the progress or lack of progress in certain areas. Let us use the United States as an example.

It is stated that in the airline industry, long distance airline fares have decreased by 50 per cent in seven years. Again in the United States, trucking rates are down by 30 per cent in real terms since 1980. When I talked to a transportation expert from the United States one day I was told that the result of deregulating the trucking industry in the United States increased the capacity of the fleet by 50 per cent without adding a new vehicle. That is how badly the regulatory burden strangled the trucking industry. It just increased its available capacity by roughly 50 per cent.

Again in the United States, the cost of buying stock by small investors through discount brokers is 60 per cent of the commissions charged by the old line houses. Ten thousand new trucking operations were started and 14 new airlines were launched since 1978. The U.S. airline industry provided 19 per cent more output, that is in available seat miles, with one per cent more employees in 1982 as compared to 1978. Those are clear examples.

The reality of the 1980s is simply that we must be more competitive, productive and efficient. We must produce a quality product at an attractive price in order to penetrate the international marketplace. As Canadians, we must export to

survive because 30 per cent of our Gross National Product is generated through exports.

Why do we need a federal-provincial-territorial conference? It is primarily because the regulatory burden is imposed not simply and only by the federal Government, it is imposed by provincial and municipal governments. There is considerable overlapping and duplication. There is extensive complexity in the regulations that are being imposed. In many cases they are an impediment and a detriment to the activity of a free-flowing enterprise system. Due to our split jurisdictional nature in this country, it is important that we wrestle with this problem on a federal-provincial basis.

During the last ten years in particular there has been a confrontational kind of approach taken by the federal Government, which has meant that there has not been a good relationship between the federal Government and the provinces. Consequently, the co-operative environment has clearly been tarnished very badly. As a result, not only do individual Canadians lose but business enterprises lose as well.

We have been tending to build up barriers and regulations which impede trade and commerce. I recall a study that was conducted by the Ontario Department of Industry, Trade and Commerce wherein it was stated, in an analysis of the burden of regulations and the obstacles and impediments to the free flow of interprovincial trade, that we have more barriers and obstacles in Canada than exist in the European Economic Community. That simply must stop. We must preserve the Canadian economic unit. We have to return to the realization that we are a federalist system and we must restore the political and economic partnership that is so important in this country. By reviving the spirit of co-operation and working together, a conference of this nature would clearly pave the way for the necessary deregulation in many areas. Currently, the trucking industry is faced with intense pressure from the deregulated environment of the United States. Trucking is an industry that is virtually controlled by provincial governments. There must be a means of developing a greater degree of uniformity and compatibility of the rules and regulations as they relate to the trucking industry from province to province.

There is also much confusion in the jurisdiction relating to labour codes and occupational health and safety. Many businesses do not comply simply because of the myriad of regulations being promulgated. We are preoccupied and hear much in the House today about the need for job creation. Sometimes we are counterproductive because, while we implore industry and everyone else to take action to create jobs, we frustrate that ability to create jobs as a result of the excessive regulatory burden. That is a clear example of how we are sometimes counterproductive in the House.

The federal-provincial conference of which I speak is only one of a series of initiatives that I believe should be undertaken. I suggest that it is a laudable objective and a very practical, commonsense approach. We can also consider other approaches, such as the suggestion made by the Canadian Manufacturers' Association that a two-year moratorium be imposed on new regulations that do not contribute directly to economic growth. That proposal was made in 1982. As well, it seems to me that all regulations and regulatory agencies should be subject to a sunset provision and periodic review, so that when they are put in place they do not remain for years and years without compulsory review.

Once again, leadership can be shown through a commitment from all levels of government to reduce the regulatory burden. I believe that deregulation in this country is inevitable. I think most Canadians agree that in order for this country to grow and prosper we must become more competitive, aggressive and market-oriented. I believe that Canadians will no longer put up with interventionist type of policies that we have had during the last ten years, coupled with huge deficits and an over-regulated environment.

We believe, as I am sure many Members of the House do, that the experience in the United States with respect to deregulation of transportation, communications and finance and the various free trade initiatives that are under way, as reflected by the GATT tariff negotiations and the trend toward a more flexible and loose economic environment, are all signals that we should get on with the job. I believe that in this country our industries are strong enough to compete with the best of them in the international marketplace if they are freed up and allowed to function in a free-wheeling manner. I think our business people and our industries would welcome the kind of flexible, competitive environment of which I speak. I do not believe the Government should delay any longer. I do not think we have to import deregulation from the United States. We are a unique and sovereign country. We can develop our approach to deregulation in a unique Canadian way and in a thoughtful and orderly manner in consultation with other administrations and industry. It is a challenge that we all have. This is one step further in achieving and meeting that challenge. I commend it to the House for favourable consideration.

• (1620)

Mr. Roland de Corneille (Eglinton-Lawrence): Mr. Speaker, I am very pleased to have this opportunity to discuss the subject of regulatory reform. It is a subject of great importance and has been treated as such by this Government. In saying that, I am obviously taking issue with my hon. friend from Vegreville.

At a time of economic difficulty, regulatory reform takes on an even greater significance than at other times. Because of this, the Government has followed a policy for several years now of promoting regulatory reform that will assure maximum efficiency and a minimum possible instrusion of regulations in the private sector.

The motion before us suggests that the federal Government should convene a federal-provincial-territorial conference on regulatory reform. That is in effect the substance of the motion. It recognizes the fact, therefore, that no single level of government can resolve the multitude of regulatory reform issued by itself. In fact, my hon. friend has already referred to that point, that it requires involvement not only of the federal

government but of governments of other jurisdictions as well, for instance, provincial, municipal, and so on. Indeed, the impetus for regulatory reform in Canada emerged from a federal-provincial meeting of First Ministers in 1978. Ever since that time work on regulatory reform has been going on at all levels of Government.

I should mention, moreover, that a federal-provincial-territorial committee of officials was established in 1978 to monitor the outcome of the regulation reference undertaken at the Prime Minister's (Mr. Trudeau) request by the Economic Council of Canada.In other words, already in 1978 a committee was set up of federal, provincial and territorial bodies to monitor just this very problem.

I understand that that committee of officials has met occasionally, most recently in 1982. I understand also that the chairman of the committee, the co-ordinator of Treasury Board's office of regulatory reform, has been in recent contact with his provincial and territorial counterparts and colleagues for the very purpose of assessing their interest in a further meeting sometime in the next few months. In that respect, the motion is somewhat redundant since it proposes action that has already been initiated and which, subject to provincial and territorial wishes, will take place.

The motion is also a bit off-base in suggesting that work on simplifying and streamlining the regulatory burden on the Canadian economy has yet to begin. At least at the federal level, Mr. Speaker, the work began long ago and it is continuing at a strong pace, I suggest. It was in 1978 that the Economic Council undertook its major regulation reference at the request of federal and provincial governments. Its massive study resulted in a large quantity of valuable research and in 66 recommendations, which have acted as an important base and catalyst for ongoing work during the past three years both at the federal and provincial levels of government.

Hon. Members are no doubt fully aware, moreover, of the excellent work of the Special Committee of the House on Regulatory Reform, chaired by my distinguished colleague, the Hon. Member for Willowdale (Mr. Peterson), whose riding is just to the north of my riding of Eglinton-Lawrence. He chaired that committee and its results are, I am sure, well known to every Member of the House and, I hope, to all Canadians.

The recommendations of these and other studies have provided a firm basis for the Government's regulatory reform work plan. The far reaching scope and impact of the recommendations and the ensuing work plan led the Government to establish a special office of regulatory reform in the Treasury Board with the specific mandate of promoting and co-ordinating the Government's regulatory reform program. Obviously it is no new idea.

Since the motion refers to "regulatory burden"—those are the words used in the text of the motion—I would like to draw particular attention to three major accomplishments of the federal regulatory reform program whose specific target was the simplification and streamlining of the regulatory process. To begin with, the Government introduced legislation repealing 124 pieces of redundant or unnecessary legislation. This was enacted in July, 1983 and proclaimed in force on December 1, 1983. While I would not claim that this legislation constituted an enormous step forward in terms of regulatory reform, I regard it, nevertheless, as an important move because of the principle it underlined, namely, that laws and regulations should be regularly reviewed and, wherever they are no longer absolutely necessary, should be removed. That is an important principle for all legislators to bear in mind.

We have continued our review of legislation and may wish to propose a Bill repealing a further substantial number of statutes later this year.

Of greater immediate impact on the private sector, Hon. Members will recall that they approved legislation simplifying and reducing records retention requirements imposed on the private sector with the passage of Bill C-119 in July, 1983. This legislation, which was also proclaimed in force in December, 1983 will result in an estimated $100 million of savings to the private sector per year. We are studying the potential for further reforms of this type which have the potential for additional substantial cost savings for the private sector, particularly for the small business community.

Speaking of simplifying and streamlining, Mr. Speaker, I am particularly proud of the program of regulatory agendas which the President of the Treasury Board (Mr. Gray) introduced on an experimental basis about a year ago. It is a program involving publication of upcoming regulatory initiatives by federal Departments and agencies. Initially, the program covered 14 Departments and agencies, but with the addition later this year of the Department of Finance, the Department of National Revenue, Customs and Excise, and the Department of Insurance, the program will cover a total of 17 federal entities, thereby providing a kind of early warning mechanism to the private sector for virtually all the federal Government's regulatory intentions. This has two important effects. By putting the Government's regulatory cards on the table well in advance of the implementation of regulations, the agendas greatly simplify public information and involvement in the regulatory process at a time when it counts most, that is to say, before the regulation is in place. Moreover, the discipline of the regulatory agendas and the heightened opportunities for consultation they encourage has had, in my view, the effect of contributing to the streamlining of the regulatory process.

• (1630)

As an additional dimension of the regulatory agenda's project, the President of the Treasury Board recently announced the introduction of an electronic version of the agendas. This was a significant step taken by the federal Government. Electronic publishing clearly offers an exceptional means of making information on the Government's activities available to a much wider range of the Canadian public.

A growing number of households are purchasing microcomputers and, through the adaptation of Canada's world leading video technology, Telidon, software carrying the regulatory

agendas is now available for use on most types of personal computers found in hundreds of thousands of homes and, I might underline, hundreds of thousands of offices throughout this country.

The electronic publishing of regulatory agendas is just the first step in a new mode of communication between government and the public, which offers enormous potential. I can see the day, for example, when every Member of Parliament will have a personal computer in his or her office, and will be able to tap into an information system that will provide up-to-the minute data on the latest status of legislation, regulations or other matters of special interest.

Clearly, there is enormous capacity for adapting new technology to the purposes of Government. I am proud that the Government's regulatory reform program has taken something of a lead in the world exploring these possibilities with its regulatory agendas program. Those of us who know the difficulties for small businesses in being able to know what is happening in the world with regard to competition, appreciate their need for information. Going into this field will make available through the electronic medium tapping in quickly and the ability to know not only what are the inhibitions, but what are the opportunities that will be provided to them as entrepreneurs.

I have emphasized the omnibus repeal and records retention legislation and the regulatory agendas program because of their immediate relevance to the motion. Unfortunately, time does not permit me to expand at great length on all the other areas of regulatory reform in which the Government has been active. However, Hon. Members are well aware of the major proposals relating to federal regulation in such areas as airlines, fisheries, occupational health and safety, broadcasting and telecommunications. Indeed, it is hard to think of any Department or agency of the federal Government that has not been addressing the issue of regulatory reform for the past few years.

I would like to take this opportunity to congratulate the Minister of Transport (Mr. Axworthy) for the innovation and wisdom of the new Canadian airline policy which he announced last week. Although the media has tended to refer to the new policy as one of deregulation, it is more accurate to describe it as regulatory reform or, even more accurately, as liberalization.

This is not just a matter of semantics. It is important to recognize the difference between deregulation and regulatory reform. It is very important to understand that distinction. They are not synonymous. As I see it, deregulation is one type of regulatory reform. Indeed, it is the most extreme type of reform because it involves the abandonment of a previously regulated area. There has been reason sometimes, if not always, in the mind of the public to have areas regulated. An extreme course will rarely be the most desirable course of action.

In the United States, airline regulatory reform has indeed gone a long way, and the economic aspects of the industry are largely deregulated. However, there remain stringent regulations on air safety in the United States and these, if anything, have been made tougher than before economic deregulation was introduced. Therefore, regulatory reform can imply both a reduction and a strengthening of regulation.

We in the Government view regulatory reform in that way. Sometimes it should mean less regulation, sometimes it should mean more. We just heard discussion about the dangers of genetic damage to people's bodies in the work place. In other words, people sometimes try for more regulation in certain areas. However, it should always be consistent with the most efficient and effective way to achieve national objectives.

The reform proposed by the Minister of Transport in the case of our new air policy provides a distinctly Canadian blend, allowing for gradual and responsible progress to a more competitive and less regulated air industry, without throwing the baby out with the bath water. Treasury Board's office of regulatory reform has worked closely in the development of these regulatory reform proposals. I think they reflect just how serious our commitment to regulatory reform is.

In short, I am very proud of the record of this Government which has achieved and will continue to achieve major reform wherever it is needed to promote the economic and social development of this country.

I have many industries and businessmen in my riding. I understand the profound concern which they have expressed to ensure that regulations not be redundant or useless but meaningful. I support the steps the federal Government has been taking in the past and in the present. I trust it will continue in the future to press hard to make us effective, efficient and competitive in world markets and at the same time respond to the hundreds of letters I receive every month from people expressing their anxieties and concerns about the dangers in the work place or, in terms of the environment, of chemicals, activities and so on that might endanger them. We have to think of regulations in terms of those needs. We will continue our policy of regulation where absolutely necessary and deregulation wherever possible.

Mr. Chuck Cook (North Vancouver-Burnaby): Mr. Speaker, I enjoyed the comment of the previous speaker. He demonstrated a profound lack of knowledge of the whole field of regulation in this country, demonstrated that somebody else had written the speech for him and demonstrated that this Government keeps apologizing for not doing anything in the field of regulation and deregulation, except in a cosmetic way.

The Hon. Member mentioned with great pride that the Government had thrown out 132 sets of regulations and Bills and so forth, a very brilliant thing to do, obviously something of which they can be proud. If you looked at them closely, you would find that no longer do we have regulations governing the use and manufacture of buggy whips. That is what the Government did, not anything meaningful in terms of deregulation.

In 1981, at a cost of $3 million to the Canadian taxpayer, the Economic Council of Canada came out with two major studies dealing with reforming regulations. There were 66

major recommendations. I ask the members of the Liberal Government how many of those 66 recommendations have been implemented. Practically none.

I also bring to the attention of the Government that in December, 1980, the Special Committee on Regulatory Reform reported. That is an interesting committee. It indicates the sweet innocence of a new Member of Parliament at the time. I joined this House in 1979 and had the great privilege and pleasure of being appointed Vice-Chairman of the Special Committee on Regulatory Reform. I worked during the fall of 1979 and the fall of 1980 on our report, which was published in December, 1980, and contained 27 very strong and good recommendations. I would add that the Liberal Member for Willowdale (Mr. Peterson), who chaired the committee, chaired it on a totally non-partisan basis. Seven of us worked very hard on the entire subject. The only problem was that the Government practically ignored the report. The major recommendations contained in the report, which might have caused some real reform in subsequent years, have not been implemented.

• (1640)

As an example of that, I note today that the Chairman of that committee, the Hon. Member for Willowdale, has been flitting in and out of the House but is not prepared to speak on this particular motion today. The reason he is not speaking on it is, I am sure, that he would have to agree with me when I say that, in terms of what the Government has done, we spent a useless six months.

Mr. Peterson: Nonsense.

Mr. Cook: I would hope that the Hon. Member would get to his feet and attempt to defend the lack of action on the part of the Government with regard to the whole question.

Mr. Peterson: Balderdash.

Mr. Cook: The Hon. Member has used the word "balderdash". The major recommendation contained in the report, which was agreed to by all seven members of the committee, was that there be a special committee set up by this House which could deal with the Departments and look at these regulations that were being proposed and at what had been done in the past. We recommended that this committee hold public hearings at which the Minister could be present to be embarrassed by the stupidity of his regulators. Was that done? Of course it was not done. The Government is not interested in deregulation. This Liberal Government is not interested in real reform. It likes things the way they are. It likes government by regulation and not by the House of Commons. It likes regulations passed by statutes so that the Minister has complete discretion over what the law of the land will be. That is the objection that we have to regulations.

I have heard the previous speaker say what a great thing it is that the airlines are being deregulated. Those recommendations have been around for years, and now all of a sudden we are getting to them. We could look at all kinds of regulations about which nothing has been done. We have a Cabinet of over 30 people. They are bragging about the fact that fewer than half of the Departments are now doing something about deregulation, or at least thinking about it in a persuasive way.

If you talk to any businessman in the country, Mr. Speaker, he is likely to tell you two or three things. One of them is that there are too many regulations, he has too many forms to fill out, and he cannot talk to the people who make the regulations. Recommendations to deal with that complaint are contained in a special committee report and in the Economic Council report, both of which are over four years old now. What have government Members done about this? They are not interested in listening to the people. They may be interested in listening to the people for the next six months now that there is an election pending, but certainly all the work that this innocent, sweet, little Member of Parliament did in terms of the Special Committee on Regulatory Reform was useless. That innocent Member of Parliament expected to see flow from that committee something worthwhile to Canada, something meaningful, something that would save money and something that would help business in the country get ahead.

Out of the recommendations contained within that report, which ones were adopted? The easy ones, the simple ones, the ones that did not rock the boat, the ones that did not embarrass anyone, and the ones that did not have full meaning in terms of the Canadian business community were the ones that were adopted. As far as I am concerned, the $150,000 that was spent on this Special Committee on Regulatory Reform was wasted. At least it did not cost the $10 million that the royal commission set up by the Government is costing. At least there were some useful things contained within its report.

Quite frankly, I think that if we were to give lie detector tests to the Cabinet Ministers of the country, the people who theoretically run the country, I bet we would find that fewer than five of them even read the report that was produced and that each of those five who did read the report shook their heads and said: "We are not going to have that kind of thing going on in my Department. It may embarrass me. My senior bureaucrats will not like it. We might actullay have to get rid of some regulations or change some things." They have not changed anything.

Anyone could look at the record of the Government over the last few years and see that there has been very little reform, and we are talking about reform today. In a few moments I would like to read from a speech I once made, because it makes sense today. I read that speech with some chagrin and a sense of *déjà vu*. I had the opportunity to speak to the Economic Council of Canada about the Special Committee on Regulatory Reform back in 1981. What I said then has equal application and equal meaning today because the Government did not do anything. Nothing has happened.

There are a few points I would like to make from that speech. Obviously I will not read it all. Quite frankly, I am afraid to read it all because it would probably make me cry to realize how ineffectual the Liberal Government has been and what little it has done in this matter. I simply had to bring this

up today because it has been a sore spot with me for years. I can assure the Canadian public that if there is a change in Government, they will finally see some meaningful changes to the way regulations are made, the way they are implemented and the people who are consulted when they are made. Westerners will be consulted as well. In fact, our report pointed out that in many cases, small businessmen felt that the regulators were regulating for the benefit of the big companies and not for the benefit of the small companies. I have not seen any change to that situation over the years, and that is criminal as well.

An office of the co-ordinator of regulatory reform was set up, but it was only a persuasive body. How does one control a government using only persuasion? Quite frankly, one must hit this Liberal Government over the head. It is the old story of the donkey and the two-by-four. First one must get its attention, and that cannot be done persuasively. However, if we had a proper parliamentary committee, as recommended in the report, a committee that could call the Minister before it and says: "What is this stupid regulation that your Department is proposing," and have him defend his regulation, I think we would have fewer and better regulations than we do now.

Let me refer to the speech I gave in 1981. I would sincerely hope that every businessman who heard it then will remember it now, because they were prophetic words. At that time I said that everything was great but that we should take a look at what the Government would do. After I made my speech, I told those businessmen to watch the Government and see if all of its good words meant anything, see if it would pay any attention to the Economic Council of Canada, and see if it would pay any attention to the task force on regulatory reform. I told them that there was no question about the fact that the Government would do a few things and, to give it credit, it has done a few relatively unimportant and minor things. It has certainly not done anything that could embarrass the Government and it has certainly not done anything that would relieve the burden on the business community of the country. As I said in my speech of 1981:

> I mention this because I do not believe there will be real meaningful regulatory reform until Jeremy Bentham's pain and pleasure principle can be applied to bureaucrats.

Well, that principle has not come to the fore.

> The test will come this fall—

At that time, I meant the fall of 1981.

> —as to how really serious this Government is about cleaning up the regulatory mess. One of the task force recommendations was for a special committee on regulations composed of no more than ten members, dedicated to the work, and with an adequate staff to do the vital research. This committee should have the power to review any new or old regulation for that matter. It should have the power to summon witnesses and should have a mandate large enough to disallow improperly processed regulations and censure Departments for not having done their homework. It should be a committee that any businessman, labour organization, consumer association or any special interest group could put their case to and have the Department answer fully their concerns. There is no such mechanism in the Canadian Government at this time. There is no way except lobbying the Department to get a hearing and many times that is mere formality and courtesy.

• (1650)

The committee was never set up. It should have been. Unfortunately, it became clear in our research at that time that there was a mental set in some Departments according to which, if there was a problem, a regulation was made. Alternatives, costs and consultation did not necessarily receive the attention they deserved before implementation. It was true four years ago and it is true today. I went on to say:

> When so very much of the law we live under is subordinate law making by bureaucrats in the form of regulations such a committee of Parliament could play a vital role in protecting all of us from excess.

This Government would not agree with that. This Government would not do it for fear of embarrassment. I went on:

> There is a downside—

At least I was fair, and I point this out:

> There is the possibility of embarrassment for the Minister of the Crown concerned. But that spur is what is needed to ensure that subordinate lawmaking be really in the public interest.

I challenged the Government then and I challenge it now: Why does it not make Parliament more meaningful? I had such a hope, and in 1981 I said: "But you be the judge . . . when the Government brings in its proposals for reform of the committee system". I went on to say that it would give them a real insight into how serious the Government was about regulatory reform.

Anyone who was watching saw how serious the Government was. It was not very serious at all. I would hope that perhaps with a Bill such as this we could start the process. At least the matter would be brought back to the public's attention so that they would realize that they have a Government that does not give a damn about regulatory reform. Every businessman in the country is suffering from that neglect. It is costing them money and, in many cases, it is needless. I sincerely hope that those businessmen remember what this Government has done to them when they get to the ballot box.

My final point is that the Economic Council reports are first rate. The research had been done and the recommendations had been presented. There has been some small activity by the Government. But what was in that economic report and what was in the report of the Special Committee on Regulatory Reform was another couple of Glasco reports upon which the Government will not act because it simply might embarrass it.

I will close by saying simply: God help the poor Canadian businessman if he does not realize who is doing these terrible things to him. The Government does the work, but then it ignores it. A Progressive Conservative Government will not ignore it.

Mr. Jim Peterson (Willowdale): Mr. Speaker, I have listened with a great deal of interest to the two opposition speakers and the one government speaker on this particular question. First, I would like to thank the Hon. Member for Vegreville (Mr. Mazankowski) and acknowledge the job which he has done in raising this issue about regulatory reform and the burden of regulation which is on the private sector in Canada. I would also like to thank my colleague, the Hon.

Member for Eglinton-Lawrence (Mr. de Corneille), who joined in the debate and who put some of the positive contributions of the Government into perspective.

I would like to return to the remarks of the Hon. Member for North Vancouver-Burnaby (Mr. Cook) who, as the Vice-Chairman of the Committee on Regulatory Reform, worked very diligently. He worked side by side with us to try to bring in a responsible and responsive report which would deal with the real problems of regulation. As he stated, that committee worked as a non-partisan group. It logged more hours than any other committee, it was done at less cost than any other committee, and the report was brought in on time. The committee consulted with Canadians from the public and private sector right across Canada.

I think the Hon. Member for North Vancouver-Burnaby will acknowledge the tremendous debt we owe to our excellent research staff, to the clerk and to others who worked with us. It was a very worth-while experience because we learned how to work on a non-partisan basis very, very quickly. I detect from the Hon. Member's voice a great sense of pride in the accomplishments of the task force on regulatory reform. His frustration arises from the fact that all of the recommendations have not been implemented or have not received serious discussion in the House. I share a great deal of his frustration. But I think he has overstated the case about tenfold. He said that very few of the recommendations have been implemented.

Let us go back to some of the specific recommendations. There were two major thrusts which we were trying to bring forward. One was that if regulators had to consult with the regulated, with the private sector, before they introduced those regulations, we would have much more responsive regulations. We would then be taking into consideration the actual fall-out of what we are doing here in the towers of Ottawa, and the fall-out it would have on ordinary business people in Canada. That was a term called "consultation". I think that the task force accomplished a great deal in terms of bringing the word "consultation" to the fore.

The Hon. Member may not recall that four years ago the word "consultation', was not very much in evidence. It has now become the buzz-word used around Ottawa before anything is done. We have two stellar examples of this: the Budgets of the Minister of Finance (Mr. Lalonde). He has adopted this type of consultative process which we opted for. But what have we done as a Government in terms of making the consultation easier? We have implemented—and it was one of the major recommendations in the committee's report—the recommendations to have a regulatory agenda and to announce what regulatory measures we are contemplating. That allows for an early-warning system to the private sector. They can come forward and consult with the government. That is an openness which encourages the consultative process better than anything else. The Hon. Member talked about—

Mr. Deputy Speaker: Order. The Hon. Member for North Vancouver-Burnaby (Mr. Cook) wishes to rise on a point of order.

Mr. Cook: Mr. Speaker, I rise on a point of order. Would the Hon. Member accept one small question?

Mr. Peterson: Yes.

Mr. Cook: My question is this: If he wishes to use the Budget of the Minister of Finance (Mr. Lalonde) as an example of what has been accomplished through the brilliant work he, I, others and a first-rate staff did on that report, may I ask him to comment upon the consultation that took place with the Budget of the Hon. Member for Cape Breton Highlands-Canso (Mr. MacEachen) which came out two years after we finished our work?

Mr. Peterson: I do not know where the Hon. Member gets his facts. As I recall, the Budget to which he is referring was presented to the House on November 12, 1981, and our report was tabled in the House on December 19, 1980. How he gets two years out of that, I do not know. This is the type of hyperbole we have seen in terms of the criticisms. If we are to work together constructively in this House to achieve meaningful measures, it will have to be done in an atmosphere of co-operation.

Mr. Deputy Speaker: Order. It being five o'clock, consideration of Private Members' Business has now expired. Pursuant to Standing Order 2(1), this House stands adjourned until Tuesday, May 22, 1984, at 11 a.m.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Tuesday, May 22, 1984

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

FINANCIAL ADMINISTRATION ACT

MEASURE TO AMEND

The House resumed from Monday, May 14, consideration of the motion of Mr. Ouellet (for Mr. Gray) that Bill C-24, an Act to amend the Financial Administration Act in relation to Crown corporations and to amend other Acts in consequence thereof, be now read a second time and referred to the Standing Committee on Miscellaneous Estimates; and on the amendment of Mr. Crosbie (p. 3688).

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, if I recall correctly, I have already had approximately two minutes to deal with the motion of the Hon. Member for St. John's West (Mr. Crosbie).

The House of Commons finds itself in something of a predicament today. The House has already voiced its opinion on the closure motion which was introduced by the Government, and debate has been curtailed on the matter. Today the Bill is to be given second reading and referred to the appropriate committee. However, the motion which we are presently debating is that the Bill be not now read a second time but that that occur some six months hence. What happens this afternoon when the vote is taken? There is a possibility that the motion introduced by the Hon. Member for St. John's West might be carried. Where will that put us if the House expresses its opinion in two conflicting ways? I would imagine, however, that that is unlikely to occur because the Government will undoubtedly use its majority to rush this matter through and to foist it on the Canadian public.

It is evident that the Bill is flawed. Members on this side have spoken at considerable length and have demonstrated the areas in which the Bill is flawed. For example, it does not prevent the proliferation of Crown corporations. In fact, if anything, it makes it easier for the Government to establish yet more Crown corporations.

• (1110)

There will be a time limit imposed on parliamentary debate when new Crown corporations are brought into being, unlike the debate on Petro-Canada and Canagrex, which went on for a considerable length of time because these were matters of great public importance. By and large, the public of Canada was of a contrary opinion to that of the Government and did not really want these things to happen. The Opposition was then able to do its job and debate these issues in earnest and at length. This will now no longer be possible. There will be a short time limit for debate on further Crown corporations, and that is, Sir, only if the Government does not want to go the Order in Council route, which it can do under this new legislation, or if it wants to create a new Crown corporation as a subsidiary of an existing one.

The legislation does not deal completely with the question of accountability. Most of the parliamentary review of the operation of Crown corporations will be, to all intents and purposes, after the fact. Although the Government is obliged to present to parliamentary committees its plans for the future, I would imagine that those plans would not be detailed and the Government would still engage in the same jiggery-pokery with Crown corporations as it did in the past. If it so wishes, it could instruct Crown corporations to do certain things—for example, Petro-Canada to take over Petrofina—and it can do that at the drop of a hat without bringing those plans before Parliament in advance for public scrutiny.

There is no real parliamentary surveillance of the operations or the plans of Crown corporations. There is no parliamentary surveillance which makes any kind of reasonable sense. Therefore, it is my intention to vote this evening in favour of the motion introduced by the Hon. Member for St. John's West which, if carried, would enable us to devote a further six months to the study of this important subject. It would give us time to go back to the public and to seek further expert input.

In all likelihood, in six months time we will have a new government if the election has been held by that time. In all likelihood it will be a Progressive Conservative Government, and our stand on Crown corporations has been made fully known. It was the Conservative Government under the leadership of the Right Hon. Member for Yellowhead (Mr. Clark) which introduced in the first place in 1979 a much more comprehensive Bill to deal fully with the Crown corporation problem. Even if an election has not been held by that time, and even if the Liberal Party as an interim measure still forms the Government of the day, it would likely be a different Government with perhaps a slightly different outlook from that which it has today. Therefore, in all likelihood, even with that possibility, the legislation which it might wish to bring forward dealing with Crown corporations would be superior to that with which we are faced today.

The problem with the present Government is that it cannot really open the doors and let the sunshine in. Its closet, Sir, is

clogged up with the skeletons of the past. It is not really possible for the present Government to open up the window on Crown corporations, because if it were to do that, it would bring to light all the ways in which it has manipulated Crown corporations in the past and all the secrets it wants to see remain hidden.

I would suspect that if there were this public scrutiny, the resultant legislation might wish to incorporate within itself the provision for privatization of Crown corporations. There is a growing trend toward privatization. More and more Canadians are realizing that there are many things which the private sector can do better than can the governmental sector. The problem is that there is no fixed set of rules for the privatization of Crown corporations. The Minister of Transport (Mr. Axworthy) is to be complimented on his action in undertaking to privatize the Northern Canada Transportation Company. However, we do not know how he is going to do that. There are still some reservations on the part of members of the public, certainly members of the Opposition, as to whether he might give this to some of his political friends in some way or another. Therefore, any Crown corporation legislation should incorporate rules and guidelines for their privatization.

• (1115)

I want to say something about Bill C-25, the next Bill we will probably have to deal with. It will follow as a natural corollary to this Bill, and I think both C-24 and C-25 should be dealt with together over this six-month period advocated by the Hon. Member for St. John's West. If that were to take place, the whole question of Crown corporations could be dealt with in a much more businesslike way in order to achieve a much greater degree of parliamentary accountability than that proposed by the Government at the present time.

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, I am pleased to be able to participate in the debate on Bill C-24 and on the motion by the Hon. Member for St. John's West (Mr. Crosbie) to put off consideration of this Bill for some period of time. The Hon. Member has made a very logical request of the House. This Bill must be given consideration as part of an over-all package forming the order of business which the Government puts before the House. Bill C-24 is only part of the Government's over-all policy towards Crown corporations. Bill C-25 relates to companies such as de Havilland and Canadair, the mixed enterprises, so to speak. There are some very major omissions in this particular Bill which we hope will be taken up in Bill C-25, but we will not know that for sure until we get it into committee. I believe it is important that we look at these two Bills side by side.

There is another factor as well, Mr. Speaker, that of the position of Crown corporations under the competition Bill which is before us but is not yet into committee. The position the Government takes as it relates to Crown corporations under that particular legislation is also an important part of the package. As you can see, there is a very clear logic behind the motion of the Hon. Member for St. John's West.

Over and above that, I want to say as strongly as I can that this closure motion on the part of the Government is wrong because the Bill, as it has been presented, does not address the problems of Crown corporations as they appear to us in this House or as they appear to Canadians on a regular basis when they read about them. People are aware of this subculture of government consisting of Crown corporations. Some 265,000 people work for Crown corporations with some $65 billion in assets under their control. However, if you ask any Canadian if they could tell you what we have in mind, if they believe the bureaucracy and government spending is out of control, that the Government has lost control of the enterprises it is responsible for, the first thing that will come to their mind invariably is that Crown corporations have been allowed to proliferate. There has been no degree of financial or operating control. That is the point the average Canadian focuses on, that we must get better control of Crown corporations.

• (1120)

This point has not been addressed nearly as extensively as we had hoped it would be in this particular piece of legislation. That is why closure is wrong here. That is why it is important for the Government to take this Bill back and address the key problems of accountability and lack of responsibility which have been apparent over the past few years and have resulted in billions of dollars being lost at a time when we have huge government deficits. In essence, Mr. Speaker, huge amounts of money are being stolen from the next generation by this generation.

There are too many gaps in the Bill. It is a flawed piece of legislation. That is why we say it should be taken back to the drawing board. It is inadequate to address the problem. We need something which is more realistic and more akin to the legislation which the Clark Government introduced in 1979.

I would like to discuss briefly some of the aspects of the Bill which do not address the problem. Let us look at the Bill itself. It is enabling legislation. It is a blank cheque. There are no regulations. I do not believe that we, as Members of Parliament, should be asked to consider this Bill until those regulations are in place because of the importance to the legislation and to the operations of government which those regulations represent.

In the summer of 1981 we were considering Bill C-48, the Canada Oil and Gas Act. At that time we asked for the regulations. There was a tremendous amount of ministerial discretion within that Bill. The Bill was riddled with opportunities for the Minister to apply his own thinking rather than the policy of Parliament. Time and again we have seen how that Minister and the subsequent Minister have distorted the intentions of Bill C-48, as set out at the committee stage, through their actions under the vast amount of ministerial discretion provided in that Bill. That is what is missing from our consideration and that is another reason why we should be postponing consideration of the Bill. Too much is left to the Minister's or to Cabinet's discretion and there is not enough

opportunity for Parliament itself to put its stamp on the operations of these Crown corporations.

The role of the board of directors has been totally taken over by Cabinet. Normally the board of directors is asked to appoint the chief executive officer. That appointment is now made by the Cabinet. Normally the board of directors sets policies related to financing. That is now the role of the Minister of Finance (Mr. Lalonde). Normally the board of directors sets the policies on the operations of the Crown corporation. The problem here, Mr. Speaker, is that there is not a sufficient degree of direction provided for within the Bill to give the particular Ministers the direction which they should follow in providing direction to these Crown corporations.

I would like to speak on the subject of financing. The Minister of Finance is given a great deal of discretion with regard to the financing of Crown corporations. He decides whether a Crown corporation can raise $1 million or $100 million. On this side of the House we have asked the Government to provide us with an over-all limitation of government financing once a year. It is in place for the Government itself but not for the hidden government, the Crown corporations. Because of the freedoms and total authority that the Government has today, we believe it is important to have blanket authority over Crown corporations' direct borrowing and Crown corporations' guarantees, including guarantees of governments as well as guarantees under various programs. This Bill does not provide for that. This protection for which we have asked has not been provided by two consecutive Ministers of Finance.

• (1125)

Another aspect to this legislation is that we have seen over the years Crown corporations and their subsidiaries being created without any degree of parliamentary control. While this Bill proposes to give some control, it does not do so with respect to subsidiaries. The Government does not want Parliament to have that sort of control but wants to limit it to the Crown corporations themselves.

The limited role of Parliament to initiate a reasonable degree of debate and understanding for the creation of new Crown corporations has meant the total loss of control. Clause 155 of the Bill allows for only 30 days of committee time for the consideration of new corporations and only seven hours of parliamentary debate. Any Crown corporation that exists today, such as Air Canada, Petro-Canada, CBC, Canadair and de Havilland, could have been created with that type of control. In fact, that did not even take place with CDIC. The Government simply created that corporation by Order in Council and did not even consider putting it before Parliament. I believe that corporation has been in existence for over a year and a half and we will finally see passage of legislation in that respect. That is an example of the power of Parliament. We were not able to do anything about that particular corporation.

I have just touched on a number of issues. I know my colleagues will be dealing with other aspects of the Bill. The simple point is that this legislation should not go ahead. There are very logical reasons why it should be considered as a package with other Bills that are on the Order Paper. That is why we believe Members of Parliament should vote against this Bill and in favour of the motion by the Member for St. John's West.

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I am pleased to have the opportunity to say a few words about Bill C-24. It is in the same spirit, although perhaps for some different reasons, that I want to echo the comments that were already made today. That is, it is important for Members of Parliament to oppose the legislation contained in Bill C-24.

I want to begin my comments by suggesting that I believe the Canadian economy is one that reflects the status of being a mixed economy. I believe Canadians generally appreciate the fact that there is a role for the private and public sector to play. I suspect that most countries of the world, particularly those that are progressive, reflect that type of mixed economy.

I think it is fair to say that Crown corporations are as Canadian as the beaver or the game of hockey. They have always been here and I suspect that they will continue to play a major role in the development of the Canadian economy of the future. I do not believe many serious economists would indicate anything to the contrary. We have seen the value of Crown corporations and we have seen Crown corporations that work extremely well. There have been Crown corporations that have been developing and leading the way in technological change. Research and development through to production, in a number of instances, have been led by Crown corporations both at the provincial and federal levels.

I have made those positive remarks about Crown corporations so that our position that we are not opposed to Bill C-24 because we are against the principle of Crown corporations is clearly understood. Quite the contrary, we believe there is an appropriate role for Crown corporations to play. However, we are particularly concerned about the lack of accountability in the present system and in the system as proposed in Bill C-24. When one looks at the root of many of the difficulties facing Canada today, accountability is part of that problem, whether it concerns the public sector or the private sector.

Let me talk for a moment about accountability with respect to the private sector. For the past four and a half years while I have been a Member of Parliament we have on many occasions passed legislation that gives incentives to corporations to do certain things. There have been all kinds of incentives. I suppose the most obvious one, the grandest one of them all and the one at which other countries might be laughing, is the PIP grant system. Here was an incentive, if you like, to oil companies operating in Canada to encourage them to explore in our frontier areas, offshore and in the far north.

• (1130)

My family comes from Norway. Off the coast of Norway today is the same kind of activity that we have. Oil companies explore for gas and oil in a similar milieu to what we find off our East Coast. Norway has a different system from what we have. Norway does not have PIP grants. Just by way of background, Mr. Speaker, our PIP grants provide up to 80 per cent financing by the taxpayers of Canada. As a matter of fact, Sir, if you take advantage of some of the other tax incentives you could have about 95 per cent of the total exploration and development costs of these wells paid by the taxpayers of Canada.

Mr. Friesen: Most of them dry.

Mr. Riis: As one my colleagues has indicated, most of them end up being dry. However, that is the name of the game. But 95 per cent of the cost of drilling a $200 million well is borne by the taxpayers of Canada. If oil or natural gas is found, then Canadian taxpayers, for that 95 per cent investment, receive 25 per cent of the action, so to speak. Think of it for a moment in terms of the concept of accountability. We put up 95 per cent of the cost of developing a new oil rig, and if the oil companies are successful we, the taxpayers, receive 25 per cent of the action.

I mentioned Norway, Mr. Speaker, because the Norwegians are in a similar situation. They have a different approach. They say to the oil companies: "Come and explore in our offshore areas". The oil companies ask: "How much are we going to get from you? What is the enticement? What kind of incentive or bribe do we get to develop the offshore?" The answer is none—zero. No money. The Norwegians will not invest any money in exploration, but the oil companies are welcome to explore. They do.

All of the major oil companies around the world involved in exploration are involved in drilling off the coast of Norway. If they find oil or natural gas, they take about 80 per cent for no investment at all but just for the privilege of having oil companies find oil, develop it, and they get 20 per cent of the total action. They are all in there, Mr. Speaker; they all think it is a fine deal—Mobil Oil, Shell, Imperial Oil and so on. Can you imagine what they must think in the board rooms when they talk about Canada providing 95 per cent of the investment capital for 25 per cent of the action on a successful development?

When it comes to accountability, Members of Parliament have a responsibility. I do not think PIP grants reflect much accountability when we ask small businessmen, men and women, to provide the taxes that are required to keep our economy going and to keep our society and its social programs in place, while we throw away billions of dollars to one particular group. That is not being very accountable to those who have elected us to represent their best interests and have asked us to collect taxes fairly and to invest the money wisely. It is a very sad comment on the accountability that we are seeing reflected here as Members of the House of Commons.

When we talk about accountability, we can talk about the accountability which must be improved as it touches the private sector, particularly through our taxation system and all of the incentives that we give to the corporate sector and to Crown corporations. Our concern within the New Democratic Party is that Bill C-24 does not provide the accountability required. As a step in the right direction, however, I want to say that my colleague, the Hon. Member for Prince Albert (Mr. Hovdebo), who served on the agriculture committee, suggested when Canagrex was being debated that we needed to have a clause in the Canagrex Bill that provided the opportunity for the Auditor General to carry out a comprehensive audit on Canagrex whenever he deemed it to be appropriate.

That is the kind of accountability we would like to see in Bill C-24. We would like to see the Auditor General given the opportunity, as he or she sees fit, to carry out a comprehensive audit to ensure the taxpayers are getting a good return on their investment. We led the way on the Canagrex Bill to ensure that accountability was placed on that Crown corporation. It is the same type of accountability we would like to see now incorporated into Bill C-24.

We are concerned about the lack of a window into the subsidiaries of the Crown corporations, clearly absent from Bill C-24. We are also concerned about those Crown corporations that are non-commercial. I am thinking of the Canada Council, perhaps the CBC and the National Film Board. These are non-commercial ventures and Crown corporations. We are concerned that if they are to be incorporated somehow into the terms of reference of Bill C-24, that kind of government involvement in the Canada Council would be inappropriate for the cultural community of Canada. It would be inappropriate for the Government to be so closely involved with the cultural community and cultural developments of our nation.

We are opposed to Bill C-24 in its present form. We are especially concerned about the lack of accountability built into this Bill when it comes to Crown corporations.

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, it is somewhat of a pleasure again to speak on this measure. Bill C-24 would institutionalize the proliferation of Crown corporations in Canada.

In beginning my remarks, I think it is important to have some historical perspective about Crown corporations. The Canadian experience has been that Crown corporations have played a very important role in our development. With the kind of geography we share in our land with something like 4,000 miles of border, six different time zones, a sparse population in many regions, and because of the different problems we have, Crown corporations have been created over the years. I think all of us would concede that without the construction of the CNR and the CPR as binding forces for our country, Canada could not have developed over the years as it has. Something like 50 years ago we had the formation of the CBC, the National Film Board, and some of the cultural agencies which helped to launch industries in Canada at a time when the private sector was not in a position to cover that

great geographic expanse nor was the population large enough to provide the kind of marketplace necessary for it to function. Because of our historical experience, the concept of Crown corporations finds easy acceptance among the Canadian people. All of us would admit that Crown corporations have played a very formative and important role in the development of Canada.

Now we move to a new phase. One of the watersheds of the new phase was the year-end interview of the Prime Minister (Mr. Trudeau) in 1975. Speaking to one of our newsmen, he said that the marketplace was just not functioning properly and, therefore, the Government would have to intervene and get more active in the marketplace.

I think many Canadians have concluded that many government programs have been designed to make certain that the market-place was not functioning properly and that it would not be able to function. Canadians have also concluded that many of the regulations which have been put in place and a number of the Crown corporations which have been instituted over the years were there for no other reason but to ensure that the marketplace would not and could not function properly; then the Government would have a reason to move in and to substantiate the remarks of the Prime Minister in December, 1975, when he said that the marketplace was not functioning properly.

• (1140)

I am not perpetuating simple, idle gossip. I would like to refer to the example of the insulation business. All of us understand that the insulation business, glass wool and rock-wool, is a fairly prosperous and thriving business in Canada. There are many good companies providing healthy competition in the marketplace. All of them are doing good work. Perhaps they need some supervision, but they are doing good work. However, several years ago Petro-Canada, that new national institute, began to proliferate and formed a new company called "Canertech". It is a wholly-owned subsidiary of Petro-Canada. It began its own life cycle and began to spawn its own companies. It purchased a substantial interest in a company known as Pacific Enercon, a company that was begun by an American, a Californian. It was a multi-million dollar business, but it was losing money and was apparently about to go bankrupt. That is just the kind of company Canertech was looking for, so it invested something like $4 million in this losing company. Then it began operations in the rock-wool insulation business but it is still losing money.

Now we have a situation where Pacific Enercon with tax dollars is injecting a new player into the marketplace. The insulation business was doing all right before, and now Pacific Enercon, with our tax dollars, can compete unfairly in the marketplace and ensure with our subsidies that it can create havoc for the other insulation companies. Government corporations have now entered into a new era. They are there to compete unfairly with healthy companies and with that competition try to ensure that healthy companies, which under normal circumstances would do all right, fail and then that segment of the marketplace is left for them.

Bill C-24 is no ordinary housekeeping Bill to tidy up interrelationships among Crown corporations. It is a Bill to ensure that unfair competition will be a permanent factor within the marketplace. This will come about as a result of several key measures in the Bill. The first is that Cabinet can issue directives to any parent Crown corporations. Clause 154 enables Cabinet to issue directives to Crown corporations and to alter the working arrangements within them. According to this clause directives can be issued and, while they are tabled in the House of Commons 15 days after the beginning of the next sitting, they do not have to be tabled if the Minister feels that it would be detrimental to the commercial interests of a Crown corporation. There we have the institutionalizing of unfair competition.

If the Government believes in Crown corporations, it should let them compete on a fair basis. If it is to be fair, it must be fair for all players. However, a provision in the Bill allows the Minister to withhold vital information on how a Crown corporation is functioning.

Second, Cabinet can review all parent Crown corporation by-laws with power to change those by-laws. Third, Clause 127 allows Crown corporations to indemnify their representatives against civil, criminal or administrative action. That is about as ominous a provision as there could be. In effect, it says that Crown corporations under these provisions will be able to do things which if not illegal are certainly unethical, and that if they are taken to court, tax dollars could be used to pay court costs so that they can defend themselves.

We have that kind of attitude already in the fact that Crown corporations are a law unto themselves. I wrote a letter to Canertech several months ago. I received this reply: "I am not in a position to discuss the company's current financial situation". Here we have a Crown corporation operating with tax dollars as though it is a private enterprise, but saying that it is not accountable to a Member of Parliament and will not divulge its financial information.

These are some matters which seriously infringe upon the rights of the market-place. I contend that they are designed to ensure that the market-place cannot function and the Government has an excuse to move in.

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, certainly it should be evident to every Member of Parliament that there is a need for Crown corporations legislation to ensure some element of accountability and control over the number of Crown corporations we have today.

In recent days the Government released a booklet prepared by the Treasury Board of Canada Secretariat entitled *Crown Corporations and Other Canadian Government Corporate Interests*. It is dated March, 1984 and it is interesting in that the Government attempts to catalogue the number of Crown corporations in which it has an involvement, either through direct ownership or through joint ownership or other investment. The booklet lists the number of Crown corporations,

which it defines as corporations wholly owned by the federal Government. We find that between December, 1982 and March, 1984 the number of corporations wholly owned by the Government of Canada increased from 186 to 195.

I would be prepared to bet that very few Members of the House of Commons could name the nine new Crown corporations if they were asked. Indeed, very few Member of Parliament or very few Canadians could list more than a couple of dozen of the 195 Crown corporations which are in existence at the present time.

In a situation where the Government allows Crown corporations to proliferate with virtually no control, where Members of Parliament are unaware of the existence of many of these Crown corporations, and where we have example after example of extremely poor management, cost overruns and cases where Crown corporations have to return to the public treasury to ask Canadian taxpayers to bail them out, there is something very seriously wrong. One need look no further than at the front page of the business section of today's edition of *The Toronto Star* where one will find the headline "Will Ottawa bail out ailing nuclear firm?" In part the article reads:

> Taxpayers may have to cough up millions to revive Candu reactor and its industry.

It refers to Atomic Energy of Canada Limited, another federal Crown corporation which is set to lose literally hundreds of millions of dollars by the time it is through. There is no doubt as to the need for comprehensive legislation to deal with the whole issue of Crown corporations.

The issue before the House today, as the Government tries to cut off debate on this Crown corporations legislation, is whether the Bill does what it is supposed to do. Does it increase parliamentary control? Does it improve management? Does it allow boards of directors of Crown corporations to perform their function?

The answer to those questions is that the Bill does not do what it is alleged to do. For example, in the area of creation, the President of the Treasury Board (Mr. Gray) leaves the impression with Members of Parliament and with the public that this Bill will plug Parliament back in and ensure that it is consulted before the creation of a Crown corporation. Of course, if a corporation were subsidiary, Parliament would have no role to play.

● (1150)

We will find in the future that there will likely never again be a special Act of incorporation such as there was for Petro-Canada, Air Canada or the CBC which allowed Parliament to debate the essence of a corporation and to set its structure and spell out its mandate. Instead, these companies will be incorporated under the Canada Business Corporations Act and there will be a limited debate in Parliament of seven hours in the House of Commons and seven hours in the Senate, with a brief committee study. Obviously, Mr. Speaker, that undermines Parliament's role rather than strengthens it.

Indeed, Mr. Speaker, even that limited procedure for parliamentary control is a bit of a sham because the Government leaves the impression that there would at least be the element of control when creating new parent companies of Parliament being able to look at an Order in Council and debate it in the House for at least seven hours. In fact, there is nothing in this Bill that binds the Crown to that. In fact, the Bill does not change the status quo. A Cabinet Minister of the Government will be able to incorporate new Crown corporations and do so without one minute's parliamentary debate or parliamentary approval.

Dr. Ed Clark, the man in the Treasury Board secretariat who is responsible for Crown corporations policy, told the Canadian Institute of Chartered Accountants that the Department had in fact received a legal opinion from the Department of Justice which indicated that this Bill was binding on the Crown. In fact, that was totally false. The Government has received no such opinion. If indeed the Government claims that it has received such an opinion, let Dr. Clark or the President of the Treasury Board produce that opinion. Indeed, Mr. Speaker, since that time, Dr. Clark has communicated with the President of the Treasury Board and has denied that he ever made the statement that others witnessed him making, and has indeed confessed that there is no such opinion from the Department of Justice which indicates that this Bill is binding on the Crown.

If the President of the Treasury Board wishes to check the veracity of Dr. Clark's assertion that he in fact never made a comment claiming that there was such a legal opinion, let him ask other people who were at the meeting. They would be prepared to give their point of view and I think it would be a useful test of Dr. Clark's reliability.

Since that time, the Treasury Board has attempted to obtain legal opinions indicating that this would be binding on the Crown and it found that just the opposite was the case. In fact, that provision in this Bill is not binding on the Crown and even the limited procedures for parliamentary control do not apply over the incorporation of new Crown corporations. Business could continue to be done as usual. When we have that sort of sham, an attempt to subvert parliamentary control in the name of promoting parliamentary control, you can see, Mr. Speaker, why we oppose this Bill so strongly.

What about the function of management, Mr. Speaker? What we saw in the cases of Canadair and de Havilland were massive cost overruns, massive public subsidies and a complete failure on the part of the board of directors to do its work. One of the things the Government says it wants to do is beef up the role of boards of directors, yet it would do just the opposite. Cabinet would have the right to choose the chief executive officer and the auditor. Cabinet would even have the right not only to set their salaries but also to write by-laws for Crown corporations. What would be the function of boards of directors in the future other than to collect per diems and create a resting place for defeated Liberal candidates? Surely, Mr. Speaker, if we are serious about promoting parliamentary control and improved management of Crown corporations, then we are entitled to much better legislation than this.

In addition, Mr. Speaker, this Bill is about to be forced into committee. Government Members say that there has been enough parliamentary debate. Are they prepared to allow the public to appear in committee? The word that is being put out by the Treasury Board at the present time is that the Government intends, after it forces this Bill through the House, to prevent any outside witnesses from coming before the committee.

Members of this side of the House believe that the Canadian Institute of Chartered Accountants, the Canadian Chamber of Commerce, the Business Council on National Issues, the Consumers' Association of Canada and others not only have a right but perhaps a responsibility to appear before the committee and state their views. Yet what the Government wants is not only to gag Parliament but to gag the private sector as well and to prevent Canadians from presenting their points of view on this particular issue.

It looks like the Government is planning to spend one day in committee to discuss a Bill of this nature and scope. If anything ever pointed out how grievously flawed this Bill is and how little interest the Government has in allowing some parliamentary control over Crown corporations, it is the Government's attitude toward this Bill, the surreptitious nature of what it is trying to do behind the veil that it is putting in front of Parliament and its attempt to gag Parliament and block participation by the public in discussion of this Bill. Those things certainly indicate what the Government's attitude is toward control over Crown corporations.

At the end of this day, Mr. Speaker, when we are forced to vote on this Bill, Hon. Members on this side will oppose the Bill and will oppose it as strongly as we can. It is a bad Bill and a dangerous measure. The methods that have been used by the Government to force this Bill through the House and to prevent public and parliamentary debate on the legislation speak volumes about the Government's attitude. That should give every Canadian who believes that it is time to bring about some parliamentary control over Crown corporations and to ensure that the public's tax dollars are properly respected some cause for concern. At the end of this day, we will be voting to oppose this Bill and will be going to committee with the demand that private individuals and organizations from the private sector be permitted an opportunity to speak on this Bill, so that the Government will not simply be able to ram this Bill into law without proper scrutiny.

Mr. Geoff Scott (Hamilton-Wentworth): Mr. Speaker, it is with mixed feelings that I rise to speak to the subject matter of Bill C-24 today. The bad news, of course, is that I must speak under the circumstance of time allocation or, in not so diplomatic language, closure.

The Government is a past master at limiting debate on legislation it wants to push through the House no matter what the costs, or consequences to either the Canadian public or Parliament. I am given to understand that the Right Hon. Prime Minister (Mr. Trudeau) wants this Bill pushed through the House before he retires in June. That is the reason for time allocation, Mr. Speaker. I suppose that after 16 years of having Crown corporations multiplying like rabbits with many of them running amok without proper controls on their activities, the Prime Minister wishes to be noted in the history books as the one who sought to control the financial morass that he and his various Cabinets helped create.

It is with pleasure, however, that I rise to support the motion standing in the name of my colleague, the Hon. Member for St. John's West (Mr. Crosbie), which would provide that the Bill not be read a second time now but in six months hence; in effect, a six months' hoist. I support that recommendation for two very important reasons. The first is that the Bill as drafted is badly flawed. My colleagues from the Progressive Conservative Party have been pointing that out during the whole of second reading and there is no time for me to reiterate these concerns except to note that they are legitimate and very serious concerns that must be addressed by the Government before it tries to ram this legislation through the House.

Rising at this time, Mr. Speaker, also allows me to put clearly on the record my Party's views concerning the Canada Council and its relationship to Bill C-24. I have been supporting the six months' hoist of the present Bill because the Bill violates an important and long-standing principle which up until now all Parties in this House stood for and supported, the principle of having an arm's length relationship between the government of the day and its cultural agencies. This Bill violates that principle of independence from government, Mr. Speaker, by bringing the Canada Council under the authority of the Financial Administration Act. This is unprecedented and, in my opinion, insupportable.

The arm's length principle is based upon the belief that we should ensure that our cultural and artistic life be separate and distinct from our political life and that it should be free from political interference and control. The Massey Commission accepted this principle and recommended that the Canada Council be based upon the example of the Arts Council of Great Britain which has the state as patron but has an arm's length relationship with the government. The support and funding it receives is based upon artistic purposes and not political ones. This Bill blurs and distorts that principle.

It must be asked why it is necessary to introduce the Canada Council to a new structure for scrutiny and then spell out restrictions on interference. Clause 99(7) deals with this, Mr. Speaker. The question is why? I am sure we can all debate the reasons. The Canada Council itself understands the serious consequences of its being added to the FAA schedule and that is why it is speaking out so strongly against this Bill. It remembers only too well what happened in 1978 when the government of the day reduced the grant to the art bank by $800,000.

The then Secretary of State who is now the Minister of Employment and Immigration (Mr. Roberts) was outraged that the Canada Council should assert its independence of what he felt its priorities should be. The Canada Council was doing what it had the right and legislative provision to do. It was acting independently of the Government in the manner in which it was set up to act.

The Canada Council itself, in summarizing its concerns about Bill C-24, said this:

● (1200)

It is difficult to predict how the powers in the Bill would be used, but the following are controls which are possible under the provisions of the Bill:

Within the broad definition of the arts in the Canada Council Act, the government could determine which art forms the Council will and will not support.

The government could control the allocation of the Council's budget to particular disciplines, to theatre as opposed to visual arts, music as opposed to literature, et cetera. It could specify what types of artistic activity in each art form will be funded and in what amounts.

The Liberal Government has been treating the Canada Council in a way that we find unacceptable. The report of the Federal Cultural Policy Review Committee—the Applebaum-Hébert Committee—stated:

Public policy should facilitate self-expression, not control or organize it.

The Applebaum-Hébert report studied this issue and judged its importance to be so fundamental to its purpose that it set out as its first recommendation the unique and sensitive nature of the cultural agencies. The first recommendation read:

The status of federal cultural agencies should be defined in a new Cultural Agencies Act, in recognition of the fact that government activity in culture and the arts is subject to special considerations requiring a distinctive measure of autonomy. The provisions of this statute should prevail wherever they may conflict with those of the Financial Administration Act or the proposed Government Organization Act.

The Applebaum-Hébert report went on to state the opinion that, due to the sensitive functions of the cultural agencies, they should also be exempt from political direction in the form of ministerial directives of either a general or a specific nature.

It should be pointed out that the Liberal Government has rejected these ideas. It did not even consider how to deal with the cultural agencies except through the blanket legislation which was drafted to ensure accountability of Crown corporations such as de Havilland, Canadair, AECL and the Canada Sports Pool Corporation. The Government simply added the Canada Council to the list as if it was in the same category. It is not.

The Canada Council is presently accountable to Parliament. It provides detailed reports on how and why its funds are disbursed to the cultural and artistic community. Its representatives are available to come before committees of the House to give explanations for their judgments and expenditures and to defend them. Under Section 22 of the Canada Council Act, the Auditor General has the authority to audit the accounts and financial transactions of the Council. This Government is not interested in accountability. It is interested in politicizing the process of the distribution of cultural funds to a greater extent, in the same way as it has politicized the funds provided to assist those Canadians who are unemployed. The Government will politicize anything it can get its hands on. To give it the legislative approval to do so would be foolhardy and wrong. The arts community recognizes this and has voiced its disapproval.

If the Government is truly interested in not controlling the funds allocated to cultural agencies and the political abuse which is attached to that, then let it introduce a Cultural Agencies Act, as was recommended by Applebaum-Hébert, which will set out procedures and guidelines for these sensitive agencies. Let the Government recognize, in proper statute, the rights and independence of all the agencies so that they cannot be tampered with in the way this Bill enables the Government to do so.

At the very least, I hope the Government will seriously consider the advisability of amending the schedule to delete reference to the Canada Council. As it stands now, Bill C-24 is inappropriate for the Canada Council. It should be amended to ensure that the independence of the Council and the arm's length principle which is so fundamental to our democracy are not compromised or infringed upon. The Canada Council should not be covered by Bill C-24.

In conclusion, I would like to refer to a commentary which was given on CBC-FM radio by my friend, Sarah Jennings, in which she pointed out:

—the Tories are generally in support of the objectives of this Bill in terms of the larger issue, which is financial accountability for these federal Crown agencies.

She indicated that the Bill must come to grips with the cultural issue. She continued:

—they're trying to pull their cultural policy together, and honestly I don't think they've even addressed themselves to the issue.

As far as Bill C-24 and the Canada Council are concerned, we most certainly are addressing ourselves to this issue.

Mr. Lorne McCuish (Prince George-Bulkley Valley): Mr. Speaker, it is a privilege to speak on Bill C-24 and on the suggested amendment by my colleague, the Hon. Member for St. John's West (Mr. Crosbie), that it be hoisted for a six-month period.

Bill C-24 purports to be a Bill which will enhance the control of government and Parliament over Crown corporations. Certainly, that in itself is laudable, given the proliferation and the record of Crown corporations to date. It is obvious that control mechanisms are sorely needed. However, the legislation which has been presented to the House does not represent an improvement to an entirely offensive situation. What we have before us is a toothless piece of legislation which will do little to bring Crown corporations under parliamentary scrutiny and control.

Given the scandalous performance of Crown corporations, it is difficult to understand why this Government does not want to make Crown corporations accountable. It is obvious that they need assistance. The de Havilland and Canadair fiascos are typical examples of why Parliament should be able to scrutinize this whimsical abuse of the public purse. When the money of the people who elected us to serve them is given to well-paid executives in the form of bonuses, something has gone awry, especially when the bonuses are given to executives of a company which has suffered catastrophic losses—losses to the taxpayers of Canada.

There are other not so well-known examples of financial surrealism. In my Province of British Columbia, forestry is the largest economic activity. It generates more direct and indirect government revenue and employment than any other sector of that economy. The wealth comes from the forests of British Columbia, which are 95 per cent owned by British Columbians. At the present time, the forestry industry in British Columbia is in a mild recovery stage.

It is not with little dismay that we find the Export Development Corporation financing forest development projects in Mexico, Peru and Poland. These developments will compete with the forest product exports of British Columbia. At a time when the British Columbia forest industry is experiencing a fragile recovery, a Crown corporation gives it a competitive slap. The money used for development in Mexico, Peru and Poland is sorely needed by the Canadian forest industry to give it the competitive edge it needs in international markets.

The list of Crown corporation shortcomings is frightfully long. I refer to these examples in order to demonstrate the necessity of accountability. Supposedly, the Government which has brought forward Bill C-24 understands the need for ministerial responsibility, control of proliferation and accountability.

In a brochure entitled *New Legislative Proposals for the Control and Accountability of Crown Corporations*, the Government reveals that new measures are needed to strengthen the control and accountability of Crown corporations. How does the Government think this can be achieved? It can be achieved by clarifying the roles and responsibilities of Parliament, government, boards of directors and managers of Crown corporations. The Government then decides that by amending the Financial Administration Act it can strengthen the controls and accountability of Crown corporations. Thus we are presented with Bill C-24.

On March 15, the President of the Treasury Board (Mr. Gray) said that Bill C-24 would "clarify the roles and responsibilities of Parliament". When we examine the nuts and bolts of the legislation we find that the role of Parlilament is indeed clarified. The role of Parliament is to be as insufficient as it always was. Parliament will have no control whatsoever over the creation of subsidies by Crown corporations. Naturally, this is exactly the area in which we have witnessed the greatest proliferation of Crown corporations.

• (1210)

Bill C-24 also allows a Minister to create a Crown corporation if he or she already has the power to do so through an existing Act of Parliament. There are several instances in which this can be done. The Minister of Energy, Mines and Resources (Mr. Chrétien) could incorporate new parent Crown corporations through the existing Department of Energy, Mines and Resources Act or through the existing Atomic Energy Control Act. The Minister would not even have to come near Parliament if he desired to establish a new Crown corporation.

We have as well the situation where a Minister might table a special Act in Parliament in order to incorporate a Crown corporation. What a startling occurrence this would be. Parliament would actually be consulted. However, review would be limited to 30 days in committee and seven hours of debate in the House. Closure of this nature, Mr. Speaker, is tantamount to criminal. What starts as a good idea ends up being a cruel joke. Is the Government seriously going to allow only seven hours of debate on matters of such import to the people of Canada? Obviously the Government intends to treat Parliament's role as it always has—as a charade.

Another area which the Government has not come to grips with is ministerial accountability. Bill C-24 gives authority to Cabinet or to the Treasury Board. Here we have groups of Ministers who are supposed to be accountable. We will not have accountability until an individual Minister is given responsibility. It is a fact that we will not have accountability while authority rests with groups rather than with individuals. If we need proof of this, all we have to do is look at Canadair or de Havilland. When the chips were down no one was accountable.

Bill C-24, an Act to amend the Financial Administration Act, has many more flaws than those which I have touched upon. For instance, there is an insufficient role for the boards of directors. Essentially boards will be advisory councils without the hands-on authority which is needed in the leadership of Crown corporations. To make Crown corporations efficient there has to be an onus of responsibility placed on the board of directors. Responsibility has not been the forté of this Government and Bill C-24 certainly symbolizes that fact. This Bill is supposed to correct many of the shortcomings in the relationship between Parliament and Crown corporations, but it does not. It makes a mockery of what Parliament is supposed to be. We are not dealing with a matter which has many possible directions; we are dealing with a matter which has only the right direction. Bill C-24 demonstrates that again the Government is lost.

This Bill should be hoisted for six months so that a responsible government can introduce legislation which will give Canadians confidence in how the public purse is used.

Mr. Pat Nowlan (Annapolis Valley-Hants): Mr. Speaker, I also want to join in the debate on Bill C-24. Quite frankly, I cannot think of another Bill which demonstrates more clearly the difference between a government which has been in power too long and a Party in opposition which wants to change that government. Perhaps, Mr. Speaker, if we in the Opposition had been in power 20, 30 or 40 years, with a few brief "hiccups" in history when there was a change—and in the words of Mr. Pickersgill many years ago, the Tories are like the measles; everyone has to get them every so often, but when you have recovered, put the Liberals back in power—perhaps our criticisms of the serious implications of Bill C-24 would not be as strong.

Quite frankly, Mr. Speaker, if anyone has a disease, it is the Government across the way, and it is a lot more serious than measles. It is called "Crown corporationitis". If there is one

thing at all which is perhaps the hallmark of a government which has been in power too long, it is when it believes that Crown corporations which are not accountable to the Parliament of Canada are the way to run the country.

You have sat in that Chair, Mr. Speaker, as well as other chairs in this House, and graced them with your wisdom. You have seen, as I have, how this Government has delved into the pockets of the taxpayer without accountability as to why it did so. If you wanted to be objective, Mr. Speaker—and I do not want necessarily to be objective—on that one test alone, you would agree that Crown corporationitis is a disease which Canadians have to cut out and cast out whenever they have the chance.

It was not so long ago, Mr. Speaker, that the Prime Minister of the day on wage and income policy said to the Canadian public: "You cannot go for the Tories because 'zap' your wages are frozen, there is a hole in your pocketbook and you are going to be out on the street". Well, Mr. Speaker, Bill C-24, together with the sad record of this Government and its Crown corporations, be it de Havilland, Canadair or Air Canada, with some of its problems of political appointees in top posts, is where the taxpayers are really getting zapped. There has been $1.4 billion spent by Canadair alone without any accountability to this Parliament. It has the largest single business defalcation and deficit spending in the history of Canada.

When we in this Party talk about Bill C-24—and quite frankly, the Government thinks we have talked a little too long on the implications of this Bill—in effect, Mr. Speaker, we are talking about a parallel government. That is what Bill C-24 is; it is a government of Crown corporations. In 1962 there were 28 Crown corporations responsible for approximately $8.4 billion. In 1984 the number had grown to over 300 Crown corporations of different types of class and category. I appreciate they are not directly owned; there are joint ventures. However, there are over 315 Crown corporations now responsible for $67 billion. Just in terms of the size of the employees involved, Mr. Speaker, when I say it is a "parallel government", they now total over 260,000 as compared to the Public Service in federal Government departments which has a total of 239,000 employees, separate and apart from the Armed Services where there are another 84,000.

Bill C-24, the Crown corporations Bill, is supposed to do so much in bringing Crown corporations within the realm of Parliament. My colleague, the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty), addressed this subject in his speech. As well, my colleague, the Hon. Member for Calgary South (Mr. Thomson), in his penetrating address made to this House, admittedly a few "moons" ago—but there has, Mr. Speaker, been other business which has engaged Parliament—analyzed the principles of this Bill. Any Hon. Member, be it on the Government side or the Opposition side, who read the speech made by the Hon. Member for Calgary South would not be in favour of having this Bill go forward without serious substantive amendments, and we have not had any indication from the Government that there are going to be any serious substantive amendments when we get into committee. That is why Hon. Members of Her Majesty's Loyal Opposition, aided and abetted from time to time by Hon. Members to the left, are speaking out on this Bill, because it is like speaking on the whole government process.

I am not going to get into the details of the lack of accountability and the fact that the Government has not learned anything from the Lambert report or the reports of the Auditor General which say, among other things, that Crown corporations must be accountable. There is a cogent paragraph in the Auditor General's report of 1982 which I quote:

> It may be helpful in visualizing the scale of the problem to think of the whole group as an enormous iceberg floating lazily in the foggy Atlantic; silent, majestic, awesome. The public tends to see only the upper portions . . . the giants like CNR, Petro-Can, CBC . . . The great bulk of the iceberg below the surface is less spectacular, less likely to attract public interest, less likely to receive the attention of Parliament, yet costly to taxpayers.

As has been said here earlier this morning, Mr. Speaker, I defy almost any Hon. Member of Parliament to name 50 of the Crown corporations, let alone attempt to name the 315; and I will not even mention the Crown corporations which were created just this year, all by Cabinet fiat. Bill C-24, Mr. Speaker, which was supposed to introduce accountability to this parallel government, which spends more money and employs more people than the regular departments of government, does not introduce that accountability. It is a charade, a mockery of the word.

● (1220)

I am not going to go into all the arguments which have been made earlier. I just want to review one very specific matter in the limited time allotted to me because we are under closure and we know the guillotine will fall later this afternoon. If there was any reason why Members should participate vigorously in this debate, it is the perennial one, the one which applied under the old legislation and which is continued under Bill C-24. We as Members of Parliament do not know what the top executives of Crown corporations are paid as the supposed representatives of the people. We all know what a Member of Parliament gets paid. Goodness gracious, the third item on the *CBC News* the other day was that some Members of Parliament did not pay their bills in the parliamentary restaurant. You can go to a first, second, third or fourth class restaurant and use some type of credit card. They were blowing up tankers in the Strait of Hormuz, there were massacres somewhere else, and the third item of business on the CBC was that credit privileges were curtailed for Members of Parliament because they were too chintzy to pay or the Sergeant-at-Arms or the Speaker had lost control. I am not going to dignify that matter by debating it here and, in effect, insulting Members of Parliament, but I can tell you that while driving through my beautiful riding there were other items more important.

At least the public know that we get paid a certain amount and we get a certain allowance, but do I know what Michael Warren gets as President of Canada Post? Do I know what my illustrious friend, the chameleon of the political walk, the Hon.

Jack Horner as he was then called, retiree Chairman of the CN, do I know what he got? Do I know what Joel Bell gets as President of CDIC?

In conclusion, Mr. Speaker, since you have given me the finger salute made famous by the Prime Minister (Mr. Trudeau) in Salmon Arm, although you did it just to give me a warning, I would like to read into the record a report from the Ottawa *Citizen* dated November 21, 1983, referring to about 40 senior executives of Crown corporations and other cabinet appointees who can be paid a maximum of $227,900 a year. That is almost as much as the Prime Minister receives, almost four times as much as an MP. It says:

> The figure, released publicly for what appears to be the first time, is much higher than previously thought and surprised the chairman of the Commons public accounts committee, charged with monitoring government spending—

This was a 264-page report dated June 30 and tabled quietly in the House of Commons. It refers to "non-classified positions". I have named some of them, such as Joel Bell, President of CDIC, Claude Taylor, President of Air Canada, Bill Hopper, Chairman of Petro-Canada, Pierre Juneau, President of the CBC, and Michael Warren, President of Canada Post. There are many others. The article goes on:

> Others in the special category include CBC executive vice-president W. T. Armstrong, Canadian Egg Marketing Agency chairman Harold Crossman, Canada Museums Construction Corp. chairman Jean Sutherland Boggs and president Hector McIntyre.

All of these people can get between $63,000 and $227,900 a year when we thought they were in the $100,000 to $125,000 range. Yet not one of them has to answer a question when they appear before a Commons committee. Until we start getting into those basics, let alone the fundamentals of the Bill, then I say Members of Parliament should talk for many moons before this Bill passes.

The Acting Speaker (Mr. Herbert): Order, please. I think it will be just as well if I put on the record, in view of the remark of the last speaker, that the Chair is trying to be helpful to Members in indicating how much time remains in their speeches.

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, it is indeed unfortunate that we have to consume the valuable time of this House to debate a motion the Government has introduced to prevent further debate on a much more important item of business. That is, Mr. Speaker, Bill C-24, the Government's half-hearted and dim-witted attempt to deal with the problem which has caused irreparable damage to our country over at least the past decade. That problem arises from this Government's use of Crown corporations as an excuse for its inability to deal with the affairs of the day in an open and straightforward way in the forum of the House of Commons where all the people of Canada can be witness.

Look back to the time when VIA Rail was created, Mr. Speaker. This was done through a $1 vote in this House. It was an estimate provision and therefore we could not debate all of the elements of the proposed new passenger rail service. VIA Rail resulted from an amalgamation of equipment owned by CN and CP and other regional railways. It was to create a national passenger rail system and it has lost money every year since. This was not necessarily because VIA Rail was a bad idea, but because there was no opportunity for us to determine the extent to which VIA Rail would be free to raise money in the financial markets or the degree of public subsidy it could expect in the interest of providing services designated as a public convenience and necessity. Instead, the Government arbitrarily decided to create a passenger rail corporation without five minutes' worth of reference to the duly elected representatives of the people in this House of Commons. There was no undertaking to ensure that top level expertise would be placed on the board of that corporation, people with experience which would make them proficient in the management and conduct of this rail system.

When we look at the record of many of our other Crown corporations, Mr. Speaker, we see a similar kind of history. People have been brought in for political and other reasons as chairman of a board of directors. In the private sector a board of directors is a group of people who are accountable to their shareholders. But under the Liberals a board of directors is merely a place to retire worn-out Liberals who in many cases could never get themselves elected to any office, and some who were elected but defeated and had to have a place of rest. They were put in charge of pulling the levers of power of corporations managing millions of taxpayers' dollars without reference to this Parliament.

When do we have an opportunity to debate the necessity of an annual subsidy to the CBC or other major Crown corporations? For example, Canada Post receives a subsidy which may never ever be recovered. When do Members of Parliament have an opportunity to debate the distinction between Crown corporations which serves some national purpose, some political need, as opposed to those which are competing openly with the private sector with the benefit of government financial support and no accountability to Parliament or the laws which govern their private sector counterparts? Why is it that Crown corporations are immune from the obligation to pay property taxes, for example? Why is it that Crown corporations are immune from the requirement to pay income taxes, as do the companies with which they compete?

• (1230)

All of these questions, Mr. Speaker, ought to be thoroughly examined in the House of Commons. I, for one, find it reprehensible, as do my colleagues, that the Government would bring in a motion to suspend debate at the second reading stage with the expectation that the Government also intends to foreclose the appearance and presentation of different perspectives at the committee stage while limiting the amount of time that the standing committee will be allowed to review this Bill.

I would like to remind Hon. Members of 1980 when the Government introduced and passed the new Canada Post Corporation Act. This was an exceptional case where a new Crown corporation was created with a reasonable amount of

debate in Parliament. However, in hindsight it is not even clear that the recommendations which came from the Opposition side, the amendments which were proposed and largely ignored by the Government, would have made any difference. The Government was eliminating the title of Postmaster General to avoid the need for a responsible Minister to stand in the House and take it on the nose for all of the problems that the Canadian people were and still are experiencing with the Canadian postal service. I know that the appointed President of the Canada Post Corporation has been doing his best to sort out the mess at Canada Post. I do not believe that he has been using Parliament, the members of a standing committee or the House of Commons to assist in rectifying this difficulty.

The seriousness of the problem is outlined in a recent newspaper article which compares the Canada Post Corporation with the United States postal service which operates as a branch of the Internal Revenue Service in the U.S. In order to get the Post Office out of the hair of the politicians, the Government created a Crown corporation. These are the consequences. The deficit for the 1983 fiscal year was still $440 million. Productivity was up somewhat, but the cost of mailing a letter was to remain at 32 cents at least for the coming year. That sounds reassuring until we compare that with the situation in the United States, where, with no public funding and a 20-cent postage stamp, the American post office recorded its second consecutive year in the black with a surplus of $616 million and a productivity level 44 per cent higher than its Canadian counterpart. The U.S. postal service pays wages which, when adjusted for the differential values of the Canadian and U.S. dollars, are still 10 per cent higher than wages paid to postal staff in Canada.

Our colleagues on the Government benches tend to believe that they and their political appointees can run business better than the private sector. Why is it, then, that in the U.S. the citizen pays 20 cents to mail a letter and in Canada we pay 32 cents and absorb a deficit of close to $.5 billion annually?

The reason really has to do with the fundamental questions which are before the House at this time. They ought to be debated at much greater length than we are presently being given the opportunity to do. It really has to do with the illusion of change which the Government is trying to create by bringing a number of Bills through Parliament in a hurry before it goes out with a final gasp to meet the Canadian people and argue that it deserves another chance. It is a ruse to put this Bill before the House at the present time and then to limit debate when the Government has had 10 years to deal with this question. It is merely trying to create an illusion in the eyes of the Canadian people. As the Government has done in every previous election it has won, through sleight-of-hand and some misrepresentation it has suggested to the Canadian people that everything will be better in the future if it is re-elected.

I think the Canadian people are much brighter this time as they contemplate the position in which they will place their *x* on the ballot in the next election. They are going to realize that it is the same tired old Government playing the same old tricks on the Canadian people as an excuse for its inability to bring expertise and proficiency into the management of our national affairs, to deal with the tremendous wastage and incompetence of the management structures of many of our Crown corporations, and to face the question of sunset comprehensive auditing and other matters in a more serious and responsible way. I trust the Government will hear these words and allow this debate to continue, rather than putting the garrotte on us once again as it has done so often in this present session of Parliament.

Mr. Ron Stewart (Simcoe South): Mr. Speaker, I welcome this opportunity to participate again in the debate on Bill C-24, an Act which allegedly would make Crown corporations accountable to Parliament. However, in the true Liberal tradition, there are escape clauses which take the teeth out of the Bill. The Government would not even accede to a six-month hoist for a meaningful discussion period to enable meaningful amendments to be brought forward.

I admit that Parliament will get a say in the creation of new parent Crown corporations, but of course the Cabinet will regulate the proliferation of Crown subsidiaries. Rather, the Cabinet will be empowered to do so. However, past experience has shown that we can expect little in the way of restraint when it comes to new opportunities to intervene in the free marketplace with yet another arm of the octopus which has become known as the Trudeau Government. The result is bankrupt Crown corporations. That is really what they are; they are propped up by government financing. In reality they are Crown corpses. The Canada Development Investment Corporation is proof enough of that.

The Auditor General calls them sub-governments. In reality they are sub-governments, sub-human Crown corpses. With a federal election looming, we can expect many more subsidiaries to be created in order to provide refuge for Liberals who are running scared and looking for that refuge. In fact, the process is already under way.

The number of Crown corporations has increased from 307 in 1981 to 336 at the present time. While the number of parent corporations has decreased from 76 to 67, the number of subsidiaries has gone up from 110 to 128. Where is the accountability? Other corporate investments have also increased, from 94 in 1981 to 112 today. The CDIC now has 88,000 employees and has a finger in everything from aircraft production to farm machinery to office technology to energy. And most of these Crown corporations are not working properly. This Bill will do absolutely nothing to control the proliferation of the kind demonstrated by the CDIC.

Of course, this is consistent with the Liberal approach to governing. Where a problem exists, they throw taxpayers' money at it. Where a problem does not exist, they create one by setting up a Crown corporation and funnelling our money into it. We end up with the same negative results and some more Crown corpses. These government creations are not accountable to Parliament now, and they will not be if this Bill ever becomes law. We intend to see that it does not, at least not in its present form. Now we have closure looming over us

which limits debate to seven hours. That is some accountability! Where is the accountability of Canadair, de Havilland and Canada Post? Again, Mr. Speaker, these are Crown corpses.

The need for true accountability to this institution, which is not provided by this Bill, has been mentioned repeatedly by my colleagues throughout this debate and it cannot be stressed enough. Nowhere is the need more evident than in another Bill which is currently before the House. Bill C-32, to establish a peace institute, is an attempt to create a further Crown corporation which will be under the control of Cabinet. Cabinet will have the power to appoint directors and members, to set their fees, to decide where the institute will be located and to dictate what kind of research shall be carried out. Parliament will not have a say in these decisions. Of course, this is all in the spirit of the true Liberal tradition.

• (1240)

Bill C-32 is not off to a good start. Clause 4(c) states that the institute's purpose is to "encourage public discussion of international peace and security issues". The most important debate should take place right here, yet the Government is anxious to push the Bill through. Why the rush? Let me pledge here and now my personal and my Party's total support to peace. Who in their right mind would oppose peace? However, what we do oppose is an attempt to increase Cabinet control over yet another Crown corporation. Both Bill C-24 and C-32 do exactly that.

How can we trust a Cabinet that includes the likes of the Minister of Agriculture (Mr. Whelan)? In a recent interview with the "Trudeau Star" he said that "I am probably responsible for more free trade than anybody". This is the same Minister that brought us Canagrex, a Crown corporation that was set up to bring about state control of the agricultural industry and to buy and sell on the open market. It can be the owner of property, a right that is denied us in the Constitution. He added that he would like to see all the big Crown corporations run in the same way as Canagrex. Heaven help the farmers! Heaven help the rest of the economy, and with the latest Crown corporation, heaven help peace.

Let me illustrate for a moment the Liberal Government's commitment to accountability in Parliament. If ever a Member could rise in his place in righteous indignation, this is the time. Again the Government has stifled debate by the use of closure on something as important as Crown corporations. Billions of taxpayers' money has gone down the drain as a result of that lack of accountability.

From 1980 to the middle of last year, the Government has used or threatened closure and time allocation 22 times. This is totally in keeping with a government that rules by Order in Council, and as mentioned by one of my colleagues, rules by fiat. Between 1969 and 1982, the Prime Minister's Government passed 39,048 Orders in Council, an average of 3,245 a year. Some accountability! In the years 1977, 1978, 1980 and 1981, there were 15,002 Orders in Council passed, an average of 3,750 a year. The Bill before us today will uphold that tradition, the corroding of free speech.

With increased accountability to Parliament, we would perhaps see less of the types of activities pointed out last week by my colleague, the Hon. Member for Pembina (Mr. Elzinga). According to documents in his possession, Mr. Hopper of Petro-Canada and James Scurr, a senior vice-president, purchased used furniture and appliances from the Crown corporation at bargain basement prices. With increased accountability we would not see executives who mismanage ailing aircraft companies receiving substantial bonuses while two million Canadians are looking for work. Do we even know how much they are paid? As pointed out by my colleague, the Hon. Member for Annapolis Valley-Hants (Mr. Nowlan), we have no idea how much they make, except too much. Nor would we have an individual who has never been able to get elected placed in charge of a multi-billion dollar empire of state-owned companies. He is the person whose name is synonymous with a pint-sized automobile.

According to an article in *The Citizen* on May 18, Elizabeth Charlebois, head of the International Development Research Centre, forged her documents and will not even be fired, just asked to let go. Now they will not divulge her salary, according to Mr. Head, another Trudeau protégé. They are concerned about whether she will receive her severance pay, not about what happened to Canada and what is happening to CDIC.

I have many more comments to make about the closure aspect of this Bill and about Crown corporations in general. However, let me say in conclusion that I urge all Members to defeat this closure motion and the Crown corporations Bill. Let us restore accountability to this institution.

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, I wish to spend a few moments talking about four or five Crown corporations. Historically, Crown corporations have contributed a great deal to Canada and will continue to do so in the future.

Let me deal with Air Canada first. When I was preparing to come to work this morning I was reminded of the seat sale which Air Canada had last fall. Its seat sale provided many low prices which gave some Canadians the opportunity to travel at less cost. However, this year it has a $19 billion deficit which will somehow have to be made up. Inevitably the responsibility for that deficit falls on the taxpayer. As one late Member of Parliament said, Mr. Speaker, there is only one taxpayer, you and I.

The current debt faced by Air Canada as a result of management programs that were made in direct competition with other private enterprise airlines is now the responsibility of the taxpayer. It now appears that those management decisions to provide low-cost air fares is very questionable in terms of the net effect on the numbers travelling on the airline and the effect on other competitors in the air passenger travel service.

The second corporation I would like to mention is Petro-Canada. Petro-Canada has had many significant achievements in the energy sector since it became a Crown corporation. I do not want to talk about the obvious difficulties it has experienced with respect to gas stations or about its acquisi-

tion, but about the purchasing power of the federal Government.

It is clear that there is an expansion and almost an explosion of activities in terms of purchasing power at the federal Government level. People on the streets of Canada today want access to the purchases made by the Government. For instance, all federal Government employees have a Petro-Canada credit card. This means that federal Government employees who have that Petro-Canada card do not use other gas stations. The Government is using its economic force to support a Crown corporation to the disadvantage of a whole section of Canadian private enterprise represented by other gas station owners. We are not only talking about oil companies but individual gas station owners. It is another example of how a Crown corporation can have a direct impact on the livelihood and opportunities of other Canadians.

The Farm Credit Corporation involves a unique situation. Obviously, the Farm Credit Corporation, which may provide up to 47 per cent of the long-term lending in agriculture in 1985, is an institution which has served a very important role in the Canadian agricultural economy. Currently, its interest rates are approximately 14.625 per cent to 15 per cent, depending on the length of the mortgage. The point I am making is not that there is a problem with the Farm Credit Corporation in itself or that the institution should not exist, but that there should be some responsibilities on the part of the Minister if the institution is offering to lend money at that rate. That responsibility does not seem to exist now.

The Minister of Agriculture (Mr. Whelan) is saying during the leadership campaign that there should be a cap of 12 per cent on interest rates. I do not disagree with him on that. I think the cap should be a hell of a lot lower than that. The Minister is saying that and he is supposed to be responsible for the Farm Credit Corporation, but he is hiding behind some kind of nebulous legislative difficulty in terms of not taking responsibility for what the agricultural lending rates really are. If you stop to think about it, Mr. Speaker, there is a gap in the accountability, the control, or something. It is either that or someone is not telling the truth.

• (1250)

Fourth is AECL. It has been very clear for a number of years that AECL is a Crown corporation that has had major problems. Initially AECL was asked to do something for which it was never designed: AECL was asked to market the Candu reactor. Apart from the very obvious difficulties we really have no sales right now that are doing us any good. There are two sales in process: one in Rumania and there is one potential sale in Turkey. The bottom line of these sales has yet to be seen. These sales will probably create more problems than they will solve. Quite simply, we do not need Rumanian tractors and shoes nor do we need a lot of the things which the contratrade agreements will give us. On the other hand, if we do end up selling a reactor to Turkey, it means we have lost the control of our technology, and I do not know where that leaves the future for all of the Candu industries that depend on sales of reactors.

AECL has had a lot of difficulties. It was directed to do something for which it was not necessarily organized or intended. AECL has terrific credibility. It has many good people who can do things technically, who can do and did do the research and development on the Candu system. We have known for several years, if not longer, that the Candu system is not at this stage being developed throughout the world in a way which means giving continued solid employment opportunities for engineers and others who are working at AECL. We have not had or been given any other direction to AECL. There has been no sensitivity to what opportunities might exist for AECL or in some way to divert the excellence in engineering expertise into something that would be productive for Canada.

I see you are indicating that I have perhaps two minutes left, Mr. Speaker.

There were several other examples, Canada Post being one of them, that I would like to have touched upon. Canada Post intends to use its offices for a merchandising option involving another private enterprise which would disadvantage other similar private enterprises throughout Canada.

All of these are examples which show us the impact that Crown corporations are having in business activities throughout Canada and on our lives. It is a growing problem. It is a problem without adequate control. It does not have by anyone's standards adequate accountability. There is not the direct responsibility needed to hold Crown corporations to political accountability when we get into the upcoming election campaign. We want a Bill to accomplish that, but we do not have embodied in this Bill adequate controls to establish that responsibility.

In addition to that we have a time limitation on our debate. At the very least I would ask the Government, as this Bill goes from the House under the limitation of debate motion, to allow an adequate opportunity in committee for interested public parties to participate so as to make sure their views are known, and so that additions and deletions can be made appropriately.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, it is just before the luncheon break but I did want to participate because I have such an interested group on the Government side who I am sure will listen with some interest to my speech. I hope Members on the other side will accept the advice that I give them because my remarks and advice are meant in the interests of making this place work.

I know we are not allowed to comment on the absence or presence of Members in the House itself, but I think it is appropriate for us to mention that on this last day of debate on second reading of Bill C-24, an Act which deals with Crown corporations, it is significant that not one Member of the Government has had the courage to stand in his or her place to defend the invocation of closure on a Bill of such importance and significance to the people of Canada. Members of the Government have been timorous. They sit in their seats. They

have not participated in this debate at all because there is no answer to the allegation made against the Government. The Government has used ham-handed and unnecessary devices to thwart free and democratic debate on the floor of the House of Commons.

Why is it that the Liberals are not prepared to defend the action taken on this debate, Mr. Speaker? They know there is no answer to the millions of Canadians who wonder how it can happen that two corporations wasted $5 billion of taxpayers' money. Canadair and de Havilland, between the two of them, have caused the taxpayers to lose $5 billion. People want to know why Members of Parliament are not debating the issue of Crown corporation accountability. It is a serious and important current issue which should be debated on the floor of the House of Commons. The Liberals, while they are in the process of a leadership review, do not want the people of Canada reminded that where Crown corporations are concerned the Government has been derelict in its duty. They do not want Canadians to know that the proposals the Government is bringing forward will not solve the underlying problems we have in terms of accountability. That is the reason, Mr. Speaker. It is not a question that somehow the Government wants the business of the House to go on. Liberals are afraid politically to have this matter debated publicly. Liberals do not want us to deal with Crown corporations *seriatim,* saying: "Here are the problems that have arisen; here is the amount of money that has been lost to the Canadian taxpayer". The Liberals do not want to hear alternatives or suggestions from the Opposition. We have made real and substantive proposals with respect to improvement of the accountability of Crown corporations.

I simply want to tell you what this Bill is all about, Mr. Speaker. One section tells it all. The Liberals say this Bill deals with the whole concept of accountability. Let me tell you how far that accountability goes. In this legislation there is provision to prevent Members of Parliament from investigating and looking at reports on the activities of Crown corporations.

Let us take a look at Clause 2.2(3) of Bill C-24 proposed by this Government. It reads:

If a committee of a House of Parliament—

Whatever that is.

—to which an order is referred pursuant to subsection (2) produces a report on the order, no motion for concurrence in the report may be moved in that House.

That is contrary to basic and fundamental principles of democracy. The Liberals are intruding on the procedures of this House of Commons which would allow Members to debate reports coming from committee stage. This is unprecedented. It is unheard of. This has never been proposed in legislation in this country before. We have the Government invoking its own form of gag of Members of the House of Commons by legislation. The Government wants us to pass this Bill on the nod without further discussion.

I will be back after lunch, Mr. Speaker.

[*Translation*]

The Acting Speaker (Mr. Herbert): Order. It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

THE STANLEY CUP

TRIBUTE TO CHAMPION EDMONTON OILERS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I wish there were more government Members present, but in any event it is with national pride that I salute the new Stanley Cup champions, the Edmonton Oilers.

Some Hon. Members: Hear, hear!

Mr. Lambert: I am sure that I speak for all Members of the House, as well as for all citizens of Canada, particularly Albertans and especially Edmontonians.

The Oilers, displaying a new breed of hockey stars—some would say superstars—and playing their own brand of fast, high-scoring hockey, won the National Hockey League schedule going away. In the finals the Oilers dethroned one of the great teams of professional hockey, the four-time consecutive Stanley Cup winners, the New York Islanders.

All of Canada won in this series. Players from all parts of Canada participated. Indeed, I doubt if any province of Canada was not well represented by players on both teams. We also saw several new stars from Finland, Sweden, Czechoslovakia and the United States add to a changing game.

In Edmonton they talk of dynasties. We all remember the Edmonton Eskimos, five-time Grey Cup champions who yielded that throne only last year. Now come the Oilers. For how many years? Five at least! I go back further to the years before 1946 when the Edmonton Commercial Grads reigned as undisputed world basketball champions for almost 25 years, including three Olympic titles.

On a personal note, Mr. Speaker, when I assumed your chair in 1962, Mark Messier, winner of the Conn Smythe Trophy, was the youngest little fellow in the family next door.

Mr. Speaker: I regret to interrupt the Hon. Member but his allotted time has expired.

S.O. 21

MEDICAL CARE

SHORTAGE OF PHYSIOTHERAPISTS

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, at a time when there is a surplus of university and community college graduates in various professions seeking employment, there is an acute and alarming shortage in one essential profession in the paramedical field, that is physiotherapy. The physiotherapist is one of the well-trained professionals who play a key role in rehabilitation. With good background training in understanding medicine, surgery and obstetrics, and working with the appropriate doctor, physiotherapists apply physical exercises and various physical aids particularly tailored for the individual in facilitating rapid recovery in the rehabilitation of the injured, sick, and diseased. Unfortunately a number of them have elected to work in physical fitness institutions, where I believe their skill is underutilized.

I am concerned that those in post-secondary education are slow in assessing the genuine need for the services of graduates in the field of medical rehabilitation and that they are making little effort to meet this need, especially when there is such a large group, numbering in the thousands, of well motivated, qualified students ready and waiting for appropriate training.

* * *

HUMAN RIGHTS

PLIGHT OF SOVIET DISSIDENT ANDREI SAKHAROV

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, on numerous occasions in the past Hon. Members of the House of Commons have voiced our concern about the plight of Soviet dissident Andrei Sakharov. We have urged the Government of the Soviet Union to relent in its continuing persecution of Mr. Sakharov and his wife, Yelena Bonner. Their situation is now critical.

Andrei Sakharov, who has been banished to internal exile, is on a prolonged hunger strike in a desperate attempt to force Soviet officials to issue an exit visa for his wife so that she may travel abroad to obtain medical treatment unavailable to her in the Soviet Union.

As seldom before, the international community has rallied to condemn the harsh treatment being accorded these two human rights activists whose lives are now in danger. Members of Congress, Parliaments, Foreign Ministers and Heads of Governments are joining in the plea to free the Sakharovs. It is critical that the Government of Canada protest officially this ongoing violation of the Helsinki Final Act and of the Universal Declaration of Human Rights by the Soviet Union, and that we further call upon the Government of that country to release the Sakharovs and allow them to emigrate to the country of their choice.

PORNOGRAPHY

CALL FOR STIFFER PENALTIES

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, recent initiatives in the United States to fight pornography are welcome here, first because any crackdown on pornography in the United States will be a crackdown here since the United States is the chief source of our pornography. Second, the initiatives are laudable because they go to the heart of the matter. Increasing fines to $100,000 possible maximum for a first offence and $200,000 for a subsequent offence will really help to take the profits out of this industry, and industry is what pornography is all about.

In Canada, by comparison, the fines are at a level of paltry hundreds of dollars in recent cases. We will never deal with pornography seriously until we have substantial fines and other monetary penalties such as loss of licence. Further, the American initiative is laudable for dealing with enforcement. Federal and state authorities are getting together to seek faster methods of getting offenders into court. That is not happening in Canada. We have two committees and one subcommittee dealing with the matter.

There are matters with which Parliament could deal, such as passing amendments to the Broadcasting Act and swift passage of amendments to the obscenity provisions of the Criminal Code. We should prepare for action when the Badgley Committee and the Fraser Committee report so that the provinces can swing into action as soon as we have those recommendations so that we will have serious enforcement against pornography.

* * *

POLITICAL PARTIES

LIBERAL PARTY LEADERSHIP CAMPAIGN—ESSAY CONTEST

Mr. Doug Lewis (Simcoe North): Mr. Speaker, one of the winning essays used to choose Ontario youth delegates to the Liberal convention has come to our attention, and I want to share it with the House. It reads:

My parents, staunch Liberals, want me to be a delegate.

They say there will be many Liberal leadership conventions over the next few years but this will be the last opportunity, in my lifetime, to see a Liberal Prime Minister in person.

I support all of John Turner's positions on bilingualism.

His clarifications have been helpful, especially if I don't like his first position on an issue. His support for Bill 101 was courageous, while he was in Quebec.

● (1410)

I saw one of his investment films, once. I was lucky; I saw it on opening night. My friends went the next day and "Gone with the Wind" was playing instead.

My father works for Canadian Pacific, just like Mr. Turner and Senator "6 & 5".

Please thank Mr. Turner for setting up this independent essay contest to select youth delegates. This is democracy.

I was concerned when Mr. Apps and Mrs. Campagnolo threatened to clean up the Liberal Party. Now that you have fixed my delegate position, I know things haven't changed.

It is signed:

"Yours truly, James Coutts".

* * *

HEALTH

BAN SOUGHT ON ALUMINUM FOOD AND BEVERAGE CONTAINERS

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, one of the most insidious killers of the elderly in Canada and elsewhere in the world is the degenerative Alzheimer's disease which attacks that part of the brain needed for memory and reason. In Canada there are more than 300,000 persons with this disease, the fourth ranked cause of death among seniors.

Alzheimer's disease is a sclerosis or hardening of the blood vessels leading to the brain. This prevents the flow of a sufficient amount of oxygen to the brain. One of the findings of an ongoing research program on Alzheimer's disease is the presence of high aluminum levels in the brains of those affected.

One common source of aluminum is found in aluminum food containers, aluminum cooking pots, and aluminum utensils. As this disease may take up to 20 years to develop, Mr. Speaker, one must give serious consideration to the use of aluminum in those areas as it could in fact be a causative agent in bringing on Alzheimer's disease.

Recent media reports in Ontario indicate that the go-ahead has been given to beverage and soft drink manufacturers for beverage containers made of aluminum to replace the traditional containers made of tin. I believe that this is a serious mistake and one that should be rectified. Therefore, Mr. Speaker, I call upon the Government and the Department of National Health and Welfare to take action to stop the use of aluminum in the manufacture of food and beverage containers, food utensils, and cooking pots. Such action would drastically reduce the chances of developing this dreadful disease which is debilitating to so many Canadians.

* * *

DISARMAMENT

CONDEMNATION OF ARMS RACE

Mr. Simon de Jong (Regina East): Mr. Speaker, the women of Greenham Common, England, are to be congratulated. Their two and a half year vigil against the Cruise missile has greatly contributed to public awareness. They, as well as hundreds of thousands of men, women and children have created a peace movement that Governments and politicians cannot ignore.

In Canada every poll indicates that the arms race is a major issue. People everywhere are protesting against the insanity of both sides. For example, Mr. Speaker, if a Hiroshima-sized atomic bomb had been exploded on a city every day since the first one exploded some 39 years ago, we would only have used

up approximately 1 per cent of our explosive power. What insanity! However, it continues.

The world will be spending close a trillion dollars on arms. No wonder we have high interest rates and dozens of countries are facing bankruptcy. Like a black hole, the arms race is sucking in scare-capital while pushing the world toward nuclear extinction.

Canada continues to contribute to the insanity. Despite the recent and welcome efforts of the Prime Minister (Mr. Trudeau), we continue to help develop and produce new instruments of mass destruction. We continue to test the Cruise missile and sign secret agreements to test other weapons systems.

What is our greatest hope for ending the insanity? It is the people, Mr. Speaker. It is ordinary men and women overcoming red-baiting, despair, cynicism, and their sense of hopelessness, to march in the streets, to sign petitions, and to let their Governments and politicians know that this madness must be stopped before it destroys us all.

Mr. Speaker: The Hon. Member's time has expired.

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EXTERNAL AFFAIRS

NICARAGUA—CALL FOR REVIEW OF AID POLICY

Mr. Ron Stewart (Simcoe South): Mr. Speaker, on March 17 the Hon. Member for Labelle (Mr. Dupras) told the International Conference on Latin America that the Canadian Government, in its dealings with Nicaragua, is not "mesmerized by the bogy of a 'communist menace' supposedly knocking at our back door". The Hon. Member should take note of the observations of John Fryer, the socialist President of the National Union of Provincial Government Employees, who has just returned from Nicaragua. Mr. Fryer was there to attend a peace conference sponsored by the World Federation of Trade Unions, an organization made up mainly of union bodies with communist orientation.

A Sandinista government official told Mr. Fryer that "we are Marxist-Leninists and our aim is to create a Marxist-Leninist society". Mr. Fryer pointed out that Cuban influence is pervasive. He said that the Sandinistas are close to becoming a left-wing dictatorship with little interest in creating a pluralistic society. Although he himself is a socialist, he had to obtain permission from the Cubans to visit the dock area. Are the Cubans communists? Do fish swim?

Non-government unions are outlawed and harassed in Nicaragua in the same way as Solidarity is treated in Poland. Mr. Fryer recommends that Canadian labour should initiate aid projects to democratic unions. Even he is learning. I would suggest that Canadian government aid could be given on the same basis. I urge the Government to review its policy of extending aid to dictatorships that have no interest in human rights and democracy, and to draw that to the attention of the Hon. Member for Labelle.

Oral Questions

THE STANLEY CUP

CONGRATULATIONS EXPRESSED TO CHAMPION EDMONTON OILERS

Mr. Bill Yurko (Edmonton East): Mr. Speaker, starting at 5 p.m. there will be a grand parade in Edmonton today, and it will be in the very heart of my constituency. Also at 5 p.m. five Long Island ducks will be presented to the mayor at City Hall.

What is being celebrated is the advent of "Oiler" mania, the recognition that in a mere five years the Grand City of Edmonton has proven to all of North America that it is indeed the hockey capital of the world.

Some Hon. Members: Hear, hear!

Mr. Yurko: Those beloved "Oilers" in Edmonton, led by a lad named Gretzky, a coach named Sather, and an owner named Pocklington, and boosted and supported by half of the population of northern Alberta, proved that they are true champions. They made those "Islanders" eat crow rather than good Alberta beef. Every one of those great "Oiler" players is to be congratulated on their great victory.

ORAL QUESTION PERIOD

[*English*]

EXTERNAL AFFAIRS

FIVE-NATION PEACE INITIATIVE

Hon. Brian Mulroney (Leader of the Opposition): Mr. Speaker, I am sure that all Members of the House were pleased to hear the news regarding the five-nation peace initiative. My question is directed to the Prime Minister. I would like to ascertain if the Prime Minister was personally consulted on the formation of the five-nation peace initiative announced today and, if so, could he advise the House as to his views in regard to the success and the timeliness of such an initiative?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, I have been in consultation with the Parliamentarians for World Order who are to be commended for having initiated this and for having approached various leaders, including myself, to see if we could come up with a common statement. I very much approved of the initiative in that, in September and October of last fall, I myself was suggesting that political leaders everywhere should follow up on their responsibilities and take a position on the subject of world peace. I suggested that all leaders should press forward as these particular leaders have done, to awaken the consciousness of political leaders everywhere to the need for putting pressure not only on the two superpowers but also on the five nuclear powers, as I myself did for much of last fall and early winter.

PRIME MINISTER'S POSITION

Hon. Brian Mulroney (Leader of the Opposition): Mr. Speaker, the Prime Minister has indicated that he was consulted, and I am delighted to hear that. May I ask the Prime Minister if he was invited on behalf of the Government to be a signatory to the agreement, inasmuch as the main thrust of what we read this morning appears to coincide with some of the ideas that he was articulating? If he was invited to be a signatory, what was his response and the response of the Government?

Right Hon. P. E. Trudeau (Prime Minister): Indeed, Mr. Speaker, at some stage I think it was expected or hoped that I would be a signatory. However, in discussing and looking at the text, it should be obvious to the Leader of the Opposition that neither I, as the Leader of the Canadian Government, nor he, as the Leader of the Opposition, could subscribe to some of the requests contained within that statement.

Obviously, I am very much in agreement with the over-all thrust and intention of the statement, and so is the Government. However, dealing with some of its specifics, I am quite sure that unless the Leader of the Official Opposition is successful in persuading President Reagan, as the main force in NATO, to change some of his policies, it would be difficult to subscribe to it. The Leader of the Opposition will be seeing President Reagan and if he can get him to accept some of these propositions, maybe all Parties in the House could proceed to come closer to accepting some of the positions in the statement.

• (1420)

REQUEST FOR PRESENTATION OF RESOLUTION TO PARLIAMENT

Hon. Brian Mulroney (Leader of the Opposition): Mr. Speaker, consistent with the Prime Minister's articulated apprehensions regarding specific elements of the resolution, with which we are not in disagreement, has he given some thought to the wording of a resolution he could present to this House, which all Parties could support, and which would endorse the thrust of such an initiative without necessarily endorsing each and every aspect? I think I mentioned in one of my earlier interventions that the strength of such an initiative would be the all-Party endorsement of it. I know that Her Majesty's Loyal Opposition would be delighted to look at any documents the Prime Minister chose to bring forward which would enhance the support for any initiative which endeavours to build a more durable peace.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am not sure if the Hon. Leader of the Opposition realizes that he is perhaps a little less than completely clear when he comments on the resolution that the Parliamentarians for World Order caused to be produced. I say that he could not subscribe to it in its present form, and he nodds his head in assent.

As to the question of a resolution of this House, Mr. Speaker, he will know, and it is well known publicly, that there has been a great deal of negotiation between the Leader of the

Opposition, the Leader of the New Democratic Party, and myself, on the possibility of putting such a resolution before the House. He knows that his Party and mine agreed on such a resolution, but the idea of unanimity of this House behind such a resolution was certainly scorched when the Leader of the New Democratic Party, who I see is not in his seat—I know we will all be happy to hear his comments on it—tabled his own requirements for supporting that resolution, and those requirements contained some of the elements which would prevent the Conservative Party and the Liberal Party from subscribing not only to the Parliamentarians for World Order resolution but any resolution which, for instance, went squarely against the two-track decision of NATO at this time.

* * *

THE ECONOMY

AVERAGE FAMILY INCOME—REQUEST FOR WITHDRAWAL OF PROPOSED SALES TAX INCREASE

Hon. John C. Crosbie (St. John's West): Mr. Speaker, in the absence of the Minister of Finance I will direct my question to the Minister of State for Finance. He will have noted that Stats-Can revealed on Friday that average family income in Canada declined 2 per cent in real terms in 1982 as compared to 1981. That is the first time since the survey began that real family income in Canada declined for two consecutive years.

The Minister may have noted that the average income of female single parent families, the most needy, was down 7 per cent from 1981 in real terms.

In view of this battering of Canadians, which continued in 1983, and which certainly impedes any recovery, would the Minister advise the House whether the Government will postpone or eliminate the 1 per cent increase in the sales tax planned for October 1? The sales tax is the most regressive of all federal taxes. Will the Government do away with that increase, and also with the changes in income tax which will result in $7.6 billion of income being taken from Canadians in the next three years? Are Canadians not being crucified enough with these losses in real income?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, all elements in our society have shared in the restrictions and restraints which have marked the recent economic recession and period of recovery. Family income is no exception. We have seen a rapid drop in inflation in Canada, which is reflected in the statistics which the Hon. Member has cited. What we have also seen is a reduction in the growth in wage increases in Canada. For example, in the fourth quarter of 1983 over 1982 there was an increase of 0.4 per cent, a minimal increase in real wages during that period. What does that mean? It means that Canada has become more productive. We are better able to compete internationally. That in turn is reflected in our record export performance over the past year and a half. We are seeing it happen. Inflation is coming down, Canada is becoming more productive, business is going forward, and jobs are being created.

The Hon. Member opposite also wants to bear in mind that we have seen that consumer demand has led recovery and contributed to a great improvement in the balance sheets of Canadian corporations. Investment will follow that improvement as the profitability of corporations increases. I think the Member opposite is wrong to take his normal gloom and doom attitude. In fact the situation in Canada today is very promising.

Mr. Crosbie: The Minister is saying that it is a good thing that real incomes of Canadian families have dropped, it is a good thing that the income of female single parent families went down 7 per cent, and that average wages declined last year. This is a good thing and he welcomes it!

PLIGHT OF PEOPLE BELOW POVERTY LINE

Hon. John C. Crosbie (St. John's West): Mr. Speaker, the Budget forecast that this year real wages will increase 0.0 per cent. In 1982, 3.9 million Canadians lived below the poverty line, an increase of 400,000. Is it the Government's philosophy that the increase in those who live below the poverty line is a good thing because it makes Canadians more competitive? Or will the Government consider those 400,000, and the other millions whose real incomes have gone down, and eliminate the sales tax increase in October and the income tax increases which are going to harm them even more?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member opposite must know that it is our intention, in answer to his specific question, to proceed with the increase in the sales tax. He knows perfectly well that when we announced that increase in the April, 1983, Budget we did so in full expectation that economic recovery would be under way and that the taxpayer would now be able to sustain that slight increase. We did so because the Government of Canada needs the revenue. If the Government is to maintain its policies of support for those who can least afford a recession in Canada, for those provinces in need of transfer payments, the Government must raise the necessary revenue.

Now that the economic recovery is going forward, we are satisfied that the impact of 1 percentage point increase in the sales tax will not have the deleterious effects the Hon. Member opposite imagines. On the contrary, the evidence is everywhere at hand that the economy is able to sustain that slight increase in taxation and that there will be no harmful effects of the sort that the Hon. Member so often imagines in his dark thoughts.

Oral Questions

EXTERNAL AFFAIRS

FIVE-NATION PEACE INITIATIVE—ROLE OF GREECE

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is directed to the Right Hon. Prime Minister, and is a supplement to that of the Leader of the Opposition. It concerns the new peace proposal announced simultaneously by countries such as Greece, Sweden, India, Mexico, and Tanzania. The Prime Minister, is saying that he was not part of this, referred to our NATO commitments. I would like to remind him that one of the signatories to this initiative is Greece, a NATO country. The Prime Minister just recently said in a speech that NATO is a democracy and we have the right to disagree with some of the over-all initiatives. I would like to ask him why he did not consider joining with Greece in a more dramatic attempt to try to break the log-jam and seek disarmament in the world.

• (1430)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member will remember that Prime Minister Papandreou had proposed a six-month freeze on the two-track decision. This was rejected unanimously by all the other NATO members. I think it is certainly within the right of the Prime Minister of Greece, and of his Government, still to hold the belief that somehow the freeze of the deployment would have been a solution to the deployment of the SS-20s by the Soviets. However, this was not my opinion, and it was not the opinion of the other leaders of NATO who spoke on the subject.

I am not here to judge the position of the Prime Minister of Greece, who is an eminent leader and one whom I personally respect. However, I am here to state the position of the Canadian Government that, having adhered to the NATO decision in December, 1979—and I remind the House that it was a decision taken by the then Tory Government—it is a decision which our Government has decided to accept and support. That is the position. Therefore, we cannot have the latitude of the Prime Minister of Greece and still be faithful allies of NATO.

ARMS RACE EXPENDITURES—SUGGESTED TRANSFER OF RESOURCES

Mr. Lorne Nystrom (Yorkton-Melville): My supplementary question is also directed to the Prime Minister. I am sure he has seen the four or five page initiative by the five countries. I wonder if he can tell the House whether or not he is willing to accept some of these points and add them to his own peace proposals, such as point 4 which talks about the transferring of resources from the arms race into economic and social developments, as well as the halting of all testing production and deployment of nuclear weapons and their delivery systems. Is he willing to add some of these points to his own initiative?

Right Hon. P. E. Trudeau (Prime Minister): On the first point, Mr. Speaker, about transferring resources to the Third World, that is a point which I urged very strongly on the leaders of the Third World themselves when we convened in New Delhi last November. It is a general idea which I have also supported at the United Nations. Therefore, I have no difficulty in adding that to any House resolution.

It is a little bit extraneous to the direct question of getting the two superpowers together but it is not something to which I would object. However, when the Hon. Member goes on to ask whether I would be prepared to support and include in a resolution the idea of a freeze of deployment, he himself should realize that at the present stage of the game that is contrary to the two-track decision. I must remind the Hon. Member that the Soviets certainly were not freezing deployment when, between 1977, more or less, and the present time, they continued deploying SS-20s.

CRUISE MISSILE TESTING

Mr. Lorne Nystrom (Yorkton-Melville): My final supplementary question on the Prime Minister's NATO ploy is this. Since Greece was part of the initiative, and since Denmark has said no to deployment in that country, and apparently Holland is now delaying a decision to deploy the missile there, I wonder whether or not the Prime Minister might reconsider the go ahead he has given to the Americans on the testing of the Cruise missile in Canada and finally say no to the United States, in a dramatic effort to try to break that nuclear log jam?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, saying no to the United States is relatively easy. What is more difficult, to my mind, is to say no to the spirit of the two-track decision which is something which we adhered to, it is something which we hoped would lead to creative discussions between the two super powers, and which we hoped would result in a limitation of the nuclear arms race and eventual de-escalation. It did not work out that way, Mr. Speaker, and no country regrets it more than Canada. However, I am not prepared, nor is the Hon. Member's Party prepared, as I understand it, at this time, to say no to NATO. That is the question he should be asking himself.

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STATISTICS CANADA

SURVEY OF FAMILY FINANCES

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is directed to the Minister of Supply and Services who is responsible for Statistics Canada. A survey which is presently being undertaken by Statistics Canada into the debts and assets of some 15,000 households across Canada is being protested by the Consumers' Association of Canada, and by others, as a gross invasion of privacy. Would the Minister tell the House what possible reason the Government has to want to know how much money a family has in the bank, what amount of cash it has on hand in the home, what

outstanding charges it has against credit cards, and what loans it has with various chartered banks or other financial institutions? More important, Mr. Speaker, who is going to have access to this information?

[*Translation*]

Hon. Charles Lapointe (Minister of Supply and Services): Mr. Speaker, the answer seems obvious, and I am surprised it did not occur to the Hon. Member, considering her experience. The reason a survey is being made of the debts and assets of a sample of Canadian households across Canada is that the data thus obtained will help us to make projections on the investment capacity of Canadians as private citizens and the repercussions that will have on the economy in general. It also helps us to gauge the debt levels or savings levels of Canadians, and I think this information is also very important to people in the private sector. However, the Hon. Member ought to know that at Statistics Canada, confidentiality is the rule. Any survey of this kind is a so-called selective survey whose results are tabulated generically, and no one and no provincial or federal departments have access to the individual data provided on the questionnaires. Only generic data are available and these are released for use by the public in the private sector, or for use by federal, provincial or municipal governments.

[*English*]

Miss MacDonald: Mr. Speaker, the Minister mentions confidentiality with regard to Statistics Canada. We have already seen how confidentiality can be broken as in the case, for instance, of the Minister of Finance, who used rather questionable tactics when he used personal data in another time and circumstance, personal data which were available to him.

Some Hon. Members: Oh, oh!

Mr. Epp: Right on.

CONFIDENTIALITY OF INFORMATION PROVIDED BY CITIZENS

Hon. Flora MacDonald (Kingston and the Islands): In this case I would like to ask the Minister, since lawyers, individuals, and a number of concerned Canadians have said that they feel that individuals who give that information are going to be able to be identified by their addresses and their birth dates, what assurance has any Canadian in the face of what has happened in the past, and in the face of the abuses by Revenue Canada, that this information will really be treated in a confidential way.

[*Translation*]

Hon. Charles Lapointe (Minister of Supply and Services): Mr. Speaker, I do not know what has got into the Hon. Member this afternoon, because at Statistics Canada, confidentiality has always been the rule for all its surveys, including the Census and specific surveys like this one. I could show the Hon. Member hundreds of requests for information which I receive under the Access to Information Act and prove to her how serious we are about the confidential aspect of data we collect from Canadians.

I must say that I am very keen on the confidentiality aspect, Mr. Speaker, because if there are individual citizens or groups of citizens, as the Hon. Member seems to be inferring, who are concerned about this survey and who believe it is possible to breach confidentiality through a postal code or address or whatever the Hon. Member seems to have said, I am willing to sit down with her and listen to these individuals or groups to try and take corrective action if necessary. However, I think this is just another tempest in a teapot being served up by the other side of the House.

* * *

[*English*]

PENITENTIARIES

SPRINGHILL, N.S.—ESCAPE OF INMATES—REQUEST FOR PUBLIC INQUIRY

Mr. Robert C. Coates (Cumberland-Colchester): Mr. Speaker, my question is directed to the Solicitor General. In view of the fact that six inmates escaped from the Springhill medium security institution on Sunday, including one inmate who was serving a sentence for murder, and the fact that only one officer who carried the keys to the compound stood between those inmates and freedom, is the Minister giving consideration to initiating a public inquiry which will allow the general public an understanding of what is happening to security in penitentiaries? This does not just affect Springhill, but it certainly affects Springhill at this moment in time.

• (1440)

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I am very glad to begin my answer by informing the House that two of the six inmates who escaped over the weekend have been apprehended, including the individual with the heavy sentence for the serious offence to which the Hon. Member referred. The Inspector General was sent to Nova Scotia during the weekend to conduct an investigation into what happened. That investigation may well be satisfactory. I would be glad to share its results, in so far as I can, subject to security considerations with Members of the House when I receive them to see whether any type of public inquiry is necessary for any reason.

I will remind the Hon. Member that I am appearing before the Justice Committee on Estimates today. I would be very glad to discuss the security measures at Springhill and all S-4 institutions which, in my view, are adequate.

SERIES OF INCIDENTS

Mr. Robert C. Coates (Cumberland-Colchester): Mr. Speaker, as of this moment, as far as I know, no photographs of the four escapees who are still at large have been released to the media. Therefore there is no way for the general public to

have an understanding of where those inmates are or who they are. We have seen a series of major blunders endangering the general public. With these facts in mind, I ask the Minister to reconsider an in-house inquiry which really does nothing for the general public as far as letting them know whether they are being adequately protected against these inmates. One of the escaped inmates attempted to escape only two weeks ago from the same institution. At that time he was in a compound from which he escaped this time because of his failed escape attempt two weeks ago.

If the Minister wishes to have any credibility with the general public in the areas where those penitentiaries are located, he had better call a public inquiry quickly so that the general public will believe that there is some protection available.

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I think it might be better to have the results of the Inspector General's investigation before deciding whether any more general public inquiry is necessary. It might be worth reminding Members of the House that, after a long, cold, Canadian winter, statistics which show escapes from penetentiaries rise every year at this time. That is not in any way to defend or condone them. However, I think it might be reassuring to the House to know that the number of escapes which have occurred this year is lower than the average of the last three or four years. I will have a more precise figure for Hon. Members. A certain proportion of escapes occurs in spite of the very best efforts of the Correctional Service of Canada.

I am also glad to remind Members that in this case over the weekend the police departments of all municipalities with which these six escaped inmates had ever been associated were warned about the escape. I know that photographs of the individuals who escaped are available in police records.

Mr. Hnatyshyn: Less bars, more sunlamps.

Mr. McDermid: That is reassuring.

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CORPORATE AFFAIRS

THE GLOBE AND MAIL—DISCONTINUANCE OF DISTRIBUTION TO KENORA-RAINY RIVER COMMUNITIES

Hon. John M. Reid (Kenora-Rainy River): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. It concerns *The Globe and Mail*, which calls itself Canada's national paper. On April 27, 1984, *The Globe and Mail* ordered its distributor in Winnipeg to stop distributing *The Globe and Mail* to communities in the constituency of Kenora-Rainy River, particularly the communities of Sioux Lookout and Red Lake. They cut it off, not because people were unwilling to pay the price of 85 cents a paper, but because the many advertisements the paper carries had no relevance in Kenora-Rainy River.

I would like the Minister of Consumer and Corporate Affairs to take under advisement the possibility of a prosecution of *The Globe and Mail* for having ordered its distributor not to distribute its paper in a way which is common throughout the rest of the country, which order is totally discriminatory against communities in my constituency and other small communities throughout Canada.

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, I can appreciate the gravity of the situation, though many would not, coming from that part of the country where communities are remote and are not served by newspapers. This is a very important source of information. I can guarantee the Member that I will certainly look into the matter.

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EMPLOYMENT

CANADA WORKS PROJECTS—REGULATIONS GOVERNING SAFETY OF WORKERS

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, my question is for the Minister of Employment and Immigration. In our present depressed economy, more and more Canadians have to depend on government job creation projects which pay very minimal wages. In addition to being paid low wages, workers on these projects often find that they are required to do heavy and dangerous work. They lack any adequate provision for raising safety concerns or for resolving grievances.

Some Hon. Members: Oh, oh!

Mr. Manly: The Conservatives might think this is funny, Mr. Speaker, but I think it is very important. Would the Minister make changes to Canada Works regulations so that all projects employing five or more workers would be required to have joint management-worker safety committees, and also some process for handling grievances?

Some Hon. Members: Oh, oh!

Mr. Manly: Something better than workers going to the boss with cap in hand is required.

Hon. John Roberts (Minister of Employment and Immigration): Mr. Speaker, I think the hon. gentleman is quite correct. This is a very serious question. I am appalled at the lighthearted reaction of the Conservative Members. I would like to assure the hon. gentleman that I will look into his recommendation very seriously. I cannot give him an absolute commitment at this point.

Mr. McDermid: You two-faced fibber.

Mr. Crosbie: You will be on one of those projects next week.

WORKING CONDITIONS

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, on the basis of the Minister's present knowledge could he indicate to the House what protection Canada Works employees have against unsafe working conditions or unjust dismissal? For example, are project officers required to take safety conditions into account before approving applications? Do they police these conditions after applications have been approved? If workers are fired because of a dispute with an employer over safety conditions, can we be assured that they will not be discriminated against for future employment on other Canada Works projects?

Mr. McDermid: You better produce, Roberts.

Hon. John Roberts (Minister of Employment and Immigration): Mr. Speaker, the Hon. Member has posed a variety of questions. I will look into those and give him a full and complete report as to what the criteria are and what standards are applied.

Mr. Crosbie: You look into it.

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PORNOGRAPHY

UNITED STATES LEGISLATIVE ACTION—CANADIAN POSITION

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, in the absence of the Minister of Justice my question is for the Solicitor General. Yesterday the United States passed into law some measures to deal with child pornography. Has the Minister received a copy of that legislation? Is the Government proposing any kind of parallel legislation in Canada which would deal with the child pornography issue in a similar way? How soon could we expect that kind of legislation, rather than having a commission travelling across the country to hear accounts that we already know are true?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, the Hon. Member will recall that my colleague, the Minister of Justice, did introduce very strong anti-child pornography legislation into the House. It was considered by the Justice Committee of the House and did not pass. There were a number of objections to it by a number of Members. I would remind him that there are at least two commissions under way now. One is a parliamentary committee which is examining the subject. One is the report of the Badgley Commission which is expected any time now. Third, there was a commission established by the Government to look into pornography and prostitution to recommend legislation or other measures to the House which may have a broader base of support than the child pornography legislation which was brought forward to the Justice Committee which I referred to a moment ago.

Mr. Friesen: Mr. Speaker, the Minister did not answer my question.

GOVERNMENT PLANS

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, is the Government planning any kind of parallel moves which would track the U.S. experience and put on our Order Paper legislation which would deal with child pornography in a similar way? Estimates are that 80 per cent of child pornography material is produced in the United States. If that legislation is successful there could well be a greater flow of that material into Canada and a greater establishment of that industry in Canada. Does the Government have any immediate plan of action to deal with that, rather than any further studies?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I would be rather more inclined to agree with the Member for Broadview-Greenwood who, at two o'clock today, suggested that effective measures in the United States would be beneficial in Canada rather than being detrimental in Canada.

• (1450)

In any event, we do have copies of the American legislation received in the Ministry of the Solicitor General as well as in the offices of the Minister of Justice. I have not seen it yet myself. I do not think that we ought to bring legislation forward while the committees that I have described is hard at work, but I have said enough to indicate that it is a high priority of the Government and a high priority of this House, as shown by the work of the Justice Committee. When recommendations are made, I can assure him that the Government will give them serious and urgent attention.

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FARM CREDIT CORPORATION

REQUEST THAT MINISTER REDUCE INTEREST RATES

Mr. Gordon Towers (Red Deer): Mr. Speaker, my question is directed to the Minister of Agriculture. One of his campaign promises in trying to become Prime Minister is to cap interest rates at 12 per cent. In view of the fact that he is fully in charge of the Farm Credit Corporation for which the average rate is now 15 per cent, and in the interest of good faith, would he bring interest rates down to 12 per cent in the Farm Credit Corporation?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, in the interest of agriculture and in the interest of good faith, which I have a lot of, we will see after June 16.

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EXTERNAL AFFAIRS

PERSIAN GULF CRISIS—CANADIAN POSITION

Mr. Paul E. McRae (Thunder Bay-Atikokan): Mr. Speaker, my question is directed to the Prime Minister. It is supplemen-

tary to the question asked earlier by the Leader of the Opposition, when the Prime Minister expressed some real concern about the relations between the two superpowers.

Given the very dangerous situation that exists in the Persian Gulf, the visit last Friday from a delegation from the Gulf States, and given this dangerous scene between the two superpowers, are we taking a role in cautioning the two superpowers to be very, very careful and not to move in any overt fashion into that very dangerous situation? What is the Government proposing to do?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member is correctly referring to the Persian Gulf as an example of the state of tension that is dangerous to today's preservation of peace. I believe in previous weeks he and others have talked about Central America. They are certainly two examples of the very dangerous state of relations between the superpowers. That is why I again welcome the initiative of the Parliamentarians for World Order, and support that initiative by very distinguished statesmen on several continents.

The position of the Canadian Government was stated by myself several months ago as regard to the need to reduce tension. We have, of course, made repeated statements about Central America concerning the need not to supply arms from either side to that area.

As regards the Persian Gulf, I do not know if specific representations have been made. At this stage representations would more likely be made to either Iran or Iraq which are at the heart of the war there. I know that my colleague, the Secretary of State for External Affairs, did visit the area not many weeks ago to express our concerns, but after the recent events I do not know if there are any repeated expressions of concern by Canada.

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HUMAN RIGHTS

PLIGHT OF SOVIET DISSIDENT ANDREI SAKHAROV

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question is directed to the Prime Minister. The tragic situation of Dr. Sakharov and his wife is well known around the world. Dr. Sakharov has been exiled from Moscow. His wife, who is very ill, had been refused permission to leave the Soviet Union to get the medical attention which she cannot get there. Dr. Sakharov and his wife are now involved in a hunger strike. It is feared by many people that it will end in the death of one or both of them.

Many world leaders, including President Mitterrand of France, have called publicly on the Soviet Union to permit Mrs. Sakharov to leave the Soviet Union for the medical attention she needs. Would the Prime Minister express publicly to the Soviet Union on behalf of the Government, Parliament, and the people of Canada, the wish that they would permit Mrs. Sakharov to leave the Soviet Union?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, last Friday the Government did express its concerns to the Soviet Embassy in Ottawa and pleaded for compassionate treatment in this particular case of Dr. Sakharov and his wife. We have repeatedly pointed out to the Soviet Union that the spirit of the Helsinki Final Act certainly should be conducive to the Soviets treating dissidents in a manner more respectful of human liberties.

PUBLIC APPEAL FOR COMPASSION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, when the Parliamentary Committee on Soviet Jewry was holding hearings, Professor Cotler of McGill University, who is a leading spokesman on human rights issues, was somewhat critical of the Canadian Government because so much of what we do is in the form of quiet diplomacy. Will the Prime Minister consider making a public appeal directly to the Leader of the Soviet Union, Mr. Chernenko, on this issue?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, there is no more public place than the House of Commons. I hereby make a public appeal to President Chernenko to consider compassion in his treatment of Soviet citizens.

Mr. Speaker: The Hon. Member for Edmonton-Strathcona on a short supplementary to a previous question.

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STATISTICS CANADA

FAMILY FINANCE SURVEY—POSSIBILITY OF PROSECUTIONS

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, my question is directed to the Minister of Supply and Services and it is supplementary to the matter raised by the Member for Kingston and the Islands. The Minister will know that a 95-year old widow, a resident of Edmonton, was asked to fill out this Orwellian style survey not long ago. I wrote to him about it. Will he tell the House now whether people who decline to answer these objectionable questions will be prosecuted for doing so?

[*Translation*]

Hon. Charles Lapointe (Minister of Supply and Services): Mr. Speaker, I would like to give a few more details about the survey on the distribution of wealth in Canada. The data we have at the present time go back to 1977, and it is clear that if we want to develop economic or social policies for instance, if we want to prepare new income support policies for the aged or for other groups of Canadians who do not have enough money to get by on a day-to-day basis obviously we must have a survey of this kind. In fact, the purpose of this survey is to provide new statistical data, to update the ones we already have and, which go back to 1977, so that the Government can prepare social policies, income distribution policies, policies that will provide a better response to the needs of Canadians.

[*English*]

BASIS FOR SURVEY

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, my question is for the same Minister. I hate to repeat the question, but it was quite simple. Do Canadian citizens who refuse to respond to this unconscionable intrusion of their privacy have to contend with the threat of prosecution by the Minister, or is this type of survey being conducted on a voluntary basis?

[*Translation*]

Hon. Charles Lapointe (Minister of Supply and Services): Mr. Speaker, I am very surprised that a Member of this House should ask me for permission to break the law!

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[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE

ACCESS TO MEDICAL RECORDS

Hon. Jake Epp (Provencher): Mr. Speaker, in the absence of the Minister of National Health and Welfare I will direct my question to the Solicitor General. The Minister will know that Bill C-9, the security Bill, is before committee and that concerns have been expressed regarding provisions in that Bill, specifically the demands for medical records, or information contained in medical records. The Canadian Medical Association just recently repeated its concern about the provisions in Bill C-9. Has he discussed any amendments to those Clauses with the Minister of National Health and Welfare, and is he or she proposing any amendments to deal with that difficulty?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I have not discussed amendments to that Clause with my colleague, but I have invited members of the committee to propose amendments. I have undertaken to give serious consideration to them.

In the case of access to medical records, I remind the Hon. Member that the McDonald Commission, after having studied national security, recommended that such access should be provided under a warrant procedure. That is precisely what this legislation recommends, implementing the report of the McDonald Commission in that regard. I would also inform the Hon. Member that I gave evidence before the committee the last day of an actual case that was solved by access to the medical records of a Canadian. It occurred during the early 1970s, but I gave details of it to the committee to show that access to the medical records under proper safeguards provided in this legislation—

● (1500)

Mr. Hnatyshyn: Once every 20 years. Not bad.

Mr. Kaplan: —can be a valuable asset from the point of view of protecting our national security. I know a delicate balance has to be struck between effective national security and the protection of privacy and the civil liberties of Canadians. I have indicated that very strong safeguards are provided to ensure this right of access will not be abused but that it will be carefully controlled.

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EXTERNAL AFFAIRS

EJECTION OF LANDED IMMIGRANT TO UNITED STATES

Mr. John Fraser (Vancouver South): Mr. Speaker, my question is for the Right Hon. Prime Minister, in the absence of the Secretary of State for External Affairs. The Prime Minister will know that a week ago a Canadian landed immigrant was taken by Vancouver police across the Canada-U.S. border in British Columbia, where he was then picked up by American police for matters which were pending in the United States. Can the Prime Minister indicate in this House what report the Government has on this incident, and to what degree there are communications between the Canadian Government and the United States Government with respect to it?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I confess I have not heard of this incident, but I will take the Hon. Member's question as notice and refer it to the Minister.

* * *

PETITIONS

MR. LEWYCKY—RIGHTS OF THE UNBORN

Mr. Speaker: I have the honour to inform the House that the petition presented by the Hon. Member for Dauphin-Swan River (Mr. Lewycky) on Friday, May 18, 1984, meets the requirements of the Standing Orders as to form.

MR. FRIESEN—TESTING OF CRUISE MISSILE ON CANADIAN SOIL

Mr. Speaker: I must advise the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen) that the petition presented by him on Friday, May 18, 1984, does not meet the requirements of the Standing Orders as to form.

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ESTIMATES

ATTENDANCE OF MINISTER OF ENERGY AT COMMITTEE MEETINGS

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I rise on a point of order. On Friday the Minister for External Relations (Mr. Pepin) answered a question of mine, and indicated that he would get back with an answer today, as to whether or not the Minister of Energy, Mines and Resources (Mr. Chrétien) would be showing up before a committee. Is the Government prepared to answer that question?

Order Paper Questions

Mr. Speaker: The Hon. Member has not raised a point of order. I suggest he raise the question again during Question Period tomorrow.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MS. McDONALD—FOOTWEAR INDUSTRY QUOTAS

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I have a petition on behalf of a number of footwear workers in my constituency of Broadview-Greenwood who are concerned with the lapse of quotas which will occur in November if they are not extended. This will result in a loss of a large number of jobs.

Whereby the undersigned petitioners call upon Parliament to extend the footwear quotas and examine the problems facing the footwear industry to allow Canadian industry to become more competitive and thus salvage jobs and create new ones.

MR. McKINNON—PENALTIES FOR DRUNK DRIVING

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, I have the honour to present a petition on behalf of several hundred residents of my constituency. The petitioners, residents of Canada who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide a remedy, humbly sheweth that there is an urgent need to enact legislation against drinking and driving.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 781 and 782.

[*Text*]

MEDIA MONITORING BY MINISTRY OF STATE FOR ECONOMIC AND REGIONAL DEVELOPMENT

Question No. 781—**Mr. St. Germain:**

Since April 1, 1983, did the Ministry of State for Economic and Regional Development spend any amount for (a) electronic media monitoring services performed by private firms or individual contractors (b) print media clipping services performed by private firms or individual contractors and, if so, in each case, what amount?

Mr. Rolland Dion (Parliamentary Secretary to Minister of State for Economic and Regional Development and Minister of State for Science and Technology): (a) Yes, $6,934.15. (b) No.

MEDIA MONITORING BY DEPARTMENT OF JUSTICE

Question No. 782—**Mr. St. Germain:**

Since April 1, 1983, did the Department of Justice spend any amount for (a) electronic media monitoring services performed by private firms or individual contractors (b) print media clipping services performed by private firms or individual contractors and, if so, in each case, what amount?

Hon. Mark MacGuigan (Minister of Justice): Yes. (a) Bowdens Information Services, $14,685. (b) Media Day Services, $6,324.

[*English*]

Mr. Speaker: The questions as enumerated by the Parliamentary Secretary have been answered.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 716 could be made an order for return, the return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that question No. 716 be deemed to have been made an order for return?

Some Hon. Members: Agreed:

[*Text*]

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

Question No. 716—**Mr. Hovdebo:**

1. In the fiscal year (a) 1981-82 (b) 1982-83 (c) 1983-84 to date, did the Canadian International Development Agency acquire any (i) milk, powdered, skim, canned or whole (ii) rapeseed or canola products (iii) wheat flour (iv) wheat, barley and oats (v) other cereal (vi) other agricultural products and, if so, in each case, what amount?

2. For each of the products mentioned in part I (a) who was the supplier (b) what total amount and unit price was paid by the Agency (c) what was the country of origin of each product in each purchase?

Return tabled.

[*English*]

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

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

FINANCIAL ADMINISTRATION ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Ouellet (for Mr. Gray) that Bill C-24, an Act to amend the Financial Administration Act in relation to Crown corporations and to amend other Acts in consequence thereof, be now read a second time and referred to the Standing Committee on Miscellaneous Estimates; and on the amendment of Mr. Crosbie (p. 3688).

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I was saying before lunch how reprehensible this tactic of closure is at any time and that we in the Official Opposition feel very strongly when important issues such as accountability of Crown corporations are not debated on the floor of the House of Commons. We have two examples of Crown corporations, Canadair and de Havilland, which have spilled $5 billion of taxpayers' money. This matter is not being addressed fully on the floor of the House of Commons and it is a sorry day for democracy in Canada.

It is not as if we in the Opposition are without specific proposals concerning this legislation. Let me outline them to members of the Government who care to listen. They have not participated in this debate at all. They care not, nor are they able to defend the Government in its imposition of closure. They have been silent seals over there unable to speak because they know they are on the wrong side of this issue.

We have some specific recommendations to make. Our Party called upon a return to a system of effective and individual ministerial responsibility. The legislation before us, Bill C-24, gives authority to be exercised by Cabinet or by Treasury Board. There is no one Minister really responsible. This leads to situations such as Canadair where no Minister will step forward and take the blame for any fiasco that occurs.

My Party believes there should be a classification system for Crown corporations based on the extent of a corporation's reliance on government financing and its role in implementing public policy objectives. We believe there should be stringent measures to restrict new incorporations and the acquisition of Crown corporations and their subsidiaries. We believe that new Crown corporations should be created only by a special Act of Parliament.

The Government has responded that the Government does not need approval for the creation of a Crown corporation if it already has that power under an existing Act of Parliament. Under the Government's proposal, Parliament has no control whatsoever over the creation of subsidiaries to Crown corporations.

Under the provisions of this Bill, a Minister can table a special Bill to create a Crown corporation. Parliamentary review will be limited to 30 days in committee and seven hours of House debate. We have closure imposed today, Mr. Speaker, but in Bill C-24 we have built-in closure, the shutting down of free and democratic discussion on the floor of the House of Commons.

The Progressive Conservative Party says that there must be clarification of the role of the Auditor General and of his relationship with private sector auditors. Under this Bill Cabinet appoints the auditors for the corporation, not the board of directors.

I see, Mr. Speaker, that you are signalling that I have two minutes remaining. I have many, many specific proposals that I want to put forward to Government Members so they can see how important issues are being thwarted by this closure motion on the part of the Government. We in the Progressive Conservative Party say that there must be an improved accounting procedure to bring accounting practices for Crown corporations into line with those used in the private sector.

We say there must be a clarification of the roles and responsibilities of the directors of Crown corporations. The Government's response under this legislation makes the board of directors a mere advisory panel. I will give you examples, Mr. Speaker. First, the Cabinet appoints the chief executive officer and the chairman of the board. These are political appointments. Second, in some cases, such as Canada Post and CMHC, the Cabinet can appoint not only the chief executive officer, chairman of the board, but also vice-presidents and other lesser management officials. The Cabinet, of course, appoints the auditor. The board of directors, under this proposal by the Government, are without power. They are simply ripe for political intervention and political patronage, the mainstream of the Liberal Party, which will be brought to an end after the next election. My Party feels that the accountability of Crown corporations is an important issue.

• (1510)

In the two minutes remaining I simply want to say that we resent very much the high-handed manner in which the Government has used the device of closure to close down debate on the floor of the House of Commons. It is a demonstration of its mala fide with respect to a very important issue for the average citizen of Canada as well as for the future well-being of our country.

In conclusion, we can ill afford Crown corporations putting us into a situation of losing more money than the combined budgets of the Provinces of Saskatchewan, Manitoba and Alberta.

Mr. Robert C. Coates (Cumberland-Colchester): Mr. Speaker, I would like to join with my illustrious House Leader, the Hon. Member for Saskatoon West (Mr. Hnatyshyn), and indicate the same reaction to this closure motion. Indeed, he indicated that it will affect every aspect of the Bill. In other words, the Government is gagging Parliament and preventing it from having the opportunity to debate in a useful manner some very necessary changes to the over-all system of Crown corporations in the country. Today they employ more people

than the Public Service of Canada. They have run up horrendous debts, debts which are well beyond the comprehension of any Canadian businessman. There is no way any business in the private sector, including Dome Petroleum, could comprehend the magnitude of the debt. I am never sure whether or not Dome Petroleum is a Crown corporation. Certainly the way it lost money would indicate that there had been government involvement. It was about as competent in its operations as Canadair and de Havilland.

If Parliament is to have some control over the proliferation of Crown corporations and all other aspects of Crown corporations, such as the chairmen of boards of directors, we require more time to discuss and debate the issue, so that the general public is made aware of the horrendous mistakes of Crown corporations and they are eliminated once and for all. Also we have to assure the general public that there are qualifications other than being a Grit in order to become a director of a Crown corporation. This appears to be the first, last and only prerequisite for most Crown corporations which are in existence at the present time.

We as a nation cannot afford the luxury of Crown corporations being involved in areas where they have proven that they are incompetent, inefficient and costly from the point of view of taxpayers. How can we continue a bail-out proposition which not only results in horrendous deficit situations in Crown corporations but causes the responsible Minister in the other place to indicate that we will be faced with the same situation between now and 1990? The taxpayers of the country are not being given an opportunity to make a judgment on whether or not these companies should be allowed to continue for that period of time, yet they carry the bill. However, that is the situation.

There is every indication that we as a Party will be the government of the country before 1984 has come to an end. Perhaps it would be in our interests as a Party to continue with the rules of the "just society"—that is, just for the Grits—as far as appointments to directorships of Crown corporations are concerned. We are not asking for that. We are asking for more formalized rules now to assure taxpayers that what they have been putting up with will not continue *ad infinitum*. This is exactly what will happen unless we have a better Bill than the one before us now. In its present form Bill C-24 does not do anything for anyone.

The Hon. Member for St. John's West (Mr. Crosbie) moved that the Bill be not now read a second time but that it be read six months hence. That amendment is absolutely correct. This Bill may just as well not pass Parliament at all because it does nothing for the taxpayers of the nation. It does not assure them that there will be any additional guarantee of protection of their tax dollars than already exists.

Mr. Hnatyshyn: What do they have to hide?

Mr. Coates: They are trying to hide the minimal number of Grits left on those boards. They are trying to protect them so that they will have somebody supporting them come the next election. The numbers are becoming less and less. They are hoping for a cadre, even though it will be a small one, to follow them into the next general election.

If the situation in terms of Crown corporations is not rectified now, it will be different when we become the government of the country. We will impose some responsibility not only upon the big losers but upon Crown corporations which are involved in the business sector and are competing against individual taxpayers. Crown corporations have special incentives available to them. They do not have to make profits. They do not have to pay taxes. They do not have to do what individual free enterprisers have to do, yet they are in competition.

We require a system whereby we could phase out and put to bed many Crown corporations which are really useless money losers and interferers in the private sector, the driving force behind the production of new jobs and opportunities for Canadians. At this moment in time many Canadians have no hope. They have nothing more than LIP or some other programs conceived by the Government which gives only one guarantee to the individuals involved—that they will be part of the UIC syndrome for the rest of their natural lives. That is not good enough for Canadians.

Generally speaking, we require control over Crown corporations. Also we require some rules and regulations which guarantee Canadian taxpayers that there will no longer be the runaway deficit situations that existed in Canadair and de Havilland. Canadair was able to run up a $1.4 billion deficit in one year, and the deficit of de Havilland was half a billion dollars. It looked good in comparison with Canadair but it looked bad in comparison with any other situation in the country. It is very difficult to change the mind of government which has piled up one horrendous billion dollar deficit after another. At this stage in our history it is something like $30 billion and only one Liberal leadership candidate, the gentleman who is not now a Member of the House of Commons, is talking in airy-fairy terms about cutting the deficit by half without being able to give us any idea how that would be achieved. I would say, Mr. Speaker, that if that particular leadership candidate were to look at the Crown corporation situation in the country, he could very easily find a method to halve or even eliminate much of the deficit that the Canadian taxpayers is facing and that all Canadians will be facing in the years ahead. This could be done by putting some business sense back into the Government of Canada. This business sense certainly has not existed in the last decade and I am afraid that it has not existed for almost two decades.

• (1520)

The imposition of closure on this Bill just reinforces the fact that this legislation is not necessary and should not be allowed to be passed by Parliament at this point in time. I support the Hon. Member for St. John's West who proposed the amendment that we are debating now.

The Acting Speaker (Mr. Herbert): The Hon. Member for Mission-Port Moody (Mr. St. Germain).

Mr. Foster: Mr. Speaker—

The Acting Speaker (Mr. Herbert): The Hon. Parliamentary Secretary on a point of order?

Mr. Foster: No, Mr. Speaker, I just wanted to be recognized.

The Acting Speaker (Mr. Herbert): The Hon. Member for Mission-Port Moody.

Mr. Gerry St. Germain (Mission-Port Moody): Mr. Speaker, this is the second time that I have been given the privilege of rising in this House to speak against this Bill. Bill C-24, which is a Bill to amend the Financial Administration Act with respect to Crown corporations, is a legislative initiative taken in a subject area that is dominant in the minds of all Canadians and particularly in the minds of those involved in the economic scene.

What is really astonishing is that the Government opposite wants to invoke closure on a debate that is so important that it has ramifications on economic, social and numerous other aspects of the country. The Prime Minister (Mr. Trudeau) has accused the people on this side of the House of delaying tactics. These are not delaying tactics, Mr. Speaker. We are carrying out our responsibility as we should against bad legislation.

Crown corporations have played a very large role in the economic, social and cultural development of Canada. In fact, in recent years the Liberal Government opposite has allowed the Crown corporation phenomenon to manifest itself into an economic monster that is uncontrolled in spending, is self-reproducing and is lacking any accountability to Parliament or to the people of Canada.

When most Canadians think of Crown corporations, they think of Air Canada, CBC and Petro-Canada. How many Canadians know the real extent of Crown corporation infestation into the private sector of our economy? The Crown corporations disease afflicts our economy like a horrible cancer. The Auditor General compared the proliferation of Crown corporations to an enormous iceberg floating lazily in the foggy Atlantic. I say that these corporations are like *Titanics*. They should be sinking but they are being propped up at the expense of Canadians.

How many Members opposite actually know how many Crown corporations exist? We have heard estimates of 400 or more, Mr. Speaker. How can it be that we must simply estimate the number of Crown corporations? Where is the control when we as parliamentarians do not even have an accurate count? We cannot get an accurate count, Mr. Speaker, and that is why we oppose Bill C-24 in its present state. The secretive, corrupt Government opposite wants to shroud this figure.

If Canadians really knew the extent of the proliferation of Crown corporations, they would be outraged. More significantly, if Canadians knew the real financial dilemma of the Crown corporation monster, there would be rioting in the streets. The Liberal Government opposite has mortgaged our nation's future and hidden the debt among the financial confusion-illusion of Crown corporations.

Bill C-24 does nothing to improve the situation. In fact, this Bill simply gives more decision-making power to the Government and more specifically to the Cabinet. This Bill is not as dangerous by what it clearly spells out as it is by what it does not clearly spell out. Every clause of the Bill which deals with substantive powers designates regulation-making authority to Cabinet. The Government does not want Parliament to see the powers that it has. It would rather hide these powers from the people.

In his opening remarks on Bill C-24, the Hon. Member for Calgary South (Mr. Thomson) stated:

> This Bill gives huge regulation-making powers to the Government. As such, it is typical of this Government's excessive desire for secrecy and unbounded administrative discretion in running the affairs of government, insulated from any parliamentary or public scrutiny and control.

The desire to maintain the secrecy of incompetence is clearly defined by the Minister responsible for the CDIC, an appointment from the other place, the Minister of State for Social Development who denounced the exposure of a further loss by de Havilland Aircraft of Canada Limited of another $313 million by 1988. This situation is clearly defined in the May 14 issue of *Maclean's* magazine. Because of this exposure which has made it possible for Canadians to be told what they should know, the Minister is requesting an RCMP investigation into the affair. That is totally disgusting, Mr. Speaker. Here again, he is trying to conceal the real story from Canadians.

This clearly points out the corruption of the Government opposite. It wants to hide its mismanagement. It wants to increase the deficit and does not want to be accountable. It even saw fit to give $155,000 in bonuses to the incompetents who run some of these Crown corporations. The Government is deceiving Canadians today and stealing the future of young Canadians by creating a debt that will take generations to remove.

Government Members are the mismanagers of this century. They speak of technology. Yes, we do want new technology, Mr. Speaker, but at what expense? They are trying to compete in an area in which they are totally outclassed. Let us develop our new technologies in areas we know best, like agriculture and forestry. Let us develop technology where we have the edge and not where we are trailing. We would like to protect jobs, Mr. Speaker, but mismanagement by Government Members along with their inability to cope with the situation will lead to the loss of jobs.

I would like to speak briefly on something about which the Government has not shown that it knows very much, and that is accountability. Accountability is what Bill C-24 is purporting to bring to the Canadian scene. This Bill, however, is a continuation of the horror story of Crown corporation mismanagement. The Auditor General has pointed this out but the Government opposite simply ignores him.

Yes, we are losing credibility on the world scene because of the Government's gross mismanagement. Devalued dollars and

high interest rates are all part of the Liberals' disastrous policies and programs. Bill C-24 in its present state is a continuation of those programs.

Under this legislation, the Cabinet will be given the power to appoint the chief executive officers of Crown corporations. Boards of directors will be transformed into some kind of powerless advisory boards. This is simply designed to allow the patronage treadmill, powered by the Liberal Party, to run on. The Liberal Government has used Crown corporations as havens for all of its flacks, hacks and hit-men. Bill C-24 does nothing to control these little piglets who are at the Liberal trough.

● (1530)

In closing, as the newest Member of this House and one who has just come out of the business world and has had to face high interest rates and knows what businesspeople are still facing, I would like to say that this Bill does nothing more than add to the dilemma. We must defeat this Bill at any cost.

Mr. Maurice Foster (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, I am happy to have the chance to say a few words in the debate this afternoon on Bill C-24. Second reading is usually a time to consider the general principles of a Bill. Prior to today's sitting, the House has spent 23.5 hours on the Bill, which represents approximately six sitting days; perhaps seven days if we count the debate on time allocation. By my count, over 100 speakers from both sides of the House have contributed to the debate. Yet, opposition Members argue that we should spend more and more time on this Bill. It would seem to me that we have gone beyond the stage of second reading and approval in principle. We must get the Bill into committee for detailed study. I hope we will be doing that very shortly, after the vote this afternoon. Surely endless and interminable debate at second reading when amendments cannot be made, with the exception of the amendment which we are debating now, the six-month hoist, is a useless exercise. We need to get into detailed study of this Bill at committee stage.

I heard the Hon. Member for Annapolis Valley-Hants (Mr. Nowlan), as well as the Hon. Member for Mission-Port Moody (Mr. St. Germain) ask how many Crown corporations are there. They suggested the Government will not reveal this. At this time I would like to point out to the House, and especially to Members opposite, that on May 8 the President of the Treasury Board (Mr. Gray) issued a booklet to every Member of Parliament and to the general public entitled, *Crown Corporations and Other Canadian Government Corporate Interests*. The booklet—and every Member should take the time to read it—reveals the name of each company, the address of its head office, the name of the parent company, or of the Minister through which it reports to Parliament, because some companies are entities which are similar to government departments. The booklet also provides the year in which the company was incorporated, its statutory authority, the fiscal year-end of the corporation, the name of its auditor and a description of its mandate. If Hon. Members would take the time to read this booklet—

Mr. Mazankowski: How many are there?

Mr. Foster: It is issued to every Member, including the Hon. Member opposite.

Mr. Mazankowski: I have it.

Mr. Foster: Well, all you have to do is look at page 3 and you will see that there are 67 parent corporations and 127 subsidiaries. As well, there are many mixed and joint ventures. If the Hon. Member who is interjecting took the time to think of large integrated companies such as PetroCan, Air Canada and CN, he would realize that it is much more practical for large commercial enterprises to have subsidiaries to oversee specific projects. PetroCan is involved in dozens and dozens of joint ventures in which there is federal Government investment, but it is often a minority position dealing with exploration and drilling for oil. Hon. Members who are concerned about this issue should carefully read the documents which they have in their offices.

Another issue which has often been raised by the Opposition is the question of the independence and the integrity of cultural corporations such as the CBC, the National Film Board, the Canadian Film Development Corporation and the Canada Council. The Bill clearly spells out that commercial corporations will not be subjected to government directives with regard to their programs, the people they finance or the people whom they assist in the arts. Yet, this is constantly raised as a big issue. When the Bill gets to committee stage, I think these Members should come to the committee, but first they should read the Bill and be sure in their own minds that in fact it does exempt those cultural organizations from directives and regulations.

We should stop and think what the Bill really does. It has been spelled out many times by Members from this side, that clearly it clarifies the role of government, of Parliament, of the Minister responsible for the individual Crown corporation, the role of the board of directors and the general management of Crown corporations. The schedules to the Bill set out a regime for the definition of Crown corporations. Schedule C, Part I, sets out the Crown corporations which require parliamentary appropriations and which are generally not in competition with the marketplace. Schedule C, Part II, sets out Crown corporations such as PetroCan, CN and Air Canada, in which most of the subsidiaries are found. That is logical and it is to be expected. They are not dependent on parliamentary appropriations. So, there is a logical regime for identifying the various classes of Crown corporations.

This Bill gives Parliament the role of authorizing the creation of a directly held Crown corporation—that is a parent Crown corporation—and to change existing mandates. In other words, if an existing Crown corporation wants to change its mandate and do things which are not now authorized by its Act of Parliament, it would have to come back to Parliament to make those changes. As well, Crown corporations which are

to be disposed of, will have to be disposed of by an Act of Parliament. The Bill provides for parliamentary control of Crown corporations through appropriations. It provides two regimes for the establishment of Crown corporations. One is through the Canada Business Corporations Act. That Act would not only regulate the establishment of the corporation, but it would bring a resolution before the House which would outline what the powers and the prerogatives of that corporation would be. It provides for 30 days of study in committee and another seven hours of debate in the House. As well, Crown corporations could be established in the future by a special Act of Parliament, as were Petro-Can, Canagrex, and other Crown corporations which have been established in the last three or four years. The Bill gives Parliament direct control over the establishment of new parent Crown corporations.

One of the most important parts of the Bill is that Parliament would have a continuous flow of pertinent information laid before it. If Members opposite had read the Bill they would have realized this. The information would be a summary of the corporate plans, including the operating and capital budgets, annual reports, and directives to Crown corporations, which would be tabled every year. A consolidated report by the President of the Treasury Board outlining the operations of all Crown corporations would also be placed before Parliament. These reports would automatically be referred to the standing committees.

This Bill goes a long way in answering many of the complaints which have in the past been put before the House by the Opposition, by the Auditor General and by others. The President of the Treasury Board and myself, as his Parliamentary Secretary, have made it clear that we are anxious to move on to committee stage. We are anxious to hear recommendations and suggestions to strengthen and make the Bill more effective in controlling Crown corporations. I hope that we will be doing that after the vote later this afternoon.

• (1540)

Hon. Don Mazankowski (Vegreville): Mr. Speaker, I listened with interest to the Hon. Member who preceded me in debate, and I hoped he would specifically document the number of Crown corporations which have been included in the booklet to which he referred. I believe it is quite apparent that things have got out of control when one looks at that document which was released.

It is amazing, Mr. Speaker, that whenever this Government brings in a piece of legislation which is controversial and inadequate, rather than dealing with those inadequacies and controversies it simply stonewalls, runs for cover and moves closure. There are obviously some defects and major deficiencies in this piece of legislation. I sat in the House last Friday, Mr. Speaker, and you were here when we passed four or five very significant pieces of legislation. They were debated and dealt with at all stages. The fact of the matter is that they were not controversial. This Bill is controversial because it is insufficient to meet the objectives which it purports to meet, namely, the strengthening of the control and accountability of Crown corporations. This Bill does not meet those objectives. With all the exemptions and regulations which are attached thereto, it is clearly ineffective in fulfilling those objectives.

I believe the Hon. Member for Capilano (Mr. Huntington) when he spoke on this piece of legislation called this Bill completely insufficient and irresponsible. He went on to point out that while it covers the main Crown corporations and their subsidiaries, of which there are now 195, the legislation does not cover the 112 Crown corporations which are mixed joint enterprises and their subsidiaries. I repeat, this legislation does not cover 112 mixed enterprises and their subsidiaries. Also, with its regulations and exemptions there are enough loopholes in this legislation to drive a truck through. This Bill will not achieve the desired objectives we all want in this House.

This Bill clearly demonstrates a lack of will and desire on the part of the Government to deal effectively with Crown corporations. It wants this legislation confused. It wants a situation or environment where there can be manipulation and ballyhoo. That is really all part of this Government's whole claim to fame. With the loopholes included in this legislation, Mr. Speaker, I tell you that I cannot see any sizeable improvement in the control and accountability of Crown corporations. It has really missed the boat. I believe the current situation as it relates to Crown corporations in Canada was well outlined in a *Globe and Mail* article on May 7, 1983, written by Judy Steed, and I quote:

> By and large, most of the Crowns are poorly managed, drawing on Government money as if it's a bottomless pit, responsible to ministers who don't know what they're doing, with boards of directors stacked with patronage appointments.

I do not see anything in this Bill which would change my mind about that very accurate assessment of the way things are right now.

The Auditor General has pointed out that the proliferation of Crown corporations, their subsidiaries, the subsidiaries of those subsidiaries, the mixed enterprises and their subsidiaries, is really tantamount to a form of subgovernment with no effective parliamentary control.

In the press release issued by the President of the Treasury Board on March 15, he outlined basically the objectives. The first objective was that Parliament would be required to approve the creation, mandate and financing of a parent Crown corporation. I would like to deal with that, Mr. Speaker, because I believe this Government is not really serious in this regard.

VIA rail was enacted with a stroke of the pen by a $1 item in the Appropriations Act in 1977. Literally everyone in this country has said that VIA rail needs a legislative mandate. It needs a legislative framework. It needs to know what is its mandate. When we engaged in the task force on rail passenger service after the 20 per cent unilateral cutback, we recommended that VIA rail legislation be brought before this House of Commons forthwith. As a matter of fact, I will quote the third recommendation of the Senate which was engaged in a very extensive review of the operations of VIA rail as follows:

The Committee recommends that an enactment providing a clear and all encompassing legislative framework for VIA Rail Canada Inc., and in consequence for passenger rail service in this country is an essential requirement.

This has been going on since 1977, yet these recommendations have fallen on deaf ears. The report of the Standing Committee on Transportation which was presented to this House on April 17, 1984, had this to say:

From the point of view of the Committee, it is incomprehensible that seven years have elapsed since VIA came into existence without the Government's taking any legislative action to confer a statutory mandate upon it. The Committee believes that the absence of a mandate has jeopardized the functioning of VIA and this, combined with the financial planning difficulties resulting from Costing Order No. R-6313, makes very difficult future planning by VIA to achieve a viable passenger rail service.

No one in this country, Mr. Speaker, denies the fact that we need a good rail passenger system. However, everyone is crying for a legislative mandate which would allow VIA rail to function in a businesslike manner. This Government, however, refuses to give it this mandate. It comes on with a piece of legislation which really says, "From now on, trust us. We are going to incorporate the kind of legislation necessary so that we will be forced to legislate any Crown corporations which we want to bring into existence". I would give the Government full credit if it were to bring forward a new VIA rail act to this House of Commons. I know it has been drafted on many occasions, yet the Government refuses to do so.

I would like to deal just briefly with Petro-Canada. I wonder, Mr. Speaker, when we were debating Petro-Canada, whether they would have done so, because the *raison d'être* for creation of Petro-Canada International. I doubt very much whether they would have done so, because the raison d'être for Petro-Canada at the time of debate was quite different than what in fact has occurred in reality. Today, Mr. Speaker, there are some 75 subsidiaries and joint enterprises functioning under Petro-Canada. They multiply like rabbits. It is incredible.

I would like to deal just briefly with another very important concern I have, a concern I am sure is shared by Hon. Members opposite. It is with respect to the responsibility of a Minister in so far as the discharge of his mandate under legislation, and I refer here to the National Transportation Act, by which it is the responsibility of the Minister of Transport to ensure that we have a sound, effective and efficient transportation system in this country. On the other hand he has a mandate to see that Air Canada, in this case a Crown corporation, functions in a proper fashion, ensuring that the best interests of Air Canada are served.

We have a situation now, Mr. Speaker, with the policy of deregulation announced by the Minister of Transport where there is some very real potential for conflict. As a matter of fact, we now have the Minister suggesting that he is going to instruct Air Canada to refrain from competitive pricing and scheduling practices which are not also engaged in by privately owned carriers. I see that, Mr. Speaker, as a direct conflict to the policy objective which he has enunciated, that is, to provide consumers with a wider range of price-service options better adapted to their differing needs; to invigorate the industry; to promote national integration through increased domestic air travel; to improve the airline industries' efficiency and productivity and, of course, to bring down prices for the consumer.

I hope, Mr. Speaker, that during the course of the committee hearings the potential conflict of the Minister, when he is carrying out the provisions of a broad act, such as the National Transportation Act, as compared to the responsibilities he must undertake in the discharge as the shareholder of a Crown corporation like Air Canada, will be examined and explored. I think this is an area that could cause some confusion. It certainly has the potential for conflict. The Standing Committee on Transport is now seized with the responsibility of dealing with this issue, and I would think it most important that this avenue be explored.

• (1550)

Mr. John Gamble (York North): Mr. Speaker, when Bill C-24 was initially subjected to time limitation, I had an opportunity to make some comments of a very brief nature with respect to the Bill and my opposition to it. I welcome this opportunity to deal with the motion brought on by my colleague, the Hon. Member for St. John's West (Mr. Crosbie) which has the effect, if passed, of delaying second reading of Bill C-24 for a sufficient period of time that, under normal circumstances, would permit this House to experience an election. That would naturally obviate the need for the passage of this legislation.

It should be clearly apparent to you, Mr. Speaker, and to the House generally, that my colleagues and I have demonstrated our revulsion to this particular piece of legislation. I listened with some interest to the Hon. Member for Algoma (Mr. Foster) who, as have some of his colleagues previously, commented that the debate on second reading was a useless exercise, and then proceeded to participate in the debate. If indeed speaking on second reading is useless, then I wonder why we bother with it at all? In the name of expediency I can well see this Liberal administration deciding that debate in itself is a waste of time and something to be discouraged and eliminated. After all, if we did not have to confront the public, if Members were whipped into shape so they all said the same thing, nothing could leak out to the public, and the media would not have an opportunity to deal with some of the problems confronting society and, in particular, this Government.

Accordingly, Mr. Speaker, I reject out of hand any suggestion that speaking in this House is a useless exercise. In the event that there are other Liberal Members of Parliament who intend to speak further on this matter, they will hopefully reflect upon the logical conclusion that should be drawn from comments and urgings of that nature. The logical conclusion ought well to be that their services here may be eliminated if we do not have to speak at all. I know they say that we shall go into committee and that in committee we shall deal clause by clause with every provision of this Bill in an astute and reasonable fashion. It so happens, Mr. Speaker, that we have participated in that process, away from the television cameras

mind you, and we know that what the Government does in this House with respect to time allocation or closure is done in Committee through a voting process rapidly undertaken with respect to each individual clause of the Bill. There is no point in trying to deceive anyone as to what ultimately will happen. The Government Members will have their instructions and do as they are told. The senior public servants have determined that this legislation is exactly what they want, and their minions will carry out their will.

The legislation grants to the Government, through order in council in particular, the control of Crown corporations, those marvellous instruments whereby this Liberal administration has been able to create sinecures for their great friends while robbing the treasury and reaching into the pockets of average Canadians. It is principally those two concerns that lead my colleagues and I to oppose this Bill so vigorously. I know the purpose of the Bill is spelled out as being to control Crown corporations. Clause 1 says that, but then it proceeds to grant the control of Crown corporations to Governor-in-Council. The Governor-in-Council shall do this and do that and Parliament shall do very little.

The last time I spoke on this Bill, Mr. Speaker, I mentioned that if it is looked at as establishing some form of accountability, one must ask: "Accountable to whom if not to Parliament? Accountable to the Governor-in-Council". Therein will lie the power of appointment and the fixing of salaries.

It is particularly interesting to note that the Government pamphlet on Crown corporations and other Government controlled corporate interests, published in March of 1984, lists a very significant number of features which apply to Crown corporations, except the salaries of the senior officers thereof. We are told that all of that information is secret and sacrosanct. It must be kept confidential. I ask why? Would it alarm the public to know what some of the senior officers of these Crown corporations, reaching into the public treasury and the pockets of Canadians, draw in salary for badly administering the affairs of the corporations themselves?

One great problem that surely cannot escape the attention of Liberal Members of this House is that there is no incentive to be productive or cut costs. There is no incentive to treat the assets of these corporations with the same attention and care that the individual directors would give to their own affairs. That is because there is no beneficial interest other than in the salaries which are paid to the senior bureaucrats, these quasi-bureaucrats appointed by Governor-in-Council to positions at salaries that could reach $227,900 a year. That, of course, is subject to bonus increases.

While we heard of the financial agonies suffered by Canadair and de Havilland, we also learned that certain officers of those aviation companies were drawing bonuses of over $115,000. What were they for, for producing losses? The answer, I suppose, by Government officials, is that in the event those bonuses were not paid those losses would have been greater. Very clearly, Mr. Speaker, when a Crown corporation competes with the private sector there is no stimulus or motivation to create the kind of profit we expect from the private sector. Those private sector profits generate the wealth which permits taxes to be imposed and services to be rendered by Government. These competing private sector Crown corporations, rather than contributing to the wealth and growth of this nation, are dragging it down. It is because of that, and the sinecure appointments, that we are most concerned about having real scrutiny and real accountability to this place, and that is absent from this Bill.

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, it is not with great pleasure that I rise to speak for the second time on this Bill. The Liberal Party is indulging in a process of holding back some good legislation of which both sides of this House are in favour. In fact we are very much in favour of having a Bill to increase the Guaranteed Income Supplement for single old age pensioners come forward. However, I believe the Government now intends to allow that to drag over to the end of the session in case we have an election, at which time it will get sanctimonious as can be and pretend it was someone else's fault that we did not pass that Bill. We are very keen to pass it at any time.

• (1600)

This Bill is about Crown corporations. I have done some reading about the history of Crown corporations in Canada. One wonders why we are creating more and more Crown corporations year after year. I suspect it is because of the mindsets of the Prime Minister (Mr. Trudeau), the Minister of Finance (Mr. Lalonde) and the President of the Treasury Board (Mr. Gray). They experience a certain amount of pleasurable anticipation whenever a company or corporation in the private sector gets into difficulty. They see it as a golden opportunity to take it over and run it as a Crown corporation. With all the gigantic intellect which they have, they feel they will be able to make it into a paying concern. Some of the front benchers of the Government act more like senior civil servants than they do like representatives of the people. These senior civil servant types sometimes think they would have become fabulously wealthy had they gone into the private sector rather than into the Government sector. Through Canadair, CNR and other corporations they attempt to prove this fact. So far they have had a remarkable lack of success.

The debate as to whether we should do something to stop the proliferation of Crown corporations has been going on for more than 10 years. The need to clarify the purposes for which these corporations are formed and the need to make them accountable is well recognized. However, these needs never seem to be promoted in the form of legislation. Our Party has moved a motion for six months' hoist of this Bill simply because it represents one more failure of the Government to address the real issues surrounding the Crown corporations which are wholly or partially owned by the Government of Canada.

I would like to quote a very distinguished former Member of this House, the Hon. Robert Stanfield. On March 26, 1973 the Liberals were introducing a Bill to establish the Canada Development Corporation. At the time Mr. Stanfield said:

The Canada Development Corporation was established, so far as I can see, without any strategy except the establishment of another investment company in Canada in which the Government would have some interest. It is meaningless in this sense, and for that reason I oppose it, Mr. Speaker. For that reason, I see little significance in it, despite the repetition of Ministers of the Crown that it is a vehicle to enable Canadians to invest in Canada. It might even be that some people will be hurt in the process.

He went on to say:

—the President of the Treasury Board (Mr. Drury) has taken the position that transfer of shares of Polymer Corporation to the Canada Development Corporation is just some kind of intergovernmental transaction. I am sorry the President of the Treasury Board is not here at the moment; but that, of course, was not an honest statement—

That is the fuzziness we run into whenever the Government brings in another Bill. It seems to feel it would be a terrible thing to be open about the purposes of a Bill and why it wants yet another Crown corporation. This Bill comes a little closer to clarity if one reads between the lines. It says that this is:

An Act to provide for the financial administration of the Government of Canada, the establishment and maintenance of the accounts of Canada and the control of Crown corporations.

That is a change made to the Financial Administration Act by this Bill. I think it is a confession by the Government that the Crown corporations are out of control, and this Act is supposed to bring them into control. It is the lack of disclosure which bothers us on this side as well as the lack of a clear definition of the role of Parliament. In fact, Parliament is almost invariably left out of this.

Parliament is supposed to review annual reports, summaries of corporate plans, budgets, and Government directives to Crown corporations. However, Parliament will not see the plans and budgets of these corporations in their entirety. Nor is there any time limit for the tabling of these documents by the responsible Minister. The Bill provides that complete audit reports must be prepared on a regular basis, but does not ensure that these will be made available to Parliament in their entirety.

When looking for what will be made available and what will not, we find that the new requirements for accountability are offset by other provisions to restrict the activities of auditors and examiners, ensuring that little, if any, controversial information would be released to Parliament. Each Crown corporation would have to establish an audit committee to oversee any audits or special examinations that are carried out. The audit committee would protect the interests of the board of directors. Of that we can be sure.

The Bill neglects a number of significant issues, including the privileges and immunities of Crown corporations with respect to other legislation such as the Combines Investigation Act. What will be the impact of the long promised competition legislation on the activities of the many Crown corporations which have complete or near monopolies in their markets? The Bill does not address the issue of placing public servants on the boards of Crown corporations, nor does it give Parliament any powers to oversee the appointment of the chief executive officers of these corporations. The power rests entirely with the Government in Council, the cabinet. We have seen lately what they are likely to do with a Crown corporation.

Tired hacks of the Liberal Party who have been defeated and driven out of this Chamber, or have retired of their own volition, have gone to what turns out to be far greener grounds. The former Minister of National Defence, Mr. Danson, was appointed to the board of directors of de Havilland. He has now received another plum, appointment as the Canadian Consul-General to Boston. His salary range is $60,870 to $71,550. Considering what the management of most Crown corporations get paid, he has taken a considerable cut in salary.

It is difficult to tell, Mr. Speaker, how the Government determines what shall be a Crown corporation. In reviewing Schedule I of this Bill, it is rather interesting to try to determine whether a Crown corporation should be a board. The National Energy Board is a regulatory body and not a Crown corporation. However, the Agricultural Stabilization Board is a Crown corporation, and the Atomic Energy Control Board is a Crown corporation, while the Canadian Radio-Television and Telecommunications Commission is a regulatory body. They are all controlled by the cabinet of the country. We feel that Parliament should have more say about them.

To give the House an idea of the different types of organizations within Crown corporations, I will refer to Schedule B of this Bill. I see reference to the Agricultural Stabilization Board. The Canada Employment and Immigration Commission is a Crown corporation. The Canadian Centre for Occupational Health and Safety is a Crown corporation. Crown Assets Disposal Corporation is actually a corporation. The next one is an odd one; the Director of Soldier Settlement. I am not sure whether the Director is a Crown corporation or the Soldier Settlement Organization is a Crown corporation. The Veterans' Land Act is a corporation. The Economic Council of Canada is a Crown corporation. The National Museums of Canada is a Crown corporation. And last, but by no means least known, is Loto Canada Incorporated. It is a Crown corporation which came in with a very fuzzy charter. It is impossible to find out how it is going to operate, when and where, or whether it will be legal.

• (1610)

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Herbert): It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Broadview-Greenwood (Ms. McDonald)—Status of Women (a) Native women's rights. (b) Women's attendance at Edmonton conference; the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen) (a)

Employment—British Columbia statistics. (b) Railway upgrading—Benefits for British Columbia; the Hon. Member for Fundy-Royal (Mr. Corbett)—Fisheries—Atlantic salmon stock—Prevention of poaching.

GOVERNMENT ORDERS

[*English*]

FINANCIAL ADMINISTRATION ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Ouellet (for Mr. Gray) that Bill C-24, an Act to amend the Financial Administration Act in relation to Crown corporations and to amend other Acts in consequence thereof, be read the second time and referred to the Standing Committee on Miscellaneous Estimates; and on the amendment of Mr. Crosbie (p. 3688).

Mr. Scott Fennell (Ontario): Mr. Speaker, I am pleased to have an opportunity to speak again to this Bill, particularly with respect to the motion moved by the Hon. Member for St. John's West (Mr. Crosbie). The point that we are trying to make is that we are not satisfied with this Bill. If the Government were given six months it could possibly make some improvements and return with the legislation that is required to get control of Crown corporations. I suggest the Government should consider this proposal seriously as a result of the complaints it has heard about this Bill, even from some people in the better Crown corporations who have said that it is inadequate.

This Bill should be set aside for Government reconsideration. I believe this whole matter should be discussed in the Standing Committee on Finance, Trade and Economic Affairs because we deal with many such issues in this committee. We have dealt with the problems of many Crown corporations. I would suggest that perhaps the committee on Finance, Trade and Economic Affairs is more aware of how Crown corporations can fail the citizens of this country. A six-month hoist would allow the Government to consider amendments that would strengthen the proposals in this Bill, and allow it to enact legislation that would keep these Crown corporations under control.

That lack of control is most evident in the recent example of de Havilland. de Havilland is having an extremely difficult time, yet during this period when it lost hundreds of millions of dollars the senior executives have received bonuses. I do not believe that any member of the House would consider that a sound move by the directors of de Havilland. It is absurd that a corporation which should be making money, but is losing money because of bad management, should pay its executive a bonus.

There should be measures within this Bill dealing with management of Crown corproations. We have reviewed many cases where it has been shown that there has been total incompetence by management as well as interference by civil servants. These civil servants are the associate deputy minister, an assistant deputy minister and the deputy minister. They become involved in the affairs of something about which they know nothing. They are civil servants who have never worked in the real world. This Bill should take that fact into account. It does not.

Let me suggest some other changes that are required in this legislation. Every Crown corporation should be subject to a comprehensive audit, an audit that cannot be modified by the Minister in charge of a corporation. A cabinet Minister, no matter what Party is in power, should not be permitted to change a comprehensive audit.

Unfortunately, this Bill does nothing to require subsidiaries of Crown corporations to be accountable to the House of Commons. Consequently, there will be a proliferation of new small Crown corporations. We will see mini Petro-Canada's, and mini de Havilland's breeding throughout the country, resulting in a total loss of control or understanding of these corporations.

I believe some of these Crown corporations could be run successfully. It would be ideal if they could be run properly and then sold to the public of this country as positive and strong investments. We have not addressed the structural problem of Crown corporations and their operations. We have not dealt with the fact that they are immune from any Combines investigation. I do not believe Crown corporations should be treated differently from those in the private sector; whatever is good for the goose is good for the gander.

This Bill should make it clear that there is no room for public servants on the board. The committee on Finance, Trade and Economic Affairs has discovered that this has created chaos in several instances. The Bill should allow for parliamentary scrutiny and total in depth review of the three to five-year programs and budgets of Crown corporations. These Crown corporations always come before Parliament after they have lost hundreds of millions of dollars. We are never forewarned about the dangers into which these corporations may be falling.

The CDIC was created by the Government but never approved by the House. The legislation respecting that corporation is sitting on the Order Paper today as Bill C-25. Parliament was never consulted or given an opportunity to consider this Crown corporation in the House or in committee. We only learned of CDIC when we were advised at a hearing into Canadair and de Havilland that it would be representing those two companies. Furthermore, the officers of CDIC had no knowledge of what had transpired in those corporations. Yet the Government was there to bail out those companies.

One change in particular that is required in this legislation concerns the 30-day restriction on a committee to debate any new Crown corporation. I sit on committees and know that 30 days can be divided in many ways. It could be an hour and a

half a day for two days a week. Is that 30 days considered on a calendar basis or is it 30 sitting days of at least four and a half or six hours a day?

Furthermore, how can the Government introduce closure on any new Crown corporation legislation by stating that there will be no more than seven hours of debate? If we were to consider an extreme situation, such as at Christmas, a committee could sit for an hour and a half for five days to make up seven and a half hours of debate in committee. We could then be told that we must restrain debate to seven hours in the House of Commons.

Not only are there weaknesses in this Bill, it contains flagrant violations of the rights of Canadians. We must not accept this Bill but address the changes to it that are required. We have moved this motion for a six-month hoist so that we may give it some input and let the Government know what will be satisfactory to Canadians.

● (1620)

I would like to suggest that we create on a permanent basis a joint Senate-House committee strictly for Crown corporations. When you realize that there are 400 or 500 Crown corporations to deal with, that means a lot of time. We should be presented with three to five-year working programs. We should be presented with an annual budget before the year starts. Final audited statements should be presented subsequently. As a result we would have an opportunity to grasp whether the corporation should be sold, whether it should have new management, be wound up, or whatever. But we do not have enough information to make a judgment, spending only a few days in committee.

I understand that my allocated time has expired. I would like to thank the House for allowing me to speak for a few minutes. I think it is very important to defeat this Bill on second reading because it is not productive. There are too many imperfections in it which must be changed.

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, it is a pleasure to rise to speak for the second time on this Bill. We are now debating a motion to grant leave of the House to study this Bill for an additional six months before putting it into effect. That makes sense to our Party. What we are doing is initiating a very great change in the methodology of setting up Crown corporations. More important, we are deciding how those corporations will be made responsible to Canada's shareholders through the House of Commons and Parliament.

I think we realize, in this corner at least, that to only a small degree what we are doing is changing the rules for establishing a corporation. A number of years ago, shortly after I arrived here, we changed the methodology for establishing corporations in the public sector.

As I understand the history of corporations and the involvement of the Crown, at one time it was the Crown—I am talking now of 400 or 500 years ago—which granted leave to a group of individuals to establish a corporation. It provided those individuals with some basic rights and privileges. They were privileges then and they are now. I will spend a little time during remarks dealing with some of the privileges.

One of the first Crown corporations of importance in Canada was the Hudson's Bay Company. It was granted a charter by the King of England which the Hudson's Bay Company gave the right and the privilege to trade in goods and furs in a very vast territory, part of what is now Canada and a little of what became part of the United States. That was a very great privilege, Mr. Speaker. Subsequent corporations also had very great privileges not afforded ordinary citizens and unincorporated small business. For one thing, corporations live forever. They never have to pay estate taxes or come to an end when an accounting has to be made. Consequently, when taxes are deferred in a corporate sense because there is no end to a corporation; the taxes can be continually deferred and are in essence never paid. When it comes to raising funds, corporations have the advantage. Under our tax laws they can raise money through publicly traded shares. There is an opportunity to participate in the Indexed Security Investment Plan, ISIP, which has the effect of lowering the cost of that money to the corporation and grants a consequent advantage as well to the investor. These are advantages which individuals attempting to run a business do not have. As well, corporations in the private sector have lower tax rates. Privileges granted are varied and many.

It was only a few years ago, within my memory, that to start a private corporation one required the assent of the Crown, through this House and through the Senate; later, it became one or the other. No longer is that assent required. Private corporations can be established without coming to one of the Houses of Parliament.

I suppose in fairness we can say that there appears to be some attempt by Government to make that same route available for the establishment of a Crown corporation. There appears to be some movement in this Bill to spend less time going to the House of Commons or the Senate to establish a Crown corporation. We will not argue a great deal about that since the principles and the practice has changed for the other corporations in our economy. Perhaps it is time to allow the same rights and privileges to Crown corporations. We do see some problems, however, when it comes to control of these Crown corporations.

In theory, private corporations are controlled by the shareholders who meet occasionally to select directors, then direct the business of the corporation, usually through the chief executive officer who is responsible to the board of directors, who in turn are supposedly responsible to the shareholders. With Crown corporations that chain of command is much more fuzzy. I think most of the speeches in the last several days on this Bill have brought that out. Members have pointed out rightly that it is very difficult sometimes for the shareholders in Crown corporations to get information, and that the appointment of the chief executive officer in most instances is by the cabinet rather than by the appointed board of directors. These practices create the potential for some problems. Therefore, we think it is worthwhile for this House to spend some

time in committee attempting to work out the apparent problems, and to try to make the rules very similar for both kinds of corporations.

In passing, I think I would be remiss if I did not point out that the publicly traded corporations also have problems with regard to shareholder information. I am sure the shareholders of Dome Petroleum did not know how much trouble Dome was in until after the fact, just as this House acting on behalf of the Canadian shareholders did not know how much trouble Canadair and de Havilland were in until after the fact. It works both ways, Mr. Speaker.

When we study the Bill for the next six months, as I hope we will be able to, I hope those facts will be remembered and considered when methodologies are being worked out for Crown corporations.

It has been mentioned a number of times that the functions we require Crown corporations to perform vary sometimes. Crown corporations are set up to augment our cultural diversity. We have the Canada Council, for instance. We have been attempting to increase the Canadian content of our theatre and performing arts. We have established a movie industry through the National Film Board. We have the CBC. Originally, these corporations were set up, not to make a profit or to perform a commercial service but to be an extension of the cultural life of this country and to augment that cultural heritage.

We do have a number of Crown corporations which are clearly set up to provide an economic service. Those do an excellent job, particularly when they are performing services that we all must use. A Crown corporation has the economic advantage of being able to supply that service without the requirement of charging enough for the service to generate a profit for the shareholders.

• (1630)

The shareholders of Crown corporations, namely the people of Canada, are quite in agreement. They will simply accept good services from Crown corporations; they are not interested in generating great profits. In fact they are attempting to have the services performed at cost, since all of us use the services of those corporations.

It is suitable to study the Bill for an additional six months so that the method of reporting to the House can be clarified and better understood, not only by Members of the House but by members of the public. The role of naming an auditor, which usually rests with shareholders, should be clarified. Members of Parliament have at their disposal the Auditor General of Canada. It has not been made clear in this legislation that the Auditor General can be utilized as our auditor, whether he will be called in or whether he has the option of moving in and conducting comprehensive audits of corporations. This should be made clear to Members of the House and to the public so that we understand what will be the role of Crown corporations in the future.

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, we are reminded on the first page of Bill C-24 that this is an Act to amend the Financial Administration Act in relation to Crown corporations and to amend other Acts in consequence thereof.

I should like to begin by saying that the arrogance of this Government in dealing with national business is boundless. In applying closure to the debate on Bill C-24 it continues to exhibit, even in its death throes, a complete absence of any appreciation for the rights of Canadians to understand fully the purpose of legislation through the ordinary process of unhampered discussion in the House. At a time when the Government's credibility is practically zero, it seems strange that its Members continue to maintain the attitude, "Well, the Government knows best". This stance has been the Government's hallmark throughout past years.

I believe there is a place for Crown corporations in Canada. This is particularly true when the private sector is either unable or unwilling to co-operate in the implementation of programs to fulfil legitimate government policy. Under such circumstances it is preferable that government enter the field as a competitor rather than in a monopoly position. It appears that the present Government has completely lost the capacity to inspire Canadians to invest in worthwhile investments that would move the nation forward confidently and voluntarily. It pushes forward in a bull-headed and brutal fashion to force through programs which are often misguided and harmful to the economy. Then of course it can draw upon the taxpayers' purse to meet its financial obligations. In my view the role of Government is to administer the affairs of the country in accordance with the will of the people. This is not the course that is being followed by the present Government.

As I think back to the time when I first heard about the details of the measure before us, it appeared that the Government was responding to the demand for some fundamental changes to the way in which it was dealing with the issue of Crown corporations. A closer appraisal of the proposed amendments in Bill C-24, however, showed that the changes at best were illusory. Over the past several years, successive Auditors General have severely reprimanded the Government for neglecting its responsibility by allowing Crown corporations free rein in the conduct of their business, to the extent that they now constitute a sub-government. As I have stated, any seeming improvement through the provisions of Bill C-24 is only a mirage.

Much has been said about the proliferation of Crown corporations. As I listened to the broadcast when the Bill was first introduced and the proposed amendments were outlined, I heard reference that in the future the creation of Crown corporations would require parliamentary approval by means of a special Act. At that time I said to my wife, who was listening to the program as well, that it appeared the Government was finally listening to the criticisms of the Opposition in the House and was now prepared to make some significant changes. However, I was wrong. It appears that parliamentary approval applies only to parent corporations, not to subsidiar-

ies. It has been through these subsidiaries that the greatest proliferation has taken place. Therefore, it seems to me that the Government has side-stepped the opportunity and the responsibility to call a halt to the multiplicity of organizations that are set up, many of which compete against private industry in various sectors of the economy.

There is a fear that Bill C-24 could be interpreted to indicate that Ministers of the Crown may not be bound by its prohibition on the creation of parent corporations. As has been pointed out, Section 16 of the Interpretation Act indicates that no statute binds the Crown unless the statute specifically states that it is applicable to the Crown. It seems there is no clause in this Bill which expressly does this.

There are a great many serious weaknesses in the Bill before us. These have been pointed out in very clear terms. For instance, under the terms of Bill C-24, the so-called board of directors would be little more than an advisory agency, while the Cabinet would direct the affairs of the corporation by, as indicated by the Hon. Member for Calgary South (Mr. Thomson) in his address on the Bill, appointing the auditor, approving by-laws and even making by-laws for the board, setting dividend policy and directing the board on the conduct of the corporation's business and affairs.

On different occasions my Leader has set out a very clear statement of policy in regard to Crown corporations. I regret there is not time to place them all on the record today. However, they have been propounded, explained and stated in various parts of the country. The basic principles as outlined by my Leader would do much to improve the situation as far as Crown corporations are concerned. They would bring to the people a sense of confidence, knowing that under these policies and under these principles Crown corporations, which have been a law unto themselves and have drawn so heavily upon the purses of the people, will finally be responsible and accountable, not just to the Government but to the House of Commons.

• (1640)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I spoke in the debate earlier and I shall now speak to this amendment.

We have had eight full days of debate on Bill C-24, with 28 hours of debate during those eight days. We have heard from approximately 120 speakers on this particular Bill. We now find that the opposition still wants to put up more and more speakers to delay consideration of this Bill in committee.

Many of the issues raised by the opposition are issues that are rightfully dealt with by a Standing Committee where witnesses can be called, where the Bill can be scrutinized clause by clause and where individual issues can be dealt with in depth. However, the opposition refuses to let the Bill go to committee; rather, opposition Members wish to put up speaker after speaker.

Unfortunately, I must indicate that most of those speakers do not have a clue as to what they are talking about. In many cases, opposition Members have had speeches drafted for them by others and they have parroted those words verbatim. Those speeches have been full of mistakes and errors.

Not 15 minutes ago, we heard the Hon. Member for Ontario (Mr. Fennell) say that there are now 400 to 500 Crown corporations and that the number is growing by the day. About two weeks ago on May 8, Mr. Speaker, every Member of Parliament received a document entitled *Crown Corporations and Other Canadian Government Corporate Interests*. That document lists them all, Mr. Speaker. It lists parent corporations, subsidiaries, joint ventures and all of the corporate interests and Crown corporations of the Government of Canada.

This is the fact of the matter, Mr. Speaker. The number of parent Crown corporations, the kind of corporations of which Hon. Members opposite are so deathly afraid, does not add up to 400 to 500, 300 to 400 or 100 to 200. In fact, there are 67 such Crown corporations, Mr. Speaker. There are not 400 to 500 subsidiaries of parent Crown corporations. There are in fact 128 of them. The total number of parent corporations and wholly owned subsidiaries is 195, not 400 to 500; not some unknown number. The number is known and it is listed right here. Every Member of Parliament has had this document for over two weeks. The problem is that opposition Members do not take the time to read the documents they receive that are relevant to the debate that is going on in the House of Commons.

Let us talk about the numbers of subsidiary corporations of which the Crown owns less than 100 per cent; in other words, Crown corporations in which the Crown participates with some other agency or entity in the ownership. These corporations must be dealt with in a different fashion from wholly owned Crown corporations, must be dealt with in a somewhat more confidential manner as far as reporting goes because private interests as well as public interests are involved. That makes sense, Mr. Speaker, and the Bill provides for that. There are 30 such corporations of which the Crown owns more than 50 per cent and less than 100 per cent.

As well, Mr. Speaker, there are associate corporations. For example, Petro-Canada may enter into a joint venture with another corporation to develop an offshore well. In these cases, the Crown owns less than 50 per cent of the corporation and is a minority shareholder. There are 64 such corporations. There are 18 joint and mixed enterprises, Mr. Speaker. There are 195 Crown corporations in the sense most people know of them owned entirely by the Crown. There are an additional 112 other interests that the Crown owns through its Crown corporations or by other means, along with businesses, enterprises or other forms of agencies in Canada.

It is time that we come to a decision on this Bill at second reading stage. My gosh, we are not talking about third reading stage and we are not talking about making the Bill law. We are talking about passing in principle the notion that Crown corporations should be under greater control and should be more accountable. We are sending this Bill to committee so that we can look at its individual provisions. It is long since past the time for this House to come to a decision on Bill C-24.

[*Translation*]

The Acting Speaker (Mr. Herbert): Order. It being 4:45 p.m., it is my duty, pursuant to Order made Wednesday, May 16, 1984, to interrupt proceedings and to put forthwith every question necessary to dispose of the second reading stage of the Bill now before the House.

Therefore, the first question is on the following motion: Mr. Gray, seconded by Mrs. Bégin, moves that Bill C-24, an Act to amend the Financial Administration Act in relation to Crown corporations and to amend other Acts in consequence thereof, be now read a second time and referred to the Standing Committee on Miscellaneous Estimates.

[*English*]

And on the amendment of Mr. Crosbie (St. John's West), seconded by Mr. McMillan,—That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:

"Bill C-24, An Act to amend the Financial Administration Act in relation to Crown corporations and to amend other Acts in consequence thereof, be not now read a second time but that it be read a second time this day six months hence."

[*Translation*]

The question is on the amendment.

Is it the pleasure of the House to adopt this amendment?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Call in the Members.

The House divided on the motion (Mr. Crosbie) (St. John's West) which was negatived on the following division:

(*Division No. 41*)

YEAS

Messrs.

Althouse	Cooper	de Jong
Andre	Corbett	Dick
Beatty	Cossitt (Mrs.)	Domm
Blenkarn	Crombie	Ellis
Clark (Brandon-Souris)	Crosbie (St. John's West)	Epp
Coates	Crouse	Fennell
Cook	Deans	Fraser
Friesen	MacDonald (Miss) (Kingston and the Islands)	Nielsen
Gamble	MacDougall	Nowlan
Gass	Manly	Nystrom
Greenaway	Mayer	Oberle
Gurbin	Mazankowski	Orlikow
Gustafson	McCain	Parker
Halliday	McCuish	Patterson
Hamilton (Qu'Appelle-Moose Mountain)	McDermid	Riis
Hargrave	McDonald (Ms.) (Broadview-Greenwood)	St. Germain
Hawkes	McGrath	Schellenberger
Hees	McKenzie	Scott (Hamilton-Wentworth)
Hnatyshyn	McKinnon	Scott (Victoria-Haliburton)
Howie	McLean	Siddon
Jarvis	McMillan	Stevens
Jelinek	Mitges	Stewart
Kempling	Mulroney	Thacker
Kilgour	Munro (Esquimalt-Saanich)	Towers
King	Murta	Vankoughnet
Knowles	Neil	Wilson
Lambert	Nickerson	Wise
Lawrence		Wright—85.
Lewis		

NAYS

Messrs.

Allmand	Fisher	Maltais
Axworthy	Fleming	Marceau
Bachand	Foster	Massé
Baker	Fox	Masters
Beauchamp-Niquet (Mrs.)	Frith	McCauley
Bégin (Miss)	Garant	McRae
Berger	Gauthier	Munro (Hamilton East)
Bloomfield	Gendron	Nicholson (Miss)
Bockstael	Gimaïel	Olivier
Bossy	Gingras	Ostiguy
Breau	Gourd (Argenteuil-Papineau)	Ouellet
Bujold	Gourde (Lévis)	Parent
Burghardt	Gray	Pelletier
Bussières	Guilbault	Penner
Caccia	Henderson	Pepin
Campbell (Cardigan)	Herbert	Peterson
Comtois	Hervieux-Payette (Mrs.)	Pinard
Corriveau	Hudecki	Portelance
Cosgrove	Irwin	Prud'homme
Côté (Mrs.)	Isabelle	Regan
Cousineau	Ittinuar	Reid (Kenora-Rainy River)
Cullen	Joyal	Roberts
Cyr	Kaplan	Robinson (Etobicoke-Lakeshore)
Dawson	Kelly	Rossi
De Bané	Killens (Mrs.)	Roy
de Corneille	Lachance	Savard
Demers	Landers	Schroder
Deniger	Lang	Smith
Desmarais	Laniel	Tardif
Dingwall	Lapierre	Tessier
Dion	Lapointe (Charlevoix)	Tobin
Dionne (Chicoutimi)	Lapointe (Beauce)	Tousignant
Dubois	LeBlanc	Trudeau
Duclos	Leduc	Turner
Dupont	Lumley	Veillette
Dupras	MacBain	Watson
Duquet	MacLaren	Weatherhead
Erola (Mrs.)	MacLellan	Whelan
Ethier	Malépart	Yanakis—119.
Evans		
Ferguson		

● (1710)

[*English*]

Mr. Speaker: I declare the amendment lost.

Mr. Hnatyshyn: Mr. Speaker, in order to save the time of the House, there may be a disposition to have the numbers

counted on this last vote in the reverse order as though a vote were taken, even though there are only eight NDP Members in the House at the present time.

An Hon. Member: Ten. He cannot count.

Mr. Deans: Mr. Speaker, as is always the case, the Hon. Member for Saskatoon West (Mr. Hnatyshyn) cannot count. That seems to be a fatal flaw among Tory House leaders. However, we would be happy to have the vote count in the way the Member has indicated, and we have no more Members missing than do the Tories.

Some Hon. Members: Oh, oh!

[*Translation*]

Mr. Pinard: Mr. Speaker, we agree, provided the Liberal vote is recorded as supporting second reading and the motion is adopted.

[*English*]

Mr. Speaker: Is it agreed that the motion shall be carried with the reverse of the vote on the amendment?

Some Hon. Members: Agreed.

The House divided on the motion (Mr. Gray) which was agreed to on the following division:

(*Division No. 42*)

YEAS

Messrs.

Allmand
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Cardigan)
Comtois
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hudecki
Irwin
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lumley
MacBain
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (Kenora-Rainy River)
Roberts
Robinson (Etobicoke-Lakeshore)
Rossi
Roy
Savard
Schroder
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan
Yanakis—119.

NAYS

Messrs.

Althouse
Andre
Beatty
Blenkarn
Clark (Brandon-Souris)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosbie (St. John's West)
Crouse
Deans
de Jong
Dick
Domm
Ellis
Epp
Fennell
Fraser
Fretz
Friesen
Gamble
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Hees
Hnatyshyn
Howie
Jarvis
Jelinek
Kempling
Kilgour
King
Knowles
Lambert
Lawrence
Lewis
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Manly
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McGrath
McKenzie
McKinnon
McLean
McMillan
Mitges
Mulroney
Munro (Esquimalt-Saanich)
Murta
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Orlikow
Parker
Patterson
Riis
St. Germain
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Stevens
Stewart
Thacker
Towers
Vankoughnet
Wilson
Wise
Wright—85.

Motion agreed to, Bill read the second time and referred to the Standing Committee on Miscellaneous Estimates.

Mr. Speaker: Order. It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—PUBLIC BILLS

[*English*]

Mr. Speaker: Shall all orders and items preceding No. 103 stand by unanimous consent?

Some Hon. Members: Agreed.

[*Translation*]

Mr. Speaker: The Parliamentary Secretary to the Minister of Agriculture . . . of Transport!

Mrs. Éva Côté (Parliamentary Secretary to Minister of Transport: Mr. Speaker, there is no harm done. After all, I did chair the Standing Committee on Agriculture for two years, but I am now Parliamentary Secretary to the Minister of Transport.

Concerning the motion of the Hon. Member for Hull (Mr. Isabelle) who is asking to have the name of the International Airport changed to National Capital International Airport, I would like to say, Mr. Speaker, that I do not disagree with the proposal, although—

Mr. Speaker: Order. We have not yet proposed the motion. Therefore, I cannot give the Hon. Member the floor.

* * *

• (1720)

[*Translation*]

AIRPORTS

MEASURE TO CHANGE NAME OF OTTAWA INTERNATIONAL AIRPORT

The House resumed debate, from Friday, January 27, 1984, on the motion of Mr. Isabelle that Bill C-207, an Act respecting the International Airport at Ottawa, be read the second time and referred to the Standing Committee on Transport.

Mr. Speaker: The Parliamentary Secretary to the Minister of Transport (Mrs. Côté).

Mrs. Éva Côté (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I do not disagree with the proposal before the House to change the name of Ottawa International Airport to National Capital International Airport, although it may seem rather strange to have the terms national and international together in the same name.

I do not disagree, because the name reflects my concept of the region. In fact, even if Ottawa is legally and in fact the capital of our country, we must remember that the people, whether they live in Ottawa, Nepean, Gloucester, Aylmer, Hull or Gatineau, all feel part of the capital. This feeling has been strengthened further in recent years as a result of the presence of the National Capital Commission and the wide usage of the term: National Capital Region.

I am sure that is the basis for the Bill being proposed by my hon. friend, the Member for Hull. I wish to congratulate him for giving such eloquent expression to his ideas, and he is certainly a great Canadian for doing so.

I am sure that many people in the riding of Hull, as in other ridings and municipalities in the region, agree with the Hon. Member and support the Bill he is defending in the House today. I therefore cannot disagree. However, neither can I agree. Let me explain.

I cannot disagree, for all the reasons I have just mentioned, which reflect that sense of belonging to this beautiful region that is the site of our Parliament.

However, this feeling is an emotional one which, although entirely laudable, may blind us to the practical implications of a gesture that, on the face of it, has no negative consequences. However, there are negative consequences, serious enough to prevent me, as a Member of this House, from supporting officially—as I indeed do morally or perhaps I should say emotionally—the proposal being made by the Member for Hull.

According to well established policy, the name of an airport must include the name of the principal geographical entity in the region. That is true in the case of Ottawa International Airport. If we look at the population of the various municipalities that belong to the National Capital Region, Ottawa has nearly 300,000 people, compared with some 85,000 in Nepean, 75,000 in Gatineau, 73,000 in Gloucester, 53,000 in Hull, 27,000 in Aylmer, 20,000 in Kanata and 19,000 in Vanier. It is clear that Ottawa is the principal entity in the region, not only geographically but also demographically. According to the policy of the federal Department of Transport, it is entirely logical to keep the name Ottawa in the name of the region's main airport.

Some people might think it makes sense to include the name of Gloucester in the name of the airport, since the major part of the airport is located in Gloucester, with only part of the airport being on Ottawa territory. Perhaps I could give the Member for Hull an example that is closer to home. The CEGEP de l'Outaouais was known for a long time as the CEGEP de Hull, although it is located within the municipal limits of the Town of Aylmer. However, it has never been known as the CEGEP d'Aylmer. Therefore, we cannot say Ottawa-Gloucester International Airport, or vice versa. Similarly, there can be no Ottawa-Nepean airport, even if Nepean is the second largest municipality in the region in terms of population.

In any case, changing the present name of Ottawa International Airport would lead to a host of similar requests, which, if approved, would make things totally confusing for the travelling public, especially for international flights. For instance, we could rename Dorval Airport as Metropolitan Airport, which would be inaccurate, in any case. And what about Aéroport de la vielle capitale instead of Aéroport de Québec? I could go on, but I am sure that my hon. friends on the this side of the House, and perhaps even some on the opposite side, have enough imagination to find similar examples.

My hon. friends opposite will probably jump at the opportunity to argue, according to their own peculiar premises, that we might as well change the name of the airport in Ottawa since that is what we just did with Toronto International Airport. Perhaps I may point out that Toronto International Airport is still known by that name, except that we have added the name of the Hon. Lester B. Pearson, a great Canadian and winner of the Nobel Peace Prize. Thus, the new name of the

airport in Toronto respects the letter and intent of Transport Canada's policy.

It not only respects our domestic policy but also international standards according to which the name of international airports must refer to the name of the principal geographic entity served by the airport concerned.

In terms of aviation safety, for over twenty years the International Civil Aviation Organization has been examining the designation of airports. The standard set by the ICAO and observed by all member States, including Canada, prescribes—I am not using the same terms—that the name of an international airport must include the name of the localities served and the name of the airport. On that basis, we could possibly rename Ottawa Airport as Ottawa National Capital Airport. However, this is a tautology if there ever was one, and it adds nothing for Canadians who already know that Ottawa is their national capital. Nor does it give anything more to the Quebec residents of the Ottawa region—ably represented by the Hon. Member for Hull—since the name Ottawa is still there. If I may guess about the motivations of the Hon. Member for Hull, I would say that he wants the word Ottawa taken out of the name of the airport and call it the airport of the region as a whole. However, because of the policies of Transport Canada and the international agreements, the word Ottawa has to stay.

I would also mention financial reasons which prevent me from supporting the commendable Bill of my colleague from Hull. Indeed, expenses for new signs at the Ottawa airport and for advertising the new name are not justified, if only because the aim of the Hon. Member for Hull, which is to eliminate the word Ottawa, would not even be reached. Besides, I hardly think that national unity, of which my colleague from Hull is such a strong advocate, would stand to gain from the change he has in mind. I would even suggest that the change might raise a controversy among Quebec residents of the Ottawa region since the Gatineau airport serves the same region as well.

I would not want my colleagues in the Official Opposition—I was going to say permanent—make comparisons with the new name of the Toronto airport and the expenses incurred as a result of that change. I think that the memory of Lester B. Pearson and the ideals he defended all his life deserved to be recalled to all Canadians by naming after him the Toronto International Airport, Canada's largest. The expenditures involved in the case of Toronto can thus be historically justified.

Since I am on the subject of expenditures, I might remind Hon. Members that under an upgrading and expansion program, the Ottawa airport will have a larger passenger terminal as well as redesigned access roads and parking lots. The work should be completed in 1987.

The Ottawa airport has become a source of inconvenience to regular users and people visiting the National Capital Region. Passengers are fully aware of those problems: during peak hours, there are very frustrating bottlenecks and delays, so there is no need to make matters worse by changing the name.

The proposed improvements reflect the region's new tourist facilities such as hotels and the convention centre. Along with the Rideau Centre development, which plays a catalytic role in the local economy, the airport project will help attract investors and support the diversification of Ottawa's economy.

In 1981, roughly two million passengers used the Ottawa airport and, according to forecasts made by Transport Canada in August 1982, the airport will have to accommodate 2.7 million travelers in 1991. Those people will not see any advantage in using the National Capital airport rather than the Ottawa International Airport.

I do not know whether the Hon. Member for Hull has discussed his project with his colleagues from Western Quebec or the authorities of the Gatineau airport. But I am convinced that the objections to this proposal could be numerous and vigorous. I do not know why we should agree to a name change which, while doing nothing useful as such, could be harmful to another airport in which so much money and efforts have been invested.

On this point, I would like to remind the House that normally, to make such a change, the opinion of the community whose image could be affected has to be polled. To my knowledge, there has not been any such consultation.

I would also like to remind the Members of this House of the background of the airport whose name the Hon. Member for Hull proposes to have changed. During the twenties, there was an attempt to lay out an airfield where the Ottawa airport is now located to be used by airplanes. This endeavour had mixed success, at least until the *Spirit of St. Louis*, piloted by none other than Charles Lindbergh, landed at the airfield in 1927. Following this, the Ottawa Flying Club was created in 1928 and the Upland Realty Corporation rented the airfield for pilot training. Then, in 1936, Laurentian Air Services purchased the airport on a contract basis and sold it to the Department of Transport. It was at that time that the name of the Ottawa Airport came to be used.

From the early days of aviation and until the Second World War, the custom was to name airfields after famous civil or military pilots. For instance, the Toronto International Airport was called Bishop Field, the Winnipeg International Airport, Stevenson Field, and the Calgary International Airport, McCall Field. This practice spread throughout the country except for Ottawa. To my knowledge, the Ottawa Airport was never known after any person; it was always called the Ottawa Airport.

After the Second World War and with the immense growth in popularity of aviation, it became the practice to designate the airports by the name of the major city, community or region they served, especially in the case of major airports. I

would like to underline that this practice was not the result of a whim or pure fantasy, but was based on logic. We found it very important if not essential for airplane operators and pilots to know immediately where they were from the name of the airport for the purposes of navigation and communications.

Any confusion must therefore be avoided in order not to affect air security. By giving a busy airport a name different from that of the community where it is located, we would be increasing the volume of communications needed between pilots and controllers. Of course, this would add to the hazards of confusion, especially when sophisticated names are shortened or abbreviated after a certain time. In short, Mr. Speaker, it is wiser to include the name of its true location of the airport.

Finally, and at the risk of repeating myself, I am sure that the intentions of the Hon. Member for Hull in proposing this Bill are good. He is undoubtedly trying, as any good Member would do, to obtain an identification appropriate for his constituency. Or perhaps he is trying in this way to support the efforts of our party to maintain and strengthen national unity. In fact, the Hon. Member has proposed this name change so often that it is reasonable to believe that he may be the first Member of our party to be so concerned about national unity!

I sincerely believe that the position of the Government should be to postpone passage of this Bill until such a time as the necessary studies and consultations have been completed. If such studies and consultations were to support the proposal of the Hon. Member for Hull, I would be most happy to join him in voting for his proposal, which he will certainly present to this House again.

Nothing would have given me more pleasure than granting this support to the Hon. Member for Hull today, but as I said earlier in my comments, I must not let my emotions get the better of my reason and allow a change which, while being desirable under certain aspects, would also involve certain hazards. Let me make myself clear. If it can be shown that the proposed change is desirable and would benefit the region, the airport and the nation, I shall be glad to go with it. Unfortunately, this is not yet the case and I hope that the Hon. Member for Hull, and all those who support him, will understand my position.

● (1730)

[*English*]

Mr. Ellis: Mr. Speaker, would the Hon. Parliamentary Secretary to the Minister of Transport (Mrs. Côté) accept one brief question as a matter of information? I listened carefully to her speech and I do not know if it was the translation being interrupted briefly, but I missed one comment in her speech. Would she give me that one point as a matter of information?

The Acting Speaker (Mr. Guilbault): The Standing Orders do not provide for questioning members at this time. But, of course, if the House grants its unanimous consent, this could be feasible. Is there unanimous consent.

Some Hon. Members: Agreed.

Mr. Ellis: Mr. Speaker, the Hon. Parliamentary Secretary went on at some length in her speech about the renaming of the Toronto International Airport. I thought she began to say what the costs were. If she did give a figure, may I have that figure? If she did not, then I will proceed.

[*Translation*]

Mrs. Côté: Mr. Speaker, in reply to the question, I did not mention costs, but I said that the change had certainly resulted in justifiable costs in view of the historic importance of the change.

[*English*]

Mr. J. R. Ellis (Prince Edward-Hastings): Mr. Speaker, before I deal directly with the Bill, I want to make a couple of points. First, I was intrigued and would be interested in knowing during some point in the debate this afternoon how this Bill has come before us a second time when there are bills by other members which are on the list but have not yet been dealt with. I took the trouble to read through the last debate on this Bill which was on January 27. I was intrigued to see that there was a reference made to a December 15, 1983, presentation of the Bill. This leads me to believe that this is the third time, not the second, it has been dealt with. I know that there are a number of members' names that have been drawn for the Private Members' list and their bills have not been dealt with yet.

The second point I want to make concerns the comments made by the Parliamentary Secretary to the Minister of Transport (Mrs. Côté). I listened to her information in some detail. I would be interested to know why she did not refer to the Ottawa Airport as Uplands Airport, as it was known for many years. I still speak to a number of people who refer to that airport as Uplands.

I also have a third point. With all due respect, Mr. Speaker, I recall very clearly a few months ago when you castigated a member on this side of the House who had been in the House but for a very short time, having come here as a result of a byelection. I recall you stopped him three times as he read his text. I noticed that throughout the Parliamentary Secretary read her text intact. She has been here a good deal longer and should have the expertise. She was not stopped once. I find that passing strange, Sir.

● (1740)

The Acting Speaker (Mr. Guilbault): Order, please. The Chair is ready to answer the two questions raised by the Hon. Member. The first concerns his surprise at the House considering for the second time Bill C-207 standing in the name of the Hon. Member for Hull (Mr. Isabelle). Hon. Members are called by table officers before a Bill is brought to the House. They are asked whether they are ready to proceed. I am

informed that the Hon. Member for Hull was the only member ready to proceed.

With regard to the second question, namely, the reading of a speech by the Parliamentary Secretary, I refer the Hon. Member to citation 310 found in *Beauchesne's* Fifth Edition on page 102. This citation gives certain exceptions, namely, Members who speak on behalf of a Minister. Obviously the Parliamentary Secretary was reading a speech prepared by the department and, therefore, should be allowed to read the text.

Mr. Evans: Mr. Speaker, I sympathize with the first question, to which you have now related, raised by the Hon. Member about the way in which private members' business is selected. It was generally understood, I think, by the committee that looked into this matter and decided on the new methodology we adopted when we adopted the new Standing Orders six, nine, or twelve months ago, that as a general rule the committee believed an individual Member who had spoken on a Bill or had his Bill considered prior would not be called again until all other Members had been covered. The way the Standing Orders are written that understanding is not interpreted in that same way. As a result, the Privy Council Office which asks the Members who are ready has to follow the Standing Orders. The Standing Orders now say that one must go through the list again and again rather than restricting the list only to those who have not had an opportunity to present a Bill.

It is the view on this side of the House that if the committee or some group could be reconstituted to look at that question, to clarify the rules, and to put them back to the way in which I personally believe the committee meant them to be, we would certainly be prepared to participate in that kind of an exercise.

Perhaps, Mr. Speaker, you might want to think of your colleague in the chair, the Hon. Member for Vaudreuil (Mr. Herbert), who was involved in the committee on that particular aspect of Private Members' Business, and the suggestion of convening a committee composed of representatives from all sides of the House to look at that question. Other Members have raised the issue with me in the past.

Mr. Ellis: I thank you, Mr. Speaker, and I thank my colleague for his explanation. I certainly agree that the committee's intention was as he has expressed it, and not in the way we are now proceeding.

Let me then deal with the Bill. I read with some interest the interventions that were made on Friday, January 27. I do not intend to quote from them verbatim. Perhaps I will be subject to censure if I get off the track a little bit. The Hon. Member for Parkdale-High Park (Mr. Flis) was at that time, I believe, the Parliamentary Secretary to the Minister of Transport. He made the point that he did not think that the name of the airport should be changed unless it was changed to the Pierre Elliott Trudeau Airport. The Hon. Member said this was the first airport seen by most people coming to the area. I have news for that Member. Some people may recall a monologue done by Mr. Bill Cosby, a comedian from the United States, who was here a few years ago. The first ten minutes of his monologue had to do with getting in and out of the capital of Canada. The point he made was that you cannot get there from here and you cannot get here from there.

Mr. Friesen: That is why it should be called the Pierre Elliott Trudeau Airport.

Mr. Ellis: It was one of the funniest monologues I have ever heard. Frankly what he said was true. I do not know of any major place from which you may travel directly to Ottawa. You have to go somewhere else first and then come to Ottawa. Ottawa is not a very well scheduled airport. Then, of course, it is not much of an airport when you get here. It is one of five that were designed exactly the same. The federal Government has a habit when it finds a plan or design that is particularly inadequate to copy it. The design of this airport can be found in five different cities in Canada. You can walk through Halifax Airport, Newfoundland, and others, all designed from the same set of blueprints. You have that awful feeling of *déja vu*. Sure enough, the airport is another copy.

As to the name of the airport, I find I am unable to support the change advocated by my good friend and colleague from Hull. I know his intentions are the very best, but I could spend the rest of the time this evening in Private Members' Hour just mentioning airports I know that do not exist in the community for which they are named. Toronto International Airport is located in Mississauga. Edmonton Airport is located south of Edmonton some 25 miles. That situation is not only true of Canada, it is to be found overseas as well. I am thinking of Bonn, Germany. You fly to Frankfurt International Airport and then go by car to Bonn. It is not very far. It is not any farther than from Edmonton Airport to downtown Edmonton. Vancouver Airport is another. It is located in Richmond. What about London? There are a number of other cities with this same situation.

By naming the airport Ottawa-Hull, or as the revised Bill reads, the National Capital Airport, will not help a whole lot. If you are flying to Ottawa from anywhere in Canada, indeed from anywhere in North America or from somewhere across the world, you buy a ticket that takes you to Ottawa. You trust the airline to take you to airport closest to Ottawa. I venture to say that while my good friend's home is not well known throughout North America, it is well known in Canada. If someone from Texas, Florida, or California decides he or she wants to get to Hull, the individual goes to a travel agent. The person will get tickets that will take him or her to Ottawa. The people who know where Hull is buy the ticket and they get there. The changing of the name of Toronto International Airport to the Lester B. Pearson International Airport will not change the ticketing people get. Tickets will still say "YYW". Bagagage goes by that designation. It seems to me it is a horrible expense for what it does because people will still be going to Toronto International Airport.

I would suggest something to my colleague that he might find of interest. Not too long ago at the military portion of the Ottawa International Airport a new sign was put on the Air Movements Unit Building. It is an extremely attractive sign.

The letters are at least two feet high and are raised from the building. It is nicely illuminated at night. It is on a very attractive background. It reads, "The Nation's Capital", and it has the equivalent in French.

• (1750)

It seems to me that if a visitor purchased a ticket to Ottawa or Hull and upon arriving at the Ottawa International Airport saw an attractive sign reading "Nation's Capital" and equivalent in French, he or she would have some idea about this area of the country. If visitors could deplane here and not be required to walk through a boarded-in mine tunnel, such as is the case now, the situation would be improved. There could be some indication of the beauties of Ottawa and its attractions. There could be some indication that indeed it is the nation's capital, and some pride in that fact, rather than the rough framework through which passengers have had to walk during the past few years. That would give more impetus to what the Hon. Member for Hull wants.

Upon landing at the military portion of the airport, there are no inside walkways. People have to walk across approximately 100 yards through rain or snow, but the sign to which I referred earlier is attractive. If we could do that, it seems to me that we would enhance the nation's capital. Also we would enhance its airport and could show visitors the benefits and beauties awaiting them in this area. We could spell out in many ways how attractive the region is and, of course, we could accommodate my friend by including the area which the NCC has designated as the National Capital Region. We could spell out the beauties, not only the tulips in Ottawa but the various attractions in Hull. This would be the proper way to show that indeed this is the nation's capital.

To try and designate it as such will not change anything. If ticket agents anywhere in the world are asked the cost of travelling to the nation's capital, they would probably have no reply. However, if they are told that passengers want to travel to Ottawa, the situation is different. When passengers arrive in Ottawa it should be spelled out in large letters, for all to see, that indeed it is the nation's capital.

I commiserate with the Hon. Member. I understand what he is trying to do. I understand his home town loyalty and the effect of this Bill upon his constituents. However I could not support it and agree with it—"a rose by any other name would smell as sweet".

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, I rise to speak at this time on Bill C-207. Down deep in my mind I wonder what is its purpose. However, first I should like to indicate that the Hon. Member for Hull (Mr. Isabelle) is a very respected Member of the House and a great supporter of his community. With that in mind, I understand his interest in having the name of the Ottawa International Airport changed to the National Capital Regional Airport, or some such name. We must all promote our own communities.

In terms of this Bill my mind goes back to what happened in the case of the Toronto International Airport. It was first known as the Malton International Airport. Then its name was changed to the Toronto International Airport, and now it is the Lester B. Pearson Airport. This has resulted in nothing but massive confusion. Regardless of how great a Canadian for whom the airport was named, people in that area do not relate to such names. However, they all relate to the Toronto International Airport. They did not relate to the name of Malton because at that time in our history airport traffic was not what it is today. They have become accustomed to calling it the Toronto International Airport.

I cannot see any purpose being served in changing the name of the Ottawa International Airport, especially if I remember the history of the Toronto International Airport. If we talk to people visiting from anywhere outside or inside Canada they do not understand us when we refer to the Lester B. Pearson Airport in Toronto. The situation in Ottawa would be compounded if the name of its airport were changed.

Governments have added too much to disorientation in terms of the history of Canada, the early pioneers and the original purposes of naming towns, airports, cities or whatever. History will not treat us very kindly as we go down the road. This has been a government of change. I suppose this is just another one of its suggestions. It changed the flag. That has been accepted now, but it took years. Perhaps it has not been accepted by everyone. It changed Dominion Day to Canada Day. Now it is trying to project its wishes upon places, institutions and locations.

I certainly know that in the area of the Province of Ontario from which I come the name Lester B. Pearson Airport will never be accepted. It adds to the confusion within the community and its people. I cannot see the necessity for encouraging further change such as that suggested in Bill C-207. I honestly believe that the Hon. Member's intentions are all well and good for his community. From what I heard in this debate, I am very convinced of that fact.

I heard the Parliamentary Secretary to the Minister of Transport (Mrs. Côté) indicate that she could not support the Bill. I thought she would have supported it, but perhaps she was expressing the wishes of her Minister. We have to be realistic about this and forget about our local fancies. We should speak more internationally of our country and forget about trying to christen an airport with a name which means nothing to the people living in the community around it. Name changes could take place for every international airport in the country. I do not know where it would end.

This is a good point at which to retain the name of Ottawa International Airport. It is up to Hon. Members, regardless of their Party, to be proud of the national capital. It is a great region. We are all very proud of the National Capital Region. I take great pleasure in showing it to many people, especially American tourists. They remark on how clean the City of Ottawa is, as well as on its beauty. We can all expound its virtues. Certainly the Hon. Member's side of the river is very picturesque. I enjoy going over there. The City of Hull has improved over the years. It has many fine buildings which can be seen from both sides of the river.

There are other significant contributions that could be made to enhance the Gatineau and other areas of the community, but we do not have to destroy the traditional name which has probably accompanied the airport for some time. I am not only referring to this part of our great country. We must remember that we have a tradition of names and history. Regardless of whether it is Newfoundland, the Maritimes, Quebec, Ontario or whatever it may be, we should think—

The Acting Speaker (Mr. Guilbault): I regret to interrupt the Hon. Member, but the time allowed for the consideration of Private Members' Business has come to an end.

• (1800)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under S.O. 45 deemed to have been moved.

STATUS OF WOMEN—NATIVE WOMEN'S RIGHTS. (B) WOMEN'S ATTENDANCE AT EDMONTON CONFERENCE

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I am very glad to have the opportunity to follow up on a question asked of the Prime Minister (Mr. Trudeau) about the timing of legislation to end inequality for native women, or repeal of Section 12(1)(b) of the Indian Act and the reinstatement of native women and their children who lost their status.

I am very concerned about the complacency with which the Prime Minister regarded the question. He said that if by chance we could not pass the legislation, the Charter of Rights would still hold. I wonder about the chance to which he is referring. Does he know something we do not know? Will the Conservatives hold back the legislation? It is very clear that members of the NDP want this legislation passed. We would give it priority and we would agree that it be passed quickly.

When we look at the timing, we can see that many years have been spent discussing this matter. The Royal Commission on the Status of Women in Canada recommended in 1970 that Section 12(1)(b) of the Indian Act be repealed. There was agitation throughout the 1960s on this matter, and the discrimination itself goes back to the latter part of the last century.

After the Royal Commission report some cases went to court. Unfortunately, the Supreme Court of Canada, with its lack of wisdom, lack of justice and lack of charity, decided in 1972 that there was no inequality for women and that the Bill of Rights did not hold in the case of Laval and Bedard. Thus, since 1972 it has been imperative to have legislation to change this inequality for women, as the courts would not change it.

In 1975 consultation with Indian groups began in earnest. Some progress was made in the latter part of the decade. Conservative members who were in government in 1979 said that they would leave the question with the Bands for six months so that the Bands might come up with a proposal, and that if the Bands did not come up with a proposal they would legislate unilaterally. Unfortunately for native women at least, the Conservative Government fell before that legislation was introduced. It is this kind of timing that worries people now. We are coming to the end of a Session and there could be an election before we reconvene after the summer. People are worried that we are again getting close but the legislation will not be brought in and passed.

In 1980, with a Liberal Government back in power, the Sandra Lovelace case was taken to the United Nations for violation of our international commitments to equality. Canada was condemned for this violation. In response, the Government indicated that it would bring in legislation. Many statements have been made to the effect that negotiated consensus would be desirable, but that if there was no such consensus there would be unilateral action. Still we wait year after year. Years have passed while these consultations have continued, and for some people the time will never be right. I do not think that is an excuse for our lack of action.

This discrimination came from a society in which all Canadian women were treated as non-citizens. Women did not have the right to vote and all Canadian women lost their citizenship on marriage to non-Canadians. That is the same kind of situation that now holds true for native women. However, with the strength of the women's movement and with women having the vote in Canada that situation was eventually challenged and Canadian women received the right to hold citizenship. Native women still do not have the same rights of citizenship and we are still fighting for that.

Native women tell us that being treated as second-class citizens makes it difficult for them. They become second-class citizens in terms of housing, welfare and jobs. Because native cultures respect the law, having a lower status in law means having a lower status in practicality.

[*Translation*]

Equality for women is a matter of justice. We should not seek to negotiate a consensus on this issue. It is not surprising, after a century of abuse and discrimination against women, that Band leaders generally do not recognize native women as their equals. As Parliamentarians, we are the cause of this problem, because we have passed legislation depriving native women of their status. As Parliamentarians, therefore, we must correct this injustice by repealing the discriminating provisions in the Indian Act and by taking strong positive action.

We should not wait for a consensus. We should not try to excuse our inaction by raising the issue of the Bands' democracy, for as long as native women are not reinstated in their status, there could be no democracy.

It is imperative that native women should be immediately reinstated to their full Indian status, that they may work

toward the development of democracy within the Bands. Without the participation of native women, this so-called democracy is an illusion.

• (1805)

[*English*]

Of course there will be problems. We have to admit that there will be problems with respect to re-integrating women, but I think those problems have been exaggerated. Many of the women are presently living on reserves. It is not a question of bringing in new people, they are there now. In Yukon and the Northwest Territories there are no reserves. It is a question of women living in their communities, and having a vote. If it is a community council, such as in Old Crow, for example, they have it already. But they are living at the edge of the community; they are not being fully integrated into it. They are there now. Very often they speak the language and they are committed to native culture. They would be valuable members of their bands and of their councils. Many of the problems that native people have with environmental pollution, land claims, and the very high over-representation of native people in our jails and prisons, are the problems which should be addressed. Failure to solve this question of equality indicates that people are not working on the problem. It is important for native men and women to work together to solve these and other problems.

[*Translation*]

Mr. René Gingras (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the Hon. Member for Broadview-Greenwood (Ms. McDonald) raised the question of the equality of Indian women under the Canadian Charter of Rights, and amendments to the Indian Act.

Hon. Members will recall the Right Hon. the Prime Minister (Mr. Trudeau) answered that the Charter would prevail over the Indian Act. It would therefore simply be a matter of waiting for Section 15(1) of the Charter to come into force, which in effect would supersede certain sections of the Act, such as Section 12(1)(*b*), which is at variance with the Constitution.

However, some discriminatory sections in the Act that are involved in the amendment process lay down the criteria for entitlement to Indian status. After April 17, 1985, Indian women will no longer lose their status under Section 12(1)(*b*). However, the sections of the Act dealing with the registration of children will have to be amended to provide for the registration of children of Indian women as well as of Indian men. Therefore, although equality is guaranteed to all women under Section 15(1) and Section 28 of the Canadian Charter of Rights, it is imperative that the Indian Act be amended as soon as possible.

As the Prime Minister has also pointed out, the reinstatement of Indians raises problems. Hopefully, these problems will soon be resolved.

In answer to the other question put by the Hon. Member for Broadview-Greenwood to the Minister responsible for the Status of Women, I would like to point out that 16 members of the Native Women's Association of Canada attended the Conference of the Assembly of First Nations over the weekend, which provided $10,000 to ensure the participation of the Association of Native Women. The Native Citizen's Directorate of the Secretary of State is ready to meet with the Executive Council of the Native Women's Association of Canada to discuss further funding requirements.

[*English*]

EMPLOYMENT (A) BRITISH COLUMBIA STATISTICS. (B) RAILWAY UPGRADING—BENEFITS FOR BRITISH COLUMBIA

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, about a year ago this House passed a Bill that was supposed to create new employment opportunities for Canada, and particularly for the West. That Bill was the Crow legislation. The Government, during the course of the debate, promised enormous industrial benefits that would accrue to Canada as a result of that particular legislation. I recall estimates that as many as 400,000 jobs would be created if the House passed the Bill. A year has now passed. While the West is not impatient with the so-called results of the Bill, we are concerned with respect to the benefits that that legislation was supposed to create for Canada and that the West will get its fair share of those benefits.

• (1810)

We want to see some signal that the Government is going to pay proper attention to British Columbia, in particular—and that is my concern—when it sets out the parameters of the advantages which that Bill is supposed to provide for the west. That is why I asked the Minister some ten days ago how the Government was going to handle it specifically. I quote part of my question which is found in *Hansard* on May 11, 1984 at page 3639:

> The Government promised that as a result of the Crow legislation there would be thousands of jobs created across Canada and literally millions, if not billions of dollars invested. Presumably those jobs would accrue to the areas which would be affected by the Crow legislation.

I then went on to ask the Minister how western Canada, particularly British Columbia, was going to benefit.

I am concerned, Sir, but not in a confrontational way. I really was not badgering the Minister. I simply wanted some information, because there seems to be a paucity of information since that legislation was passed. I understand there have been seminars conducted in Alberta. I believe there may have even been a seminar conducted in Vancouver, British Columbia. Nevertheless, there seems to be a real paucity of information going out to the companies which would supposedly benefit most from that particular legislation.

I am concerned, Sir, that not only subsidiaries of CPR, and companies which have a linkage with the Canadian National Railways, have the benefit of this legislation, because there are scores of small companies throughout British Columbia which

are totally independent and which could benefit from this legislation. You will agree, Sir, that the small businesses are what create most of the employment. Since British Columbia and Alberta have the highest increases in unemployment in Canada since the recession hit, we are particularly concerned that if there is a promise for employment that there be a delivery system for that promise.

In this context, I think of all the cement companies which could be making railway ties or all the conduits. There are all kinds of ancillary benefits which ought to be coming to western Canada.

It took me somewhat by surprise, when I asked the Minister about this ten days ago in the House, that the first example he brought to my attention was in Sydney, Nova Scotia, and I quote from page 3639 of *Hansard:*

I take into account the contract recently let by the CNR for new steel rails to Sysco in Sydney.

I have no objection, Mr. Speaker, to that at all. If there is any area of the country which needs employment, and that kind of a contract, it is Sydney, Nova Scotia. They do need that kind of work. What bothers me is not that it received the contract, but that when I posed the question to the Minister in the House he could not quickly or spontaneously think of an example where the west, and particularly British Columbia, was going to get any contracts, or had any contracts assigned to them as a result of the Crow legislation. Therefore, I am here expanding on my concern, not because I am badgering the Government, but with the hope that in the minutes which the Parliamentary Secretary has to answer my question she will be able to give me some specific information as to how companies in the Fraser Valley and throughout British Columbia can get access to those jobs which are supposed to be coming to our part of the country. How do we go about bidding for these jobs?

Second, I understand that there is a considerable pool of money set aside by the responsible department for the granting of moneys to companies who are at present not in a position to deliver the volume or, indeed, even the product which the railways will be looking for. With access to that grant money, there would be expansion possibilities for some of the smaller companies, and perhaps enough diversification would be possible within some of these companies so that they could provide some of the product which the railways will be needing in the several years ahead when this expansion is proceeded with as promised by the Government.

I would like the Parliamentary Secretary to tell me in very clear terms how the Government is going to provide information to the companies so that they can bid on all of these contracts? Can she assure me that the bidding will be fair, and that the small companies will receive just as much access to those jobs and contracts as the large companies?

● (1815)

Finally, to what extent are the small companies going to get access to the grants in order that they might expand and have access to the contract possibilities available to the large companies? I am looking for that kind of answer. I hope the Parliamentary Secretary will be very fulsome in her reply.

[*Translation*]

Mrs. Éva Côté (Parliamentary Secretary to Minister of Transport): Mr. Speaker, in answer to the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen), I would like to comment particularly on the employment situation in British Columbia.

Data from Statistics Canada show that the deseasonalized employment figure for British Columbia increased 5,000 or 0.4 per cent, between March and April, to 1,186,000. This is the first increase after three months of decline. The total increase for the country as a whole was 27,000 in April. The Minister is confident that business activity and employment in the province will go on recovering, thanks in particular to the resolution of current labour problems. Returning to the specific question of the changes to grain transportation in Western Canada and jobs that should accrue in the area, the Hon. Member referred to seminars held in various parts of Canada. True, some seminars were held on the matter of supply in the major Western cities. Because of discussions there, more companies now are included on the CNR and CPR lists of qualified bidders.

You will appreciate, Mr. Speaker, that I do not wish to give the list today; it is a fact, however, the Minister met with representatives of the Builders' Association of British Columbia and he later wrote CNR and CPR to invite them, along with their main contractors, to a seminar on supply in Kamloops on June 5 and 6, 1984. There will probably be more such seminars elsewhere in Western Canada.

Further, the Minister publicly stated at the Calgary seminar on railway equipment and facility renewal, to which the Hon. Member alluded, that Section 29(3) of the Act is very much in his mind. Under that Section, railways are required as far as possible to use goods and services from the area where they have capital investments. The Minister expects the CNR and CPR to change their purchasing policies and make sure especially that they award their building contracts to regional or local firms and obtain the supplies they need within the area where they are doing this upgrading work.

We also know that the Minister is working very closely with his colleague the Minister of Regional Economic Expansion (Mr. Lumley) to set up the Western Transportation Industrial Development Program, in an effort to increase, develop and diversify the opportunities for the railways to purchase their supplies in Western Canada. Consultations in this regard are going on now with both the CNR and CPR. The results of these and other efforts should become more evident as soon as the railways start awarding contracts for this year and many years to come. The Minister of Transport (Mr. Axworthy) and his colleagues are striving to ensure that all Western provinces derive greater benefits from the work being done in their area. But the corporations which would like to be considered as

suppliers to the railways, would also have to establish their expertise and reliability, as well as their ability to compete.

[*English*]

FISHERIES—ATLANTIC SALMON STOCK—PREVENTION OF POACHING

Mr. Bob Corbett (Fundy-Royal): Mr. Speaker, I appreciate the opportunity to continue with a question I posed to the Minister of Fisheries and Oceans (Mr. De Bané) concerning the enforcement of the Atlantic salmon management plan which the Minister announced a short time ago in this House. The concern I am expressing is related to the management and enforcement of the plan throughout the regions it affects. I want to refer specifically to the New Brunswick region.

• (1820)

As you may know, Mr. Speaker, the announcement of the management plan does include a substantial curtailment of the salmon activities with reference to both commercial and recreational fishery within the Province of New Brunswick. Both of those fisheries are extremely supportive of any efforts on the part of the Government to manage the fishery in a responsible way. However, the fact of the matter is that there has been little or no funding made available to increase the enforcement of the salmon management plan. This is indeed of tremendous concern.

In the Atlantic region, Mr. Speaker, and particularly in New Brunswick and other areas, a large portion of the income of many individuals is dependent upon the salmon management from both the commercial and recreational fishery. It is extremely critical that these people are assured that the sacrifices which they are being asked to make by the Department of Fisheries and the Minister responsible for Fisheries will not be for nought. Indeed, the black market in salmon has flourished in Atlantic Canada for a good number of years because of declining stocks of salmonoid. This has been of tremendous concern to conservationists and the Department of Fisheries over the last number of months certainly, just by virtue of the program which the Minister has come out with.

I was extremely disappointed that the Minister did not suggest that there should be additional funding in the reinforcement areas of the law with reference to management of the program. As I mentioned before, salmon has always been a product which has been a boon to the black market in our region. We would like to see that these people are managed handsomely.

The people who live along many rivers in New Brunswick are affected very much by the Minister's announcement. Among these rivers are the Hammond, the Restigouche, the Miramichi, the Upsalquitch, the Nupisiquit, the Dungarvan, the Cannes, the Nauwigewauk, the Belisle, the Kennebecasis, the Washademoak, the Salmon and, of course, that king river, the Saint John River. There are many outfitters who are extremely concerned by the decision that has been brought down. There are many commercial fishermen who are concerned about the loss of livelihood they are going to experience because this decision has been taken. There are scores of sports fishermen who are extremely concerned about the restrictions that are being forced upon them by the Government. It is not that they are not prepared to co-operate in a conservation program. It is also certainly not that I am not prepared to co-operate; nor is it that the Government is not prepared to co-operate. We recognize that salmon is an endangered species which should be protected.

However, all elements of society, including the commercial, sports, and native fishermen should be conscientious enough to participate in a meaningful and willing way in the conservation program. The native fishermen take a tremendous amount of fish and have been entitled to them since confederation. I think it is incumbent upon the Government to ensure that enforcement does become a very meaningful part of the program and that the sacrifices which these other people are being asked to make on behalf of the conservation program as put forth by the Government will not be solely for the exploitation or benefit of the black market which does exist in the salmon fishery.

• (1825)

When we talk about the salmon fishery in New Brunswick; the Atlantic area, and in Newfoundland where it is extremely substantial to the living of thousands of fishermen, we talk of an issue about which we should be terribly conscientious as legislators. We should ensure that the sacrifices we are being asked to make as Atlantic Canadians will not be thwarted by an illicit, illegitimate market that could develop. Certainly, the only way to monitor that situation and ensure that that does not take place is for the Government to recognize its responsibility for funding, to ensure that the program is adequately monitored and policed so that those who care to take the chance of violation are brought to the forefront of the law.

[*Translation*]

Mrs. Éva Côté (Parliamentary Secretary to Minister of Transport): Mr. Speaker, in answer to the Hon. Member's question, I want to say, first of all, that protecting the salmon is a very difficult and expensive task, since there are thousands of miles of distant waterways where salmon is easy to fish, and also because this is a very vulnerable fish. I shall refer, if I may, to the findings of the Task Force chaired by Dr. Barry Muir. Its report has been submitted to the Assistant Deputy Minister, Mr. Scott Parsons, and has been distributed to all members of the Advisory Committee on Atlantic Salmon and was made available to the parties concerned, Members of Parliament and members of the press. The report stressed two undeniable facts: first, that stocks of Atlantic salmon, as my hon. friend mentioned earlier, are declining seriously, and second, that draconian measures must be taken immediately if we are to ensure the stable survival of this species. The 1984 Atlantic Salmon Management Plan, announced on April 6 of this year, was prepared as part of the requirement for serious conservation measures.

The plan was designed to focus on conservation of a particularly important species. The female salmon produces many eggs, and must therefore be protected. To achieve this goal, the commercial fishing season for salmon in all zones will be delayed and shortened. Furthermore, sports fishermen will be allowed to keep grilse only. This measure will also help to reduce the number of salmon intercepted while going up waterways on the West Coast of Newfoundland and inland waterways.

In addition to these crucial aspects, the plan will deal with all other facets of the salmon fisheries, including enhancing stocks, negotiating with native peoples, accidental salmon catches, extending the marking system, federal-provincial co-operation, revising policies on the issuing of licences and fishing operations west of Greenland. The Department hopes that it will be able to solve the problem by enforcing all these protective measures. Departmental officers responsible for these measures are now examining a new plan and reviewing legislative and regulatory requirements for implementing the plan.

Mr. Speaker, the Department has no intention of expanding its overall capacity for enforcement of legislation regulations. However, its officers have been ordered to emphasize salmon in their plan for enforcement of legislation and regulations. Now that enforcement has proved encouraging and successful with respect to other major fisheries, resources will be assigned so as to focus operations on salmon conservation. It is recognized that the effects of restrictions on salmon fishing could very well be nil, if poaching is allowed to continue without appropriate corrective action.

The Acting Speaker (Mr. Guilbault): Order. The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 2(1).

At 6.30 p.m., the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, May 23, 1984

The House met at 2 p.m.

• (1405)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

POLITICAL PARTIES

LIBERAL PARTY LEADERSHIP CAMPAIGN—CANDIDACY OF MINISTER OF AGRICULTURE

Mr. Gordon Towers (Red Deer): Mr. Speaker, the Minister of Agriculture (Mr. Whelan) is on the record as stating he would cap interest rates at 12 per cent. I presume this means if he is elected Liberal leader and, automatically, Prime Minister, his statement can be interpreted to mean that John Turner will not under any circumstances be his Minister of Finance.

Mr. Turner, during his tenure as Finance Minister, invented deficit spending and since he has become a leadership candidate has done everything in his power to elevate the word "contradiction" to the status of campaign policy. If Mr. Turner could roll back interest rates as well as he rolls back his many slips of the tongue, the country would be well served. In the meantime I have a slogan I want to suggest to the Minister of Agriculture: "When you are Number 7, you have to try harder".

* * *

[*Translation*]

HOUSING

ORIGIN OF CERTAIN PROGRAMS—REQUEST THAT QUEBEC GOVERNMENT PROVIDE TRUE INFORMATION TO CITIZENS

Mr. Gaston Gourde (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, the people of the province of Quebec regularly ask us about the connection between the federal Government's RRAP Program and LOGINOVE, administered by the province of Quebec.

In the minds of many Quebecers and among municipal authorities there is some confusion about the two programs. This is not surprising, since in its advertising, the Société d'habitation du Québec, which administers LOGINOVE, gives the impression that the two programs are related. I have here an example taken from a brochure about the LOGINOVE program. It says: "LOGINOVE is restricted to the territory of specific urban centres, considering the restrictions set by the CMHC on its own urban RRAP program".

Mr. Speaker, the LOGINOVE and RRAP programs are entirely independent of one another. No federal-provincial agreement has been signed for these grants. The Government of Quebec cannot relate its decision to offer LOGINOVE to the federal Government's decision to designate certain areas for the urban RRAP program. I would therefore ask the conveyors of rhetoric in the Quebec Government to be honest and inform their fellow Quebecers properly.

* * *

[*English*]

ELEANOR ROOSEVELT CENTENNIAL AWARD

TRIBUTE TO CANADIAN RECIPIENT

Hon. John A. Fraser (Vancouver South): Mr. Speaker, may I bring to the attention of this House that Mrs. Mildred Bronfman Lande, a member of the Order of Canada and a distinguished Canadian, will today, in Montreal, be the first Canadian recipient of the Eleanor Roosevelt Centennial Award from the State of Israel Bonds of Canada for her exemplary work for, and lifelong dedication to, humanitarian, cultural, and philanthropic causes.

I am sure that all Members of this House will join with me in extending our best wishes to Mrs. Lande and to the Canadian Jewish community on the occasion of this prestigious award.

Some Hon. Members: Hear, hear!

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[*Translation*]

OLYMPIC GAMES

REQUEST THAT GOVERNMENT INTERVENE TO RESTORE OLYMPIC IDEALS

Mr. André Maltais (Manicouagan): Mr. Speaker, every day the list of countries that will not be participating in the Olympic Games in Los Angeles is getting longer, and coming from a riding where many young people are involved in sports, I would like to ask the Minister of State (Fitness and Amateur Sport) (Mr. Olivier) and the federal Government to make urgent representations to the effect that in future, the Olympic Games should have a permanent location. Perhaps we could go back to the first Olympic Games and designate Athens. We must get politics out of the Olympics, so that young people

who have been working for years, in accordance with the Olympic ideals, for the day on which they will compete with one another, will no longer be the hostages of politics or ideology.

Mr. Speaker, if sports are to remain part of the key to international understanding, we cannot afford to set up these ideological and political barriers every four years and we must keep young people who are anxious to compete with their peers from being the hostages of their political leaders. Mr. Speaker, it is very important for Canada to lead the way in this field and prevent countries from making the Olympic Games a matter of prestige and expensive buildings and facilities for the country concerned, because what young people want is to meet with their peers every four years and compete with each other in accordance with the Olympic ideal.

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[*English*]

CANADIAN NATIONAL RAILWAYS

DECISION TO ELIMINATE CABOOSES

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, the CNR has officially embarked on a program to operate its trains without a caboose at the rear. It is pleading economic pressures and technological improvements. It contends that the introduction of hot box detectors, dragging equipment detectors, and other technological improvements, now negate the necessity for a man in a caboose. This is simply not so.

Trains are now longer; over two miles is not unusual, and a mile and a half is very common. They travel faster, 50 to 65 miles per hour, and they carry more dangerous commodities than ever before. Coupled with this, there are fewer operating, inspection, and maintenance forces than there have ever been. This naturally means less and less attention is being given to rolling stock, and fewer people are inspecting either standing or running trains.

Cities, towns, and communities are more in jeopardy than they have ever been, and now the CNR wants to remove the man at the rear of the train, the key person who keeps a constant watch over the train while it is in motion. If this is allowed to happen, Mississauga will have been only a rehearsal for what is to come. I call on all Members of Parliament, and members of the public, to pay attention to this issue and not let it be decided on a technical basis. It is a political issue and it ought to be treated as such.

* * *

SPORTS

HARDY CUP CANADIAN INTERMEDIATE "A" CHAMPIONSHIP—CONGRATULATIONS TO VICTORIOUS CHARLOTTETOWN ISLANDERS

Mr. Tom McMillan (Hillsborough): Mr. Speaker, yesterday in the Commons my colleague, the Hon. Member for Edmonton West (Mr. Lambert), proudly congratulated the Edmonton Oilers as the new Stanley Cup champions. Unquestionably the Oilers have brought great credit to Edmonton and the West, indeed to all of Canada, by their win over the New York Islanders.

However, I wish to draw to your attention, Sir, and to the attention of the House, that the Charlottetown Islanders have performed a similar feat for that city, for Prince Edward Island, and for the Atlantic Provinces, by winning the Hardy Cup Canadian Intermediate "A" Championship. They did so by beating the Moose Jaw Generals four games to one in the best of seven finals.

I know all Members of the House join me in congratulating Captain Wilfred MacDonald, Coach Errol Thompson, all other members of the Charlottetown Islanders, and everyone else associated with the team, on this major national sports triumph. As the Member of Parliament for the team's riding, I take particular pride in their victory.

Some Hon. Members: Hear, hear!

* * *

• (1410)

FINANCE

ONTARIO TAX INCENTIVE SCHEME FOR HOUSING SENIOR CITIZENS IN HOME ENVIRONMENT

Mr. Howard Crosby (Halifax West): Mr. Speaker, Canadian senior citizens cannot enjoy their golden age unless they have housing facilities suitable to their needs. Substantial improvements have been made across Canada in senior citizen housing and homes for special care, but there is much more that can be done.

While special housing may be the answer in some cases, most senior citizens would be happier in their own homes or sharing homes with members of their family. In this context we should applaud the measures taken by the Government of Ontario. In its recent Budget, Ontario provided tax incentives to home owners who make renovations to keep elderly relatives living at home. Similar tax incentives are provided to elderly home owners themselves who renovate rather than move to special housing for seniors.

Our social concern can be measured, in Canada, by the way we treat our senior citizens and those who cannot cope without help. Keeping elderly Canadians in a home environment recognizes that senior citizens are an important element in each Canadian community. By encouraging Canadian families to care for their own, the Ontario Government has shown leadership which the federal Government and other provinces would be wise to follow.

POLITICAL PARTIES

REACTION OF PROGRESSIVE CONSERVATIVE MEMBERS TO EMPLOYMENT QUESTIONS

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, yesterday Members of the Tory Party laughed when I asked about workers' safety on Canada Works projects.

Mr. Thacker: You're a liar.

Mr. Manly: What was so funny? Did the Tories laugh at the large number of people who have to take jobs at low wages? Did they laugh at the suggestion that these workers were entitled to some form of safety committee and grievance procedure?

Mr. Blenkarn: No; at you.

Mr. Manly: Maybe these same Tory Members could go out and visit some of the crews on Canada Works projects. They could find out how funny it is to try to maintain a home and support a family on these low wages. They could joke about safety conditions, with workers doing heavy manual labour and working with power equipment outdoors in all kinds of weather.

The Tories called the Minister of Employment and Immigration two-faced when he promised to look into the question. Whether he was two-faced on this, only time will tell. But at least he had enough political sensitivity to realize that this was an important question. The Conservatives are completely insensitive to the needs of working people in Canada.

Some Hon. Members: Oh, oh!

Mr. Manly: Safety in the work place is not a laughing matter, and Canadians can do without the Tory sense of humour.

* * *

NATIONAL DEFENCE

RETENTION OF CANADIAN FORCES BASE CHATHAM, N.B.

Mr. Maurice A. Dionne (Northumberland-Miramichi): Mr. Speaker, some two and a half years ago a government decision was made with regard to CFB Chatham which seemed at the time to be a staggering blow to the town of Chatham and the riding of Northumberland-Miramichi. However, at the time the Government also said it would make every effort to compensate for that loss, and to replace it. Yesterday the Minister of National Defence (Mr. Blais) went to Chatham and announced that what was about to become a dead military base would in fact be given new life and would have a long-term future.

While the Tories and NDP in New Brunswick were playing politics with the issue, many people here in Ottawa, and officials in the region, were working hard to solve the problem. It has been solved, and I want to express gratitude on my behalf and on behalf of all of my constituents for the decision the Government made with regard to Chatham which will give it a long-term future with 1,400 employees.

ORAL QUESTION PERIOD

[*English*]

THE ADMINISTRATION

LIBERAL PARTY LEADERSHIP CAMPAIGN—MINISTER'S STATEMENT ON INDUSTRY AND REGIONAL DEVELOPMENT PROGRAM

Hon. James A. McGrath (St. John's East): Mr. Speaker, in the absence of the Prime Minister I will direct my question to the Minister of Economic Development, who is hovering in the background.

Mr. Wilson: Hobbling in the background.

An Hon. Member: Here is the Prime Minister.

Mr. McGrath: Mr. Speaker, perhaps I may direct my question to the Right Hon. Prime Minister. Yesterday in Toronto the Minister of State for Economic Development criticized the Industrial and Regional Development Program, for which he is partly responsible as chairman of the Cabinet Committee for Economic Development, when he said:

> I get the feeling it's just not working.
>
> I believe it has a tendency to build on economic weaknesses rather than on economic strengths.

This is the same Minister who said a few weeks ago, and I quote:

> ● (1415)
>
> Instead of propping up run-down trucking firms, bankrupt computer companies and over-staffed government Departments, we should be investing more money in our people.

Surely we have arrived at a point in time when enough is enough, Mr. Speaker. Cabinet solidarity and that convention notwithstanding, how can the Prime Minister condone the continuous presence in the Cabinet of a Minister who would criticize the very program for which he is responsible?

Hon. Donald J. Johnston (Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, I will reply to that question if I may. I wish the Hon. Member would have a look at my speech, provided he promises not to use any of the ideas set forth therein, as Members opposite have in the past. The fact is that during this leadership convention a number of us have been travelling coast to coast, meeting with people. Of course I do that in the course of my responsibilities in any event.

With regard to the particular program which I discussed last night, in the small and medium-sized business sectors there have been many questions raised with me which I feel must be addressed. I am inclined to the view that in that small

and medium-sized business sector there is a better approach. I am not suggesting that there is not room for grants, as the report said. That is why I invite the Hon. Member to look at the text. However, there are many businessmen in the country who feel that this type of program may be overcentralized and too bureaucratic. We on this side of the House have a tradition of always trying to self improve in our programs, policies, and other areas. That is exactly what I am saying. I suggest that a little self improvement may be a good idea for that side of the House as well.

CABINET SOLIDARITY—PRIME MINISTER'S POSITION

Hon. James A. McGrath (St. John's East): Mr. Speaker, my supplementary question is for the Prime Minister. That legislation is less than a year old. If there is a better approach, why does the Government not bring it in? Why does this Minister not bring it in, or else do the honourable thing and resign?

Some Hon. Members: Hear, hear!

Mr. McGrath: The Minister of Justice is calling for the firing of the Governor of the Bank of Canada. The Minister of Employment and Immigration is calling for the firing of 30,000 civil servants. The Minister of Energy, Mines and Resources is refusing to appear before a committee to defend his own Estimates. Surely, Mr. Speaker, there comes a point in time when the Leader of the Government must exercise some discipline so that all of these programs will not be totally undermined by his own Ministers, and so that the confidence of the people of Canada who have to depend upon these programs for a living will not be totally eroded.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, for years Members on the other side have been accusing me of arrogance. I am showing a little tolerance and the arrogance is all on the other side.

EXAMINATION OF ESTIMATES OF DEPARTMENT OF ENERGY, MINES AND RESOURCES

Hon. James A. McGrath (St. John's East): Mr. Speaker, surely the Prime Minister will agree that these kinds of statements can only undermine confidence in economic expansion, as well as undermine the confidence of the people in the Altantic provinces and other areas who depend upon these programs for a living. Surely that is the effect of what the Minister of State for Economic and Regional Development is saying.

If the Prime Minister does not intend to ask for the resignation of the Minister of State for Economic and Regional Development, does he intend to follow his advice and change the legislation? Also, does he intend to issue instructions to the Minister of Energy, Mines and Resources to appear before a committee of the House and defend his Estimates?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member is asking me a series of questions. With regard to the Minister of Energy, Mines and Resources, I have asked that either he or the Minister of State attempt to find a date upon which the committee would be able to question him on his Estimates. I have not received the answer. I made the request yesterday.

With regard to the suggestion of the Hon. Member that in some way my Ministers are undermining confidence in the future of the economy, I do not see how that follows from a Minister saying that if he became Prime Minister he would try to improve again on our programs. It is the job of a Prime Minister and the Cabinet to try to make the programs ever better. That is certainly what we attempted to do some years ago when we switched from the pure system of tax incentives to grants so that they would be identifiable to the taxpayer.

• (1420)

It seems rather strange, and I am sure it does to people who follow the proceedings in the House, to hear the accusation from the Hon. Member that in some way we are undermining the confidence of the business community in the future of this country. That surely is the stock-in-trade of the Opposition. Every day of the week they stand up and say how terrible things are and how they will get worse. Members on this side are saying that if things are bad we will make them better. They on the other side can be relied upon to make them worse.

* * *

THE ECONOMY

PROJECTED RATE OF GROWTH

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, I wish to direct a supplementary question to the Minister of Finance. It is further to the comments on the weakness in the economy made by my colleague.

I want to welcome the Minister back to the real world of the Canadian economy because, while he was away in Paris, there have been a number of economists who cut back their expectations of the rate of growth in the economy, some by substantial amounts. John Grant of Wood Gundy, and Aron Gampel of Pitfield are two such economists. If this is realized, it will result in a significant increase in unemployment by the end of the year.

Does the Minister still stand by his expectations for growth in the economy that he set out in the February Budget and, if so, why is he doing so in the face of the combined intelligence of these economists? If not, what is his new projection for the rate of growth in the economy for this year?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I want to thank the Hon. Member for his words of welcome and to report to him that I was not only at the meeting of the OECD but also at a meeting of the Commonwealth Finance Ministers and at the Group of Ten Ministers where indeed we

had an opportunity to exchange views on the present economic situation world-wide.

The Hon. Member refers to some forecasts by some economists. Obviously he will get various projections from various economists from week to week. I refer him to an excellent article in the *Wall Street Journal*, I believe, talking about the collective wisdom of economists. I will send him a copy. I think he will be very interested in reading it.

I came out with a number of forecasts in the February 15 Budget. The practice in the Department is to re-examine those forecasts by mid year, roughly, which is the beginning of the summer or in the course of the summer, so as to use them for the re-examination of the projections for the economy and the consideration of priorities and planning in the Cabinet later on in the course of the year. As far as I am concerned, I have no other forecasts to put forward than those contained in the February Budget. However, we will proceed to the normal re-examination of the evolution of the economy later on this year.

Mr. Wilson: I detect a change in tone from the way the Minister previously defended the projections in that Budget. I think he has seen the writing on the wall.

IMPACT OF INTEREST RATES ON HOUSE BUILDING INDUSTRY

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, I want to bring another projection to the attention of the Minister, that of William Dickson, President of the Canadian Real Estate Association, who is projecting that housing starts this year will drop from his previous projection of 170,000 to 135,000. That means that there will be approximately 100,000 fewer jobs in that sector of the economy. What is the Minister doing to offset the impact of high interest rates, because it is clearly high interest rates that have caused this drop in housing starts? I hope that he will not tell us again that his hands are tied because of the increase in the deficit from $10 billion to $30 billion and that there is nothing he can do about it. If he is going to say that, he should be blaming his predecessor, the Prime Minister, and the rest of the Government for getting us into the mess we are in today.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member can read whatever he wishes into what I said. What I said was quite simple. Every year we proceed to a re-examination of forecasts contained in the Budget, by mid year. This is what we will do again this year.

As far as the forecasted decline in housing is concerned, again I want to tell the Hon. Member that, contrary to what he said, the decline that took place in the early part of this year was not the result of higher interest rates, because indeed that decline began before the rise in interest rates. What one can expect is that the new measures we will be introducing, I hope in a very short time, concerning mortgage interest rate protection in particular, and the new provisions amending the Interest Act, will have a beneficial effect upon the housing industry generally.

• (1425)

INTEREST RATE LEVELS—COMPARISON WITH UNITED STATES

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, my question is for the Minister of Finance. He will know that the United States twelve months' inflation rate is almost double from its low in July, and all the financial analysts are now suggesting that that means interest rates in the United States are bound to be increasing in the months ahead by 2 percentage points and maybe by up to 4 percentage points. The Minister of Finance has indicated on a number of occasions that he plans to track American interest rates, that he simply plans to follow the American rate upwards. Knowing the very fragile state of the Canadian economy, Mr. Speaker, knowing the pressures under which small business people, home owners, farmers, and fishermen, find themselves, is the Minister of Finance ready to say today that he is prepared to take action independent of Paul Volcker and not track United States interest rates in the weeks and months ahead?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member refers to the increase in inflation in the United States of one-half of one per cent. I hope he will be encouraged by reminding himself that for April our own inflation went up by only 0.2 per cent.

Mr. Stevens: Still higher over-all than the U.S.

Mr. Lalonde: I would hope that the Canadian record will be significantly better than the United States record in terms of the inflation rate for 1984. That will be quite helpful in terms of our ability to maintain our interest rates at a lower level than the United States. As the Hon. Member knows, the situation is not that we are only tracking the U.S. rates. He will remember, for instance, that sometime in 1982 our prime rate was as much as 3 percentage points higher than the United States' prime rate. At the present time our prime rate is half a point less than that of the United States. We have achieved this because we have been able to bring our inflation down; increase our productivity, reduce our unit labour costs, and attain a very good rate of growth.

I think if we continue collectively to ensure that our economy will continue to grow, keeping our costs down, we will be able to keep our interest rates generally—the prime rate and other bank rates—at lower levels than those in the United States, or very close to those in the United States. I have never said that we have no independence of choice. We have some autonomy. But one has to look at the real situation, however, and to realize that we cannot just close out the world around us, ignore the United States situation, and think that we can have a totally independent interest rate policy.

SUGGESTED INTRODUCTION OF TAX ON CAPITAL OUTFLOWS

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, the Minister speaks about autonomy, and the Prime Minister indicates a willingness to make things better, a willingness to take some independent action.

The Minister of Finance knows full well that the weeks and months ahead will see an increase in United States interest rates, based on the best information available to us today. Businessmen, home owners and farmers are watching very closely because they feel that if our future performance is anything like our past performance it means that we will simply follow American rates upward.

The Minister of Finance has indicated that we cannot take real independent action because money will flow out of the country. Is the Minister of Finance prepared to give some consideration to lowering interest rates and to give some consideration to the implementation of a speculators' tax on large sums of money that people might move out of the country in order to take advantage of an interest rate? What is his view on a speculators' tax as one method to counter the argument against tracking American rates?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I may remind the Hon. Member that speculating on what might happen does not necessarily mean it is going to happen. The Hon. Member is referring to projections on increases in interest rates in the United States in 1984. It is possible, but it is certainly not a foregone conclusion that it will happen. I would therefore urge the Hon. Member to keep his sense of perspective and not automatically assume there will be an increase of, for instance, two percentage points in interest rates in the United States, as he said.

He also mentioned creating a special tax on movements of capital to the United States. This point has been raised by fellow Members of the Hon. Member's party here in the House, and I said at the time that this did not seem to be a realistic solution. However, if the Hon. Member has specific proposals to make and he feels it would be feasible to implement this kind of tax, I shall consider all this within the framework of a future budget.

At the present time, however, I must say that the Hon. Member's proposal does not seem very realistic and it is not one I am prepared to consider.

• (1430)

[*English*]

MORTGAGE INTEREST RATES

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, let us talk about the present, if the Minister is not prepared to speculate on action that he might take. In the United States this morning, Baystate Funding, a savings and loan company in Massachusetts, is offering mortgages at 9.75 per cent, and the First Interstate Bank in California is also offering mortgages at 9.75 per cent. The same thing is being played out throughout the United States.

Considering that our prime rates are approximately the same, and that the inflation rate in Canada is approximately the same as that in the United States, why is there a 3 per cent differential between what banks, savings and loan companies in the United States are charging for mortgages, and what banks like the Royal Bank of Canada are charging? Why is there a 3 per cent differential?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): The Hon. Member will admit that there are some significant differences between the tax systems in the United States and in Canada. If I am not mistaken, perhaps, the Hon. Member will recall that in the U.S., there is a tax on capital gains accruing from the sale of one's own home. Canadians, however, do not pay a capital gains tax when they sell their home. That is one example of the differences between the tax systems in our two countries.

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[*English*]

AGRICULTURE

IMPORTATION OF BEEF FROM IRELAND

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, my question is directed to the Minister of Agriculture. It concerns the amount of Irish beef which has been coming into Canada since the first of the year. The Minister will know that Ireland is now the largest single supplier of beef to this country. He will also know that some of this beef has been landed in Canada at as much as 30 cents per pound under our market price. If the level of those kinds of imports into our country continues, by August or September our quotas will be filled. This kind of thing hurts producers and processors in this country. For instance, Burns Meats in Brandon has just announced that it will close in August. This also jeopardizes the trade which we have with our traditional trading partners. Would the Minister bring us up to date on what he or his Department is prepared to do to address this very serious situation?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, we met with representatives of the Canadian Cattlemen's Association on the Beef Import Advisory Committee just this past week. They made certain recommendations to the Ministry of Agriculture, to myself, and some of the officials in my Department.

The Hon. Member is saying that he wants import controls and that he wants them imposed. I am not against that. He knows that I am very much in favour of that. The beef is not coming to Canada by itself; it is being brought here by a corporate citizen of Canada who is buying it and putting it on the market here because it is cheaper. If he wants that kind of control, let him say so.

We have put a countervailing duty on hams coming in from Europe, from the same area. We know it is heavily subsidized, but when I talk about those kinds of things and when I talk about supply and management—and in essence that is what they are saying at the present time—they disagree with me.

Mr. Gamble: What are you doing today?

Mr. Whelan: If we had that kind of plan, as we have for some other products, we would not have to worry about beef coming from any place in the world into Canada.

Mr. Mayer: The Minister totally misrepresents what I asked him. I did not say anything about cutting off imports. I was concerned about the price at which it was coming into the country. The reason it is coming in is that the European Economic Community subsidizes it to the tune of about 50 cents per pound. We cannot compete with that. If the Minister continues to allow this, it will cause major problems in the meat industry.

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, is the Minister prepared, through his Department, to take this on as a personal initiative? There are provisions under one section of GATT whereby he can, through his Department, initiate investigations to see whether in fact there is hurt in the industry. This will speed up the process so that we do not have to go through the 90-day to 180-day wait to bring on a countervailing duty. If he is prepared to do something within his Department, if he is prepared to instruct his officials to act now, we could do something about beef which is coming into the country at low prices. We are not as concerned about the quantity as we are about the price.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the Hon. Member should be worried about the quantity because there has been an 800 per cent increase over what there was last year for the same period. If he wants to make a comparison with the great free-trading nation to the south of us, he will learn that it only allows 5,000 tonnes of that kind of beef into the United States for 246 million people in a total year.

Mr. Dick: What about you?

Mr. Whelan: If the Hon. Member wants import controls, let him say so. If he wants to go through the system of surcharges and countervailing duties, he should know that we are supporting Canadian cattlemen in that regard, but it is time consuming. They come back on us for compensation under that kind of a ruling. It is a hurly-burly, free-trading world out there. Is he saying that he wants controls on that? Is that what he is saying on behalf of his Party over there? Does he want to stop those imports? In essence, I think that is what he is saying, and I do not disagree with him on that.

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EDUCATION

POST-SECONDARY EDUCATIONAL FUNDING

Mr. Walter McLean (Waterloo): Mr. Speaker, my question is directed to the Secretary of State who, yesterday, expressed his grave concern about the quality and value of post-secondary education in Canada. The Minister has received in recent weeks requests for tripartite consultations on post-secondary education support, from the major components of the educational community in Canada, from the Canadian Association of University Teachers and the Canadian Federation of Students, as well as recommendations in the Page-Symons report issued by the Association of Universities and Colleges.

Will the Minister act now to end the Government's confrontational approach and initiate public consultations, which are being called for, on the need for accountability for federal government post-secondary educational funding?

Hon. Serge Joyal (Secretary of State): Mr. Speaker, the Hon. Member is speaking from the two corners of his mouth at the same time. On one hand we have appointed Mr. Al Johnson to consult with the various post-secondary educational institutions in Canada. As a matter of fact, at my own request, Mr. Johnson is meeting with representatives of the Official Opposition, with representatives of the New Democratic Party, and with representatives of various associations of teachers and educational institutions in Canada.

On the other hand, as a result of the suggestion of the Hon. Member for Kingston and the Islands, we have unanimously accepted an amendment to Bill C-12, investing the Secretary of State with the responsibility to report annually to the House on the negotiations with the Council of Ministers of Education on national objectives in post-secondary education.

What does the Hon. Member want? He wants more consultation. We have already had consultation. I said to him in committee yesterday that Mr. Johnson would be reporting to the Government and that the Government would table his reports on policy alternatives to end the stalemate which we have had with the provinces.

Essentially the provinces did not want to pass on the money which Parliament voted last year. This is not due to the priorities of the federal Government. It is due to the priorities of the provinces which have not made post-secondary education the first priority to be served in our country.

FEDERAL-PROVINCIAL CONSULTATION

Mr. Walter McLean (Waterloo): Mr. Speaker, my supplementary question is directed to the Secretary of State who outlined once again the unilateral approach of the Government. The $500 per day activities of Mr. Johnson will once again bring a solution to the Government without consultation with the provinces or educational institutions.

Is the Secretary of State fundamentally agreeing with the proposals of Mr. Turner for unilateral federal action in order to bring the provinces and the institutions into line?

Hon. Serge Joyal (Secretary of State): Mr. Speaker, the Hon. Member does not know what the Hon. Member for Kingston and the Islands has been doing in the last month. Due to her own initiative, she brought in an amendment to Bill C-12 which called upon me to negotiate with the Council of

Ministers of Education. We have accepted it, with the support of the New Democratic Party. If the unilateral gesture of Parliament is the unilateral gesture of the Government, I do not know exactly what the Hon. Member has in mind.

Mr. McLean: That was our initiative, not the Government's initiative.

Mr. Joyal: I have said to him repeatedly that following the consultation a report will be tabled in Parliament. There will be ample consultation with all the intervenors. The Hon. Member should get his act together and come back with positive suggestions.

* * *

AGRICULTURE

FARM FUEL TAXES

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is directed to the Minister of Agriculture. Of course he is aware that farm prices have been falling on many fronts, that costs are up, and that bankruptcies are up. Also, on the weekend he called for a general tax cut to stimulate the economy. Since he believes in a tax cut, is he ready to recommend to his Cabinet colleagues a cut in federal gasoline taxes on farm fuels, which amount to around 30 cents a gallon? Will he take that recommendation to Cabinet in order to help the farmers and to stimulate the economy of the country in general?

• (1440)

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the Hon. Member referred to one of my views I have expressed, one of the planks in my platform.

Some Hon. Members: Hear, hear!

Mr. McDermid: That's not a plank, that's a two by four.

Mr. Whelan: I say to him that I have also made my views known with regard to taxes on fuel used in the production of food. I am sure he is aware of that. We are having ongoing discussions on this.

REQUEST FOR TAX REPEAL LEGISLATION

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I have a supplementary question for the best known politician in the world.

Some Hon. Members: Hear, hear!

Mr. Nystrom: I noticed the Prime Minister next to him a few minutes ago talking about a transfer of power, but he had better wait a few weeks.

Because of the urgency of the question and the urgency of the situation that farmers across the country now face, will the Minister take to Cabinet a proposal that, before the end of June, the Government will bring in a Bill to end gasoline taxes, which amount to around 30 cents a gallon on farm fuel? In fact I will make him a deal. If he does that for the farmers, I will lobby any Liberal delegate I can find in my riding for him in his leadership campaign.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I want to say to the Hon. Member that I have already talked to all the Liberal delegates in his riding. They tell me I should not make any commitment to him because he will not be here after the next election.

My concern about making food production profitable for the producers, and reasonably priced for the consumers, still stands. Anything that I can do to make sure that that comes about will be done.

* * *

HOUSE OF COMMONS

PRESENCE IN GALLERY OF MINISTER OF LABOUR AND MANPOWER DEVELOPMENT OF TANZANIA

Mr. Speaker: I call the attention of the House to the presence in our gallery of the Hon. D. N. Mwakawago, the Minister of Labour and Manpower Development of Tanzania.

Some Hon. Members: Hear, hear!

* * *

PUBLIC WORKS

DEPARTMENT OF VETERANS AFFAIRS, CHARLOTTETOWN, P.E.I.—TERMS OF HEADQUARTERS LEASE PURCHASE CONTRACT

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of Public Works. The Minister signed a lease purchase contract with a Toronto developer, Rampart Enterprises, for the DVA headquarters building in Charlottetown. The Government spent some $7 million on the building and then turned it over to Rampart, which spent some $16 million. The lease runs for 35 years and requires the Government to pay $2.2 million per year in rent, for a total of $78 million over the term of the contract. Will the Minister admit that this is overly generous to Rampart Enterprises?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, it would be totally irresponsible to try to give that sort of judgment without knowing the amount of space, the management conditions of the contract, and so on. Obviously the Hon. Member does not expect me to carry that kind of information in my head.

Mr. McKinnon: If the Minister signs these contracts, I would expect him to know something about them.

MAINTENANCE COSTS

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, will the Minister confirm that, unlike most landlord/tenant leases, in this case the tenant, which is the Government, will pay all maintenance, heating, tax and other costs, which come to over $1 million a year and which will run the rent for this $22 million building up to over $100 million during the term of the lease?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, the Hon. Member is using every inflated arithmetical figure he can find. Obviously we cannot discuss this sort of issue without having all the figures in front of us. If the Hon. member wants me to appear before the committee and discuss this contract, I will do so.

* * *

COMMUNICATIONS

ACCESS TO UNITED STATES TELEVISION SIGNALS

Mr. Geoff Scott (Hamilton-Wentworth): Mr. Speaker, my question is for the Minister of Communications. In view of a Goldfarb Consultants poll commissioned by the Liberal Government in July, 1983, which reveals that four out of five Canadians want unrestricted access to U.S. television stations, I want to ask the Minister two things. First, why had the Government hidden the results of last year's poll until Canadian Press revealed them in the media just yesterday? I received my copy in my seat in the House about five minutes ago. Second, what specific question did Goldfarb put to 1,600 Canadians to elicit the most interesting response that 80 per cent of Canadians want unfettered access to U.S. signals?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, as the Hon. Member knows, as he has a copy of the Goldfarb report, courtesy of the Minister of Communications—

Mr. Scott (Hamilton-Wentworth): Signed by his own hand.

Mr. Fox: —I would indicate that Canadian Press was obviously more diligent than Members of the Opposition. They used the Access to Information Act which I brought before this House, and which was adopted by the House two years ago, to obtain a copy of the report. As far as the Hon. Member's question is concerned, he will find the questionnaire on page 11 of the book, compiled by Mr. Goldfarb. I hasten to point out that one result that was not published by Canadian Press, which is also most interesting, is that 78 per cent of Canadians support the development of a strong Canadian artistic community.

Mr. Scott (Hamilton-Wentworth): I am glad to know that Canadians also recognize the need to protect and preserve a distinctive Canadian identity and a viable Canadian broadcasting industry.

GOVERNMENT POLICY

Mr. Geoff Scott (Hamilton-Wentworth): Mr. Speaker, the Minister of Communications will know of the hostility of folks, particularly in many of Canada's smaller and more remote communities, when they are denied or cut off from American signals. Did the Minister commission this poll with a view to changing government policy on access to American signals? If so how is he going to come up with a policy which will ensure fair and equitable distribution of both Canadian and American signals and preserve the Canadian broadcasting system?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, if the Hon. gentleman has been watching the development of the Canadian broadcasting policy, he knows that that is what has been done for the past few years. Through the CRTC we have licensed a group of Canadian businessmen and entrepreneurs to deliver to all villages, towns, and areas of this country, a complete package of four U.S. signals, the four main networks, along with four Canadian signals. We feel that what Canadians are looking for is not only access to U.S. signals but access to Canadians signals, to let them know what is going on in this country.

* * *

NATIONAL DEFENCE

MILITARY ACCIDENTS—RELEASE OF INQUIRY TRANSCRIPTS

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I have a question for the Minister of National Defence. In the latter part of April the Minister appeared on the television program *The Journal* with respect to an issue that I have raised in this House before, the release of board of inquiry transcripts to designated next-of-kin in the case of military accidents. In response to a question from Barbara Frum on that program, the Minister indicated with regard to designated next-of-kin in a couple of other accidents which had been brought to his attention, that there had been a policy change, that these transcripts were now available and all the parents in this case had to do was get in touch with him the next morning and this information would be forthcoming. As of this weekend, neither of two sets of parents who got in touch with him the next morning has received the transcripts.

I was in touch with one of them this morning, Anne McKinnon of Alberta. As of today she has not yet received an answer to a telephone call she placed to the Minister's office that morning. The Minister had the nerve to go on national television and give the impression that there has been a policy change and that he would look after everything. I want to know when he is going to look after everything.

Mr. Speaker: Order. Will the Hon. Member ask his question?

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, I did in fact indicate that there was a major policy change. That change is being implemented. The Hon. Member

did not provide me, as he did on other occasions, with previous notice of his intention to raise the question so that I could provide details relating to the representations he has made, or the representations made by the individual he has identified. I will look into the matter he has brought to my attention and report to him.

Mr. Blaikie: When there is a policy change you don't expect to have to give the Minister notice. We want to know why he has not acted.

NAMES OF INQUEST WITNESSES

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I wish to direct a supplementary question to the Minister. He knows that an inquest has been called into the accident that resulted in the deaths of Privates Krosney and Laurendeau. I believe it is to take place on June 22 in Moosomin, Saskatchewan. At this point they are not able to get the names in the transcript. We have the testimony that was given, but not the names. Will the Minister extend his ministerial discretion, which he has made a big deal of, to releasing the names of those who gave testimony in those transcripts so that that inquest can have the benefit of knowing everything there is to know about what happened that day?

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, the Hon. Member knows that the names were not provided because of the limitation under the Access to Information Act. That information was not to be made available because of the considerations of privacy. That having been said, Mr. Speaker, there is, indeed, a request which has been made relating to a coroner's inquest which was to be conducted by the provincial authorities. We have offered every cooperation in that respect. I have not received any requests from the coroner relating to the identification of particular individuals within the transcript.

• (1450)

Mr. Blaikie: You can't even get the transcript, never mind the names.

* * *

TOURISM

STATEMENT ATTRIBUTED TO MINISTER

Mr. Otto Jelinek (Halton): Mr. Speaker, my question is directed to the Minister responsible for tourism. As predicted, the tourism deficit rose again in the first three months of this year over last year. In fact it is expected to reach a staggering $3 billion by the end of this year. It is obvious, Mr. Speaker, that the industry is in trouble and is suffering. Deficits are rising. This all contributes to unemployment. When industry spokesmen voiced their concerns, as they should, the Minister's answer was: "If the tourism industry gets more bitchy or complaining, it will be hard to persuade the Cabinet to continue this current level of funding". Can the Minister justify making such a stupid and unproductive statement? Or is this his way to blackmail the industry and keep it quiet when it is in trouble? What is the answer?

Hon. David Smith (Minister of State (Small Businesses and Tourism)): Mr. Speaker, that particular statement, which I think was taken out of context, had to do with some complaints about the price of gasoline in this country and the effect of that on tourism. The simple fact of the matter is that the price of gasoline in this country results from an agreement which we have with the oil producing provinces. We fought long and hard to get the best deal we could for the Canadian consumer, and we got that deal.

I do not believe it is reasonable to think that that agreement is going to be ripped up because of its impact on tourism. I might point out that the first three months, January, February and March, in any year, are always the most difficult months for us because of the weather, and the Hon. Member knows that full well.

PROVISION OF FUNDS TO ONTARIO

Mr. Ron Stewart (Simcoe South): Mr. Speaker, that is a cop-out if I ever heard one. An election was fought on 18 cents a gallon, and you are the ones who raised the price of gasoline. Everyone knows that in Canada. We also know that in the tourism industry the problem is over-taxation, purely and simply, particularly on gasoline and alcohol. If the Minister had any clout at all in cabinet, he would have that tax lowered or knocked off completely.

There is a subagreement between Ottawa and the Province of Ontario which has been sitting on the desk of the other Minister since 1980. It was for $100 million, since reduced to $60 million. Can the Minister use some kind of clout and get that money to the province so it can spend it properly and increase tourism in this country? Some 85 per cent of tourism comes into this country by car. Will the Minister get that agreement signed and get that $60 million to the Province of Ontario which represents one-third of our tourism market?

Hon. David Smith (Minister of State (Small Businesses and Tourism): Mr. Speaker, with regard to the first point of the Hon. Member on the price of gasoline, I would tell him that I saw my good friend, the Hon. Member for Rosedale, on City TV on Sunday night and heard him state that the position of the Conservative Party was still to move toward world prices for oil in this country.

Some Hon. Members: Shame!

Mr. Mazankowski: They are above world prices now.

Mr. Smith: That is not the position of this side of the House.

Some Hon. Members: Oh, oh!

Mr. Smith: I seem to have touched a raw nerve, Mr. Speaker. With regard to an agreement with Ontario, yes, we have worked toward one, and we hope to have one before long.

Mr. Jelinek: When?

Mr. Smith: The delay has not been on our part.

* * *

PENITENTIARIES

RELEASE OF CONVICTED MURDER-RAPIST ON DAY LEAVE

Mr. Bill Kempling (Burlington): Mr. Speaker, my question is directed to the Solicitor General. It is with respect to Wayne Boden who recently escaped while on day leave. He was free for 36 hours, then was apprehended and again placed in jail. Boden raped, and then murdered four women by strangulation. Less than a year ago a psychiatric assessment said that he could murder again.

My question deals with a letter sent to me in 1976 from the former Solicitor General, the Hon. Member for Notre-Dame-de-Grâce, wherein he stated that because of the viciousness of Boden's crimes he would not be released without Cabinet approval. In view of that commitment, and the psychiatric assessment, why was Boden out on day leave?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I have answered the question in general. However, I was unaware of the letter. I will take the Member's question as notice and look into it.

FORMER MINISTER'S LETTER

Mr. Bill Kempling (Burlington): Mr. Speaker, if the Minister is going to look into it, I will ask him to look into this as well. Can he advise me if the letter, or the thrust of the letter, sent to me by the former Solicitor General, together with the psychiatric report, is in Boden's file at the prison? If so, what authority at the prison level could have overridden the requirement for Cabinet approval?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, again I will take notice of the supplementary question and report back to the Hon. Member as soon as I can.

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ENVIRONMENTAL AFFAIRS

OIL DRILLING IN LANCASTER SOUND—GOVERNMENT POLICY INQUIRY

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, my question is directed to the Minister of the Environment. Is it, or is it not, the policy of the Government of Canada to allow for oil and gas drilling in Lancaster Sound?

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, I believe that this question should be addressed to the Minister of Energy, Mines and Resources—

Mr. Dick: Where is he?

Mr. Caccia: —as to what the policy is for drilling in Lancaster Sound. He is the Minister responsible, and it seems to me the question should be addressed to him, or to the Minister who answers for him today in the House.

MINISTER'S ADVICE

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, what advice has the Minister of the Environment given to the Minister who will make the effective decision? I believe it is not the Minister of Energy, Mines and Resources, but rather the Minister of Indian Affairs and Northern Development. What advice has the Minister of the Environment given to this Minister?

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, I would refer the Hon. Member to clippings in the press which have appeared in the past two weeks. I am sure he is very aware of them, otherwise he would not be asking this question. I did write to the Minister of Indian Affairs and Northern Development indicating that Lancaster Sound, because of its biological richness, is one which ought to be left aside in terms of oil drilling. That letter has been made available or leaked to the press.

* * *

ENERGY

TAR SANDS DEVELOPMENT—POSSIBLE JAPANESE PARTICIPATION

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, in the absence of the Minister of Energy, Mines and Resources, my question is directed to the Minister of Finance. In view of the problems in the Middle East and the Gulf States, and the fact that Japan gets most of its oil from that region, I wonder whether the Government had made any arrangements, or thought of making any arrangements, with Japan, to develop tar sands' potential in western Canada on the basis that the Japanese would be given, on financing such plants, access to oil recovered in payment of its advances? The Minister will realize that that will go a long way toward solving a great deal of unemployment which exists in this country.

Hon. Marc Lalonde (Minister of Finance): First of all, Mr. Speaker, I would like to remind my hon. friend that Canada was self-sufficient in oil last year. As a matter of fact, we were net exporters of oil to the United States. We were aiming for self-sufficiency by 1980, and we achieved it in 1983. I believe the energy policies of this Government were quite effective in reaching that goal. I hope my friend will applaud such a development.

As far as the arrangements concerning the development of the tar sands are concerned, again I remind my friend that a number of steps were taken regarding the development of the tar sands last year. As far as enhanced oil recovery is concerned, projects have taken place at Cold Lake and Wolf Lake, to mention only two, and there are discussions going on

at the present time with the Government of Saskatchewan and the Government of Alberta concerning additional projects in that regard. There is no shortage of financing for good projects at the present time, and these discussions are going on.

If there are Japanese interested in the development of the Canadian tar sands, obviously the Government would be ready and willing to sit down with them and talk. However, we have to bear in mind our first priority, which is Canadian self-sufficiency, and we are not going to approve long-term commitments of exports of oil to other countries without first making sure that Canadians are going to be protected. We have to bear in mind that our first priority is Canadian self-sufficiency. We will not approve long-term commitments for exports of oil to other countries without first making sure that Canadians will be protected.

● (1500)

SUGGESTED OFFER OF SECURITY OF SUPPLY TO JAPAN

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, the Minister is confusing me. First of all, he said that we are self-sufficient, and then he said that we are not self-sufficient. We do not really know. However, because he has said that we are self-sufficient, will he make an arrangement with the Japanese to give them some security of supply in consideration for their immediately opening up a tar sand plant that will provide jobs in Ontario, Alberta and the rest of the country? Canada has 1.5 million people out of work. When will the Government start using the energy potential of the country to put people back to work?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I again invite my hon. friend to look a little bit further than his nose. We were self-sufficient last year, and we want to ensure that we will be self-sufficient in oil in the future. Therefore, we will take steps to ensure that Canada will be well protected in the future in terms of oil supply.

As far as his question with respect to supposed Japanese interest is concerned, I have already answered it.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Tuesday, May 22, 1984, meet the requirements of the Standing Orders as to form.

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BUSINESS OF THE HOUSE

Mr. Dick: Mr. Speaker, I rise on a matter of House business. Perhaps the Government House Leader might be able to advise the House whether or not the Government will be able to fulfil its commitment of last Friday and tell the House whether the Minister of Energy, Mines and Resources will in fact be appearing before the committee.

Mr. Speaker: Questions relating to House business are permitted on Thursday. The Hon. Member for Lanark-Renfrew-Carleton is aware of the usual practice of the House.

Mr. Dick: Mr. Speaker, I understand that that is the usual practice of the House in order to get a weekly schedule. However, supplementary questions are frequently asked during the week, and this is a committee—

Mr. Speaker: Is the Hon. Member for Saskatoon West rising?

Mr. Hnatyshyn: Mr. Speaker, the point of order that I would like to raise at this time is that if committees are not able to function, that is a matter of order within the House and it would come under the jurisdiction of the House. A commitment was made by the Acting Prime Minister acknowledging that the Minister of Energy, Mines and Resources should, in fact, appear before committee on his estimates. The Acting Prime Minister said that he would report back to the House in order that the committee could function. I think my hon. colleague who asked the question wanted to know whether or not there has been any report back with respect to the matter. I believe it is a matter of order for the House as it relates to the functioning of committees.

Mr. Speaker: I would like to draw to the attention of the Hon. Member that his point would have been a perfectly proper question to ask the Minister during Question Period. The practice has been to entertain questions relating to House business on Thursdays. I think the Hon. Member for Saskatoon West and the Hon. Member for Lanark-Renfrew-Carleton can restrain themselves until tomorrow. At that time, the usual questions relating to—

Mr. Dick: No, that is when the committee meets.

Mr. Speaker: Committees must resolve their problems regarding witnesses, who appears and who does not appear. It is not the practice of the House of Commons to order or instruct witnesses. That is a matter for the committee to resolve.

Mr. Dick: With the greatest respect, Mr. Speaker, the fact is that Question Period will not be until two o'clock and the committee—if it is going to meet with the Minister—will be meeting before that time.

Mr. Speaker: The Hon. Member is well aware that it is not the normal business to settle procedures before committees on the floor of the House of Commons. These are matters for the committees to resolve. Questions relating to the business of the House are entertained regularly on Thursdays. That is the practice of the House.

Mr. McGrath: Mr. Speaker, I do not for a moment question Your Honour's ruling. However, that ruling does present the House with a terrible dilemma. As you know, under the rules all estimates are deemed to have been reported back to the House as of midnight, the end of May. If the Minister refuses to appear before the committee to defend his estimates—and he cannot be subpoenaed to appear before a committee—those estimates are deemed to have been reported back. That means the House has been denied the right to examine the estimates, which is the very essence of supply. In other words, Parliament is being denied one of its most important functions. I would ask Your Honour with respect: How do we get around that dilemma?

Mr. Speaker: The difficulty the Chair faces in recognizing the point made by the Hon. Member for St. John's East is that the Chair can hardly be aware of what is taking place in a committee without a report from the committee. The practice of what takes place before a committee is a matter of the committee's business. If and when a report is received from the committee—and presumably that report would be debated—there would be an opportunity for Hon. Members to express their views.

In all fairness, the Hon. Member for St. John's East has made a valid point and I always listen to him, but what does he expect the Chair to do under these circumstances? It is very difficult for the Chair to instruct a Minister, or to interfere with regard to the conduct of a committee's affairs. If the comittee reports and there is a matter arising out of the committee's report of which the Chair can take notice, the Chair will do the appropriate thing. However, there is no report from the committee. The committee has its terms of reference. Therefore, under the circumstances there is nothing which appears to the Chair that can be done at this time.

The Hon. Member for Lanark-Renfrew-Carleton has been recognized three times. This will be the last time.

Mr. Dick: Thank you very much, Mr. Speaker. I do believe it is incumbent upon you perhaps to listen before making any final judgment in this matter.

Some Hon. Members: Order, order!

Mr. Dick: I have recognized in the 12 years in which I have been in the House that, because of changing circumstances from time to time, House business has been discussed other than on Thursdays. Yesterday when I attempted to raise this matter, Mr. Speaker, you suggested that it be brought to the House as a question. Unfortunately, it was not possible today for you to see me when I rose to put a question—

Mr. Speaker: With all due respect, the Chair was given a list of eight names from the Whip of the Hon. Member's Party, and there were certain difficulties.

Mr. Dick: I know that there were a number of other people recognized. However, it is an important matter because the committee is sitting tomorrow before Question Period. It is a simple matter of an undertaking by the Government which appears on page 3865 of *Hansard*, given by the Acting Prime Minister. I would expect as a matter of course in dealing with House business, that a straightforward reply could be given very easily.

Mr. Speaker: The Chair has heard the Hon. Member now for the fourth time.

Mr. Pinard: Mr. Speaker, I would be glad to try and answer his question tomorrow.

ROUTINE PROCEEDINGS

[*Translation*]

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

PRESENTATION OF FIFTH REPORT OF STANDING JOINT COMMITTEE

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, I have the honour of tabling, in both official languages the Fifth Report (Statutory Instruments No. 24) of the Standing Joint Committee on Regulations and other Statutory Instruments.

[*Editor's Note: For above report, see today's Votes and Proceedings.*]

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[*English*]

PETITION

MR. BLAIKIE—ACCESS TO HEALTH SERVICES

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I have the honour to present a petition by several hundred residents of northern Ontario who note that approximately 1,000 residents in the riding of Thunder Bay-Atikokan must travel each year to Toronto and Winnipeg to receive medical treatment which is unavailable in northern Ontario. That represents an increase of 50 per cent to Toronto and an increase of 98 per cent to Winnipeg from 1976 to 1982. They also note that many of these residents must pay for the visits themselves or rely on charity. They note that the Canada Health Act calls for reasonable access to health services without undue financial barriers.

Therefore they call on Parliament to uphold the principles of the Canada Health Act and assure reasonable access to health services without undue financial barriers for the residents of northern Ontario.

Order Paper Questions

● (1510)

REPRESENTATION ACT, 1984

MEASURE TO ESTABLISH

Mr. J. R. Ellis (Prince Edward-Hastings) moved for leave to introduce Bill C-242, an Act to stabilize the representation in the House of Commons.

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Ellis: Mr. Speaker, this Bill will dispense with the necessity of readjustment of constituency boundaries based on the 1981 census. Given that, in my opinion and that of many others, there is no need to enlarge the number of MPs, this Bill will spare the public from further confusion and expense on this account during the 1980s.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 775, 776, 777, 779 and 780.

[*Text*]

MONITORING OF MEDIA BY GOVERNMENT

Question No. 775—**Mr. St. Germain:**

Was any cost incurred by the Government for media monitoring as a result of the announcement by the Minister of Employment and Immigration concerning his intention to run for the leadership of the Liberal Party?

Mr. Jean-Guy Dubois (Parliamentary Secretary to Minister of Employment and Immigration): No.

Question No. 776—**Mr. St. Germain:**

Was any cost incurred by the Government for media monitoring as a result of the announcement by the Minister of State for Economic and Regional Development concerning his intention to run for the leadership of the Liberal Party?

Mr. Rolland Dion (Parliamentary Secretary to Minister of State for Economic and Regional Development and Minister of State for Science and Technology): No.

Question No. 777—**Mr. St. Germain:**

Was any cost incurred by the Government for media monitoring as a result of the announcement by the Minister of Justice concerning his intention to run for the leadership of the Liberal Party?

Hon. Mark MacGuigan (Minister of Justice): No.

● (0000)

Question No. 779—**Mr. St. Germain:**

Was any cost incurred by the Government for media monitoring as a result of the announcement by the Minister of Indian Affairs and Northern Development concerning his intention to run for the leadership of the Liberal Party?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): No.

MEDIA MONITORING BY DEPARTMENT OF EMPLOYMENT AND IMMIGRATION

Question No. 780—**Mr. St. Germain:**

Since April 1, 1983, did the Department of Employment and Immigration spend any amount for (a) electronic media monitoring services performed by private firms or individual contractors (b) print media clipping services performed by private firms or individual contractors and, if so, in each case, what amount?

Mr. Jean-Guy Dubois (Parliamentary Secretary to Minister of Employment and Immigration): No.

* * *

[*Translation*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 756 could be made an order for return, that return would be tabled immediately.

Mr. Speaker: The questions enumerated by the Parliamentary Secretary have been answered. Is it the pleasure of the House that question No. 756 be deemed to have been made an order for return?

Some Hon. Members: Agreed.

[*Text*]

WILLIAMS LAKE COMMUNITY DEVELOPMENT ASSOCIATION

Question No. 756—**Mr. Greenaway:**

1. To the knowledge of the Government, when did the Williams Lake Community Development Association commence operations?

2. Was the association granted any funds by the Government and, if so (a) on what dates (b) what amounts and, in each case, for what reason?

3. To the knowledge of the Government, what amount does the association (a) pay for the rent of the office space (b) pay for furniture (c) budget for operations?

4. To the knowledge of the Government, what is a list of (a) the names of all the employees and their salaries (b) the names of the board of directors and any remuneration paid to them by the association?

5. Did the Government make any loans to the association and, if so, (a) at what rate of interest (b) for what reason (c) was there a maximum amount per loan and, if so, in each case, what amount?

6. Were contracts or agreements signed for each loan or grant and, if so, what are the provisions of each?

7. Were there any defaults on any loans obtained through the association and, if so (a) by whom (b) for what reason?

Return tabled.

* * *

[*Translation*]

MOTIONS FOR PAPERS

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

Mr. Speaker: Shall all notices of motions stand?

Some Hon. Members: Agreed.

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

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

* * *

[*English*]

BUSINESS OF THE HOUSE

Mr. Hnatyshyn: Mr. Speaker, there have been discussions with representatives of each of the Parties on House business. I believe the Government House Leader may well be prepared to alter the sequence of the Bills to be considered this afternoon. I was wondering if the House Leader has some proposals in that regard with respect to the business of today.

Mr. Pinard: My hon. colleague is right, Sir. The changes have been made known to himself, the NDP House Leader and the Table. If he wants me to repeat them, we will be dealing with Bills C-11, C-8, C-7, C-16 and C-24.

Mr. Hnatyshyn: Bill C-14.

Mr. Pinard: As you wish. That is all right.

Mr. Speaker: Orders of the Day.

GOVERNMENT ORDERS

[*English*]

CURRENCY AND EXCHANGE ACT

MEASURE TO AMEND

Mr. Blenkarn: On a point of order, Mr. Speaker, there has been an agreement that Bill C-11 could proceed through Committee of the Whole rather than be referred to the

Standing Committee. Perhaps the reference could be altered in accordance with that agreement.

Mr. Pinard: That is correct, Sir. I may outline generally the understanding we had among House Leaders on each of the Bills. On C-11 the understanding is that there is one speaker per Party and that the Bill will be passed through all stages here in this House. Therefore, the consequential amendment of the motion will be taken into account.

In so far as Bill C-7 and Bill C-8 are concerned, they will come next and the understanding is that they will be sent to a Standing Committee as opposed to Committee of the Whole. There will be one speaker per Party on Bill C-8, and I understand that debate on Bill C-7 was held a few weeks ago on a Wednesday afternoon. In so far as Bill C-16 is concerned, we will see when we reach that Bill.

Hon. Roy MacLaren (for the Minister of Finance) moved that Bill C-11, an Act to amend the Currency and Exchange Act, be read the second time and referred to Committee of the Whole.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Mr. Beatty: I rise on a point of Order, Mr. Speaker. I apologize to the House for interrupting at this point. Have you called Notices of Motions for the Production of Papers? If not, was it your intention to call them today?

Mr. Speaker: The Parliamentary Secretary requested that all Notices of Motions for the Production of Papers stand. I called the item and there was no objection taken at that point. With all due respect to the Hon. Member, the Chair called the item and it was carried.

Mr. Hnatyshyn: Mr. Speaker, I may have missed it but I did not hear you call Orders of the Day. We were on House business and it seems to me that we are still in Routine Proceedings.

Mr. Speaker: Clearly the Chair did call Orders of the Day. I am sure the *Hansard* record will show that point without any question.

The Hon. Minister of State for Finance (Mr. MacLaren) has the floor.

Mr. MacLaren: Mr. Speaker, the Bill we have before us, Bill C-11 to amend the Currency and Exchange Act, deals primarily with the accounting procedures used by the Exchange Fund Account to value Canada's gold reserves and to record gains on gold transactions. Additionally, it seeks to broaden somewhat the provisions under which the Minister of Finance can engage in gold transactions, clarifies and modernizes the wording of the Act, and changes its title to the "Currency Act".

The amendments proposed are of a housekeeping nature, occasioned by developments subsequent to the abandonment of an official price for gold by the International Monetary Fund

in 1978. In his audits of the Exchange Fund Account beginning in 1979, the Auditor General has expressed the opinion that the policy of continuing to value the Exchange Fund Account's gold holdings at the former official price rather than at market value is not in strict conformity with the Act. Valuing the Exchange Fund Account's gold at the market price, however, has a number of drawbacks, the principal one being that it could lead to large fluctuations in the reported level of our international reserves which are unrepresentative of actual changes in those reserves. The amendments would provide for a continuation of present practice as well as for flexibility in changing the basis for valuing Canada's gold reserves, subject to the provision that the value not exceed the market price, should future circumstances warrant such a change.

The amendments would sanction explicitly the current practice of recording gains on the sale of gold as valuation gains and paying them to the Consolidated Revenue Fund over a three-year period, paralleling the treatment of valuation gains resulting from exchange rate changes. This treatment is consistent with the amendments to the Currency and Exchange Act of 1977, which distinguished between net investment income and valuation gains or losses and provided for transfers to the Consolidated Revenue Fund based on the different character of these two categories. It has the effect of smoothing year-to-year transfers to the Consolidated Revenue Fund due to abnormal and irregular movements. I should like to remark that the aforesaid changes relating to accounting practices will not affect the actual transactions of the Exchange Fund Account in any way. The Auditor General has indicated that the proposed amendments overcome the concerns expressed in his recent audits of the Exchange Fund Account.

The payment of income by the Exchange Fund Account to the Consolidated Revenue Fund is effectively only a bookkeeping entry; no cash is transferred. Income from foreign currency assets is retained by the Exchange Fund Account. The Canadian dollar equivalent which is paid to the Consolidated Revenue Fund is financed by an increase in Canadian dollar advances to the Exchange Fund Account by the Consolidated Revenue Fund, so that there is no net change in cash holdings.

It is proposed to widen the provisions under which the Minister of Finance may deal in gold loans and similar transactions in order to increase the potential income of the Exchange Fund Account. It is also proposed to modernize the wording of Section 14, repeal the obsolete provisions of Section 16, and to change the Act's title to the "Currency Act", since the additional wording serves no purpose.

• (1520)

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, my presentation on this matter will be equally brief. It was rather astounding to hear an admission by the Minister of State for Finance (Mr. MacLaren) this afternoon that, with respect to the Currency and Exchange Act, the Government has been acting illegally for some time. One immediately asks oneself why the government did not bring in amendments to the Act before this. Why did the Government wait until this late stage in the game, some time after this matter had been brought to its attention by the Auditor General, before it presented Parliament with amendments which would allow it to operate legally? The Government is certainly not operating legally at the present time, as the Auditor General of Canada has determined.

Let us take a closer look at the Bill, Sir. First, the Government wants to drop the title, the Currency and Exchange Act, which has a historic ring to it. I do not know why it wants to change it to "An Act respecting Currency". They still use the term "the Exchange Fund" in the proposed amendments. I guess it does not really matter whether we call it the Currency Act or the Currency and Exchange Act, but I would like a further explanation on that score.

The second change in terminology, that to change the name of the "Exchange Fund" to the "Exchange Fund Account", does make sense because that is really all it is. It is not something kept strictly apart from other funds that the Government holds. It is really an accounting mechanism whereby funds which are retained in a central fund are allocated to one account or another.

I have some reservations with respect to the authority which the Minister seeks to deal in gold. The Minister always could buy, sell and lend gold. However, he had to do it himself or through his servants. This Bill would enlarge upon that so that the Minister of Finance could deal through an agent. One might ask oneself who this agent is to be. What friend of the Liberal Party is this agent likely to be? Why do we need agents to deal in gold when the Minister of Finance does not need agents to deal with securities held by the Exchange Fund? Why do we need special agents to deal in gold? Why have the words "otherwise deal in" been added? The Minister could buy, sell or lend gold before. What does it really mean when it says that he is now able to "otherwise deal in" gold? Are we to start undertaking highly speculative operations with respect to gold? I would hope not. I think enough speculation has gone on already.

Let us take another look at the clause to which I am referring, Sir. All of these things can be done "as the Minister thinks fit". Extremely wide discretion is to be granted by a Minister of the Crown. There are apparently no regulations as to how this agent is to operate or what "otherwise deal in" means. It is all left up to the Minister. He can issue whatever directions he wants. Once we have passed this Bill, the matter will be removed from any further parliamentary control.

There is the question of valuation of gold contained in the Exchange Fund Account. To a certain extent I buy the argument presented by the Minister of State for Finance that, because the price of gold has fluctuated rather widely as of late, we may need a value to put on gold other than the current market value at the date of valuation of the account. The way this matter is approached in these amendments is that the value is to be determined by the Minister at his discretion. He can put any value on that gold that he wants, so long as that

value is below the current market price. I am sure you would agree that this could give rise to some very creative—to use a word which is frequently used by members of the accounting profession—approaches to the presentation of the books of account for the Exchange Fund. If they see themselves in pretty bad shape and do not want to give that impression to the general public, they can always value the gold contained in that account at a much higher figure than the year preceding. Therefore, they can give the misleading impression that they are conducting the affairs of the Exchange Fund Account in a proper and business-like manner when in fact they are not. The fund may be sinking in value and because they put another value on the gold contained therein they give a false impression. There are certain things to be concerned with in this Bill. It is largely a housekeeping matter, but there are elements of concern contained therein.

I would also like to state that I am not fully satisfied with the way the Government of Canada has been disposing of some of the gold contained in the account for some time. Although they have not gone above board yet, I am always scared that they might adopt the same approach that President Nixon had to the GSA stockpiles in the United States. He used those stockpiles, which are supposed to be for a strategic purpose, for the objective of obtaining ready cash. He was running out of money and did not want to increase taxes. He sold off the stockpiles to get ready cash. I would not like to see the Government of Canada use our gold reserves in that manner.

When all is said and done, gold is the real money. When paper currencies and paper securities of one kind or another are no longer of value, gold will always have an inherent value. If at all possible, a nation should keep to itself a certain adequate reserve of gold. In my opinion, it is not out of line to suggest that one ounce per citizen might be a reasonable amount of gold for the nation to hold. I would hope that Canadian gold reserves would not go much below the 20 million ounce level.

In concluding my presentation on the Bill to amend the Currency and Exchange Act, I would like to make two further points, Mr. Speaker. Although this does not strictly relate to the Bill we are discussing today, I would like to give my opinion on the issue of a $1 coin. In order to buy a package of cigarettes from a vending machine, one must have about 10 quarters, maybe more in Newfoundland. It would be a lot easier if a $1 coin could be issued. I am sure the people who operate vending machines would find that attractive after a while, although it would entail some expense to change the machines. It would certainly be to the advantage of heavy smokers like myself.

● (1530)

The last point is that on one or two occasions in the House I have raised the issue of plastic bank notes. I understand that at the present time linen bank notes are to be discontinued and be replaced with cotton bank notes. I do not know what the advantage of one of those over the other is. I know that we grow flax, but we do not grow cotton in Canada.

It is now possible to make plastic bank notes. I have before me a bank note issued by the Government of the Isle of Man. I know I am not allowed to bring exhibits into the House but you can consider this as being a speech note, although it is a bank note. These plastic notes are much more durable than paper bank notes. They can get wet without being ruined. Their life expectancy is said to be about five years rather than a few months. They are virtually indestructible. Even at a temperature of 40 degrees below zero they do not become brittle. Apparently they would be good for Canadian climatic conditions.

An Hon. Member: Can you light a cigar with it?

Mr. Nickerson: The one thing that you cannot do with it is light a cigar.

At some point I would like a response from the Government of Canada indicating it will at least look into the possibility of issuing plastic bank notes and whether, in its opinion, it may or may not be a good idea.

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, it is a pleasure to rise today to say a few words regarding Bill C-11, an Act to amend the Currency and Exchange Act. I listened very carefully to the Minister of State for Finance (Mr. MacLaren) as he explained the housekeeping amendments which, by and large, provide the general thrust of the Bill. Consequently, I do not necessarily want to go over the same ground. However, I would like to make a couple of comments and identify some concerns that I have regarding the nature of Bill C-11.

The question has already been raised about the need for a change of title. I suppose that it is hardly worth spending much time debating the appropriateness of the new title, "An Act respecting Currency". However, it does point out the value of the Auditor General's report. The Auditor General's report recently noted that the current Act, if strictly interpreted, would mean that for accounting purposes the Government would have to value its gold reserves at the market rate and not use the currently accepted practice. Valuation of the gold reserves at the market rate tends to lead to an overvaluing of the Exchange Fund Account since if we sold the gold on the world market, the price we would get would be less than the current rate. It certainly makes a good deal of sense to follow the Auditor General's advice in this respect in terms of the value Canadians will receive.

Another change broadens the ability of the Minister of Finance to engage in gold transactions. As indicated by the Hon. Member for Western Arctic (Mr. Nickerson), the Minister of Finance could always sell, buy or lend gold. Now he is able to use special agents to carry on this particular function in his place. One must ask what it is that encourages this particular change and what problems have existed in the past. What does it mean in terms of the possibility of the Minister involving himself in patronage practices of one kind or

another? However, recognizing that as years go by different types of gold transactions between countries develop, this Bill authorizes the Minister to engage in such transactions, now using appointed agents if he feels that is appropriate.

The other major change involves treating gains received from gold sales as accounting gains rather than as current income to be included in the Consolidated Revenue Fund. This is obviously an important change and one that needs to be implemented. My general concern is that there are a number of references in the Bill that would provide more discretion to be used by the Minister of Finance. When one considers that an increasing number of Bills that we debate give more discretion to the responsible Minister, it is a trend that I believe needs to be examined. While a particular Minister of Finance may fulfil his responsibilities with honour and integrity, upon reflection one does not always have that same level of confidence with respect to other individuals. Therefore, I believe that putting more discretion in the hands of Ministers opens the entire matter up to more interpretation and builds, in a sense, vagaries into the system.

However, in order not to prolong this discussion unnecessarily, we will be supporting the housekeeping amendments that essentially make up Bill C-11. We will do our best to pass this Bill with considerable haste to enable us to get on with other more appropriate and important debate.

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Guilbault): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Guilbault in the chair.

Clauses 1 to 9 inclusive agreed to.

Title agreed to.

Bill reported, read the third time and passed.

• (1540)

Mr. Evans: Mr. Speaker, I rise on a point of order. On Bill C-8 as well as on Bill C-7, which will follow, we have agreed that both of these Bills will be referred to the Standing Committee on Finance, Trade and Economic Affairs and not to the Committee of the Whole.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent for the proposal made by the Parliamentary Secretary to the President of the Privy Council (Mr. Evans)?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Guilbault): Agreed and so ordered.

SPECIAL IMPORT MEASURES ACT

MEASURE TO ESTABLISH

Hon. Roy MacLaren (Minister of State (Finance)) moved that Bill C-8, an Act respecting the imposition of anti-dumping and countervailing duties, to amend the Currency and Exchange Act, the Customs Tariff and the Export and Import Permits Act and to repeal the Anti-dumping Act, be now read a second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, Bill C-8 implements the legislative changes set out in the Notice of Ways and Means Motion that I tabled in the House in December. It provides for the imposition of anti-dumping and countervailing duties, it amends the Currency and Exchange Act, the Customs Tariff and the Export and Import Permits Act, and it repeals the current Anti-dumping Act. It also proposes a few consequential amendments of a technical nature to other Acts.

The Bill is the product of a lengthy consultative process that began with the publication by the then Minister of Finance (Mr. MacEachen) of a discussion paper entitled *Proposals on Import Policy* in 1980. The proposals were referred to the Standing Committee on Finance for study which established a sub-committee on import policy to examine the proposals. The sub-committee held public hearings and presented its report in 1982. It accepted most of the 1980 proposals and made recommendations to deal with other issues raised during its work. Additional comments were subsequently received from the public after the issuance of the sub-committee report. The Bill now before us reflects the original proposals, the sub-committee report and the representations from the public.

Before going into details, I should like to recall the purpose of the legislative changes proposed. They are designed to ensure that the Government has the necessary authority to take greater advantage of our rights under the General Agreement on Tariffs and Trade, GATT, and of the agreements on non-tariff measures negotiated during the Tokyo Round of multilateral trade negotiations which was concluded in 1979, in particular the agreements on anti-dumping and countervailing duties. They are particularly aimed at ensuring that Canada is equipped to deal effectively with injurious import competition and other trade problems. They will ensure that Canada's procedures are as effective as those of our main trading partners who have already adopted similar legislation.

In order to achieve these objectives, the Bill proposes changes in legislation relating to the imposition of anti-dumping and countervailing duties, to emergency safeguard action on imports and to the taking of trade measures to protect our trade interests.

The proposed Special Import Measures Act replaces the current anti-dumping and countervailing duty legislation and contains most of the legislative changes proposed in the Bill. Following this, a brief review of its provisions, I shall address other related amendments to the Customs Tariff and Export and Import Permits Act. The amendments to the Currency and Exchange Act are minor; they simply provide a firmer

basis for the regulation-making authority regarding the conversion of foreign currencies to equivalent values in Canadian dollars.

The Special Import Measures Act provides for the imposition of anti-dumping duties when Canadian producers are injured by goods imported at prices lower than in the exporting country itself. It also provides for the imposition of countervailing duties on injurious imports of goods subsidized by foreign governments. It sets out the procedures to be followed in both cases.

Under the current regime, the Department of National Revenue is responsible for investigating dumping and subsidization where they are of the opinion that the alleged dumping or subsidization is causing injury to Canadian producers. The Anti-dumping Tribunal, which will be renamed the Canadian Import Tribunal under the proposed Act, conducts the formal inquiry into the alleged injury. I should stress here that Canada's international obligations under the GATT require that anti-dumping or countervailing duties be imposed only where it has been determined that there is a direct link between the dumped or subsidized imports and the material injury to Canadian producers.

The proposed Act would bring the following main changes to the current anti-dumping and countervailing duty legislation. First, the Act would provide for parallel procedures in anti-dumping and countervailing duty cases. While there are similarities in current procedures there are also important differences that the Act would eliminate. Under the new legislation, the degree of ministerial discretion at various stages in the countervail proceedings will be reduced, thereby making the system more automatic as in the case of anti-dumping. Moreover, the new legislation will permit the investigation of countervail cases where the Canadian industry has only a small share of the domestic market or where subsidized imports are retarding the establishment of a domestic industry, as is currently the case for dumping. These and other changes I shall describe to the countervail system should make it a more responsive instrument of trade policy and increase public confidence in it.

Second, under current procedures there are no specific time limits in law for the conduct of dumping or subsidy investigations. This has led to criticisms that our procedures are too slow to be effective and created uncertainty for all parties in proceedings. The Act would provide strict time limits for the conduct of investigations into dumping or subsidization. The limits would reduce the time between the submission of a complaint by Canadian producers and the decision whether to impose provisional duties from the present six to ten months to four months in the future in most cases.

There is currently no specific legal authority for the acceptance of undertakings from exporters or their governments to eliminate the dumping or the subsidy. This procedure is permitted under the international agreements on anti-dumping and countervail. It is essentially intended to eliminate the injury caused by dumped or subsidized goods more quickly than possible with a full-scale investigation and inquiry. Hence, it reduces the burden both in time and expense on all interested parties.

The Act allows for the acceptance of undertakings. I wish to stress here that undertakings would be voluntarily offered by exporters of foreign governments. Before accepting an undertaking, all interested parties, including the complainant, would be consulted. They would be free for up to 30 days after the undertaking has been accepted to request that the normal procedures be resumed.

Third, the sub-committee on import policy recommended further study of the problems of the capital goods sector. The Government has decided that it was important to address these problems now. The Act and the draft regulations made public in December contain provisions which would deal with many of the specific problems that have been raised by this industry, including those relating to the measurement of concessional export financing for the calculation of normal value and export price in dumping cases. The Act would also allow for appeals to the tribunal of any decisions made by Revenue Canada regarding the identity of the importer, an issue of considerable importance to the industry.

Fourth, at the same time as the Government wants to make Canada's anti-dumping and countervail system more effective in dealing with the injurious dumped or subsidized imports, it also wants to ensure that the system is fair and equitable. In this regard the Act will allow for the public interest to be taken specifically into account. Consumers and users, among others, will be permitted to present their views to the tribunal, which in turn may recommend application of less than the full amount of the anti-dumping or countervailing duties if in its opinion a full assessment would not be in the public interest.

The Act would also allow Revenue Canada's initial injury determinations to be challenged in an appeal to the tribunal in the same way as the legislation now permits a complainant to appeal a decision by Revenue Canada not to initiate an investigation on the basis of lack of evidence of injury.

• (1550)

Moreover, the Act would provide for sunset clauses. Undertakings and findings by the tribunal would lapse after a specified period of time unless a review by it leads to a determination that there is still a need for the measures. Similar sunset provisions are proposed regarding measures taken in emergency safeguard situations to deal with injurious imports which are not necessarily dumped or subsidized. This will ensure that any measure of protection against injurious imports is periodically reviewed to assess its need.

Fourth, the Act provides for greater public disclosure and better access to information in the case of investigations by Revenue Canada, while protecting information which must legitimately remain confidential. This should enhance public confidence in the import regime and is in keeping with our international commitments.

I should like to turn to the second part of the Bill dealing with other amendments which relate essentially to the Customs Tariff and Export and Import Permits Act. They are

designed to provide the Government with more flexibility and a wider range of measures to deal with emergency import situations. They will also provide the Government with more flexibility to enforce Canada's rights under international trade agreements and to respond to acts by other governments which adversely affect Canadian trade interests.

Currently, actions to deal with emergency import situations may take the form of a quota under the Export and Import Permits Act or of a surtax under the Customs Tariff. Because surtaxes cannot now be imposed beyond 180 days without parliamentary approval, this measure has been generally used to deal with short-term, price-related problems. However, there may be times when surtax would provide a more effective remedy than quotas to deal with longer-term problems. This Bill would amend the Customs Tariff to allow for the application of surtax actions beyond 180 days where an injury finding has been made by an independent tribunal. Where there is no such finding, parliamentary approval for the extension would continue to be required. Moreover, any surtax action could be revoked by Parliament at any time. The Bill would also amend the Customs Tariff to permit the application of surtax after a specified volume of imports has been reached.

The Export and Import Permits Act would be amended to allow the collection of information with respect to goods in order to ascertain whether the importation of such goods is causing injury to Canadian production. Such monitoring is impossible under the current Act. The Bill would amend the Customs Tariff to provide the Government with broader scope to respond to the acts of other governments adversely affecting trade in Canadian goods and services and to enforce Canada's rights under a trade agreement.

There is one more amendment to the Customs Tariff which I should like to bring to the attention of the House. The Bill proposes new provisions which would provide specific authority to take measures in the form of a surcharge on imports for balance of payments purposes. The GATT allows countries to restrict imports to deal with general balance of payments problems. While with flexible exchange rates this provision may have less relevance than in the past, the Government wants to ensure that it is legally entitled to exercise all its GATT rights should the occasion demand.

As I have already indicated earlier, this Bill is the result of a lengthy consultative process which permitted all interested parties to present their views. Its provisions reflect a serious attempt by the Government to take those often divergent views into account.

The legislative changes contained in the Bill are needed soon in order to equip Canada with speedy and effective import policy instruments which are at the same time fair and equitable to deal with injurious imports and other trade problems. Accordingly, I welcome the work of the standing committee with regard to this Bill. I further welcome the agreement among all Parties in the House to give speedy approval to this legislation.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, in June last year a sub-committee of the Standing Committee on Finance, Trade and Economic Affairs, with the Hon. Member for Lincoln (Mr. Mackasey) and the Hon. Member for Calgary South (Mr. Thomson) working together, produced a report which was accepted by the standing committee and placed with the House. It was from that report that Bill C-8 was drafted. To a large extent it almost completely adopted the recommendations of the sub-committee.

The Bill is long past due. Today in the House the issue of Irish beef was raised. The question is one of subsidy on imports. Until now it is my understanding that countervailing duties and anti-dumping provisions really only applied where goods were being sold in the Canadian market at less than the price offered in the foreign market. That is often the case because there are massive domestic subsidies on products in the markets from which they come. Therefore we wind up with Italian canned tomatoes and Spanish canned tomatoes being brought into Canada at a price less than the cost of the tomatoes themselves as a result of the subsidies on agricultural products in Europe.

Recently the Chinese had a price for paint brushes and a price for hog bristles. One could either buy a paint brush complete with hog bristles or just the hog bristles. If one wanted to buy only the hog bristles, the price was somewhat higher than it was if the hog bristles were made into a paint brush. That kind of trade is not fair trade. Something must be done—and in that particular case it was done—to ensure that Canadian industry is not unduly and unfairly damaged. In that particular case the countervail was as much as 500 per cent. It is evident that work has been taking place. Of course, the problem is that the present system is somewhat cumbersome or somewhat slow. It requires a great deal of money in terms of lawyers' fees, briefs and so on. It is hoped that the new Act will expedite some of the necessary action which must be taken.

We live in a world where a number of countries are striving to grab hard currency at any price. They do not care whether or not they are fair in trade. They will sell products from state-owned corporations at any price just to obtain hard currency. Therefore, we have to be on our toes and ensure that actions of that nature do not destroy our own domestic manufacturers and producers. This Bill is the kind of Bill we need to do that.

The ways of the world are becoming very sophisticated. Sometimes a subsidy is not directed to a product. It may be a subsidy in terms of transportation or in terms of the creation of a factory itself. The numbers of subsidies and the ways foreign countries organize their promotion in an unfair fashion are as unlimited as the imaginings of man. It is hoped that this particular Bill, getting at subsidies of every nature given to those who export to Canada which unfairly affect the price of goods in Canada, will be used to provide our own producers with an element of fairness. I do not think any of us see this as a new tariff Bill. We want free trade but not unfair trade. This is an important measure to ensure that we have fair trade.

It is in that light that I am happy this Party is recommending that the Bill go to the standing committee for further study and detailed analysis. A number of Canadian manufacturers have had difficulty with the Anti-dumping Tribunal in the past, a number of importers and a number of processors. They may want to have their case presented to the committee. In our view, the Bill is an improvement over the present legislation and should receive the support of this House.

• (1600)

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

[*Translation*]

The Acting Speaker (Mr. Guibault): Mr. MacLaren, seconded by Mr. Smith, moved that Bill C-8, an Act respecting the imposition of anti-dumping and countervailing duties, to amend the Currency and Exchange Act, the Customs Tariff and the Export and Import Permits Act and to repeal the Anti-dumping Act be now read a second time and, by unanimous consent, be referred to the Standing Committee on Finance, Trade and Economic Affairs.

Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Guilbault): Carried.

Motion agreed to, Bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

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[*English*]

CUSTOMS TARIFF

MEASURE TO AMEND

The House resumed from Wednesday, May 2, consideration of the motion of Mr. MacLaren that Bill C-7, an Act to amend the Customs Tariff, be read the second time and referred to a Committee of the Whole.

Mr. Crosby: Mr. Speaker, I rise on a point of order to determine whether it is Bill C-7 that is now before the House.

The Acting Speaker (Mr. Guilbault): The Bill now before the House is Bill C-7, an Act to amend the Customs Tariff. We are on a new Bill. I remind the House that an agreement was reached earlier between the Parties and this Bill will proceed to the Standing Committee on Finance, Trade and Economic Affairs instead of going to a Committee of the Whole. Is there unanimous consent for such a proposal?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Guilbault): Debate.

Mr. Howard Crosby (Halifax West): Mr. Speaker, I understand from consulting the Clerk at the Table that on May 2, in addressing some remarks to Bill C-7, I had utilized most of the time available to me. In the two or three minutes remaining, if I am correct in the information I obtained, I would like to point out that Bill C-7 raises two major issues. The first is the administration of the new level of exemptions by Revenue Canada. The second is specific concerns that relate to the export trade.

By way of concluding my remarks on Bill C-7, which I commenced on May 2, I would like to say this. I hope and expect that the Minister of National Revenue (Mr. Bussières) will instruct his officers that in administering the new laws, with the double exemptions on goods brought into Canada by persons returning from foreign travel, they will exercise good judgment and not lead innocent citizens of Canada into a trap with respect to goods they bring back from their travels abroad. We have seen in this House of Commons and elsewhere that activities by officers of Revenue Canada have caused a certain amount of grief among Canadian taxpayers. We would not want this extended to the activities of the Customs and Excise Branch of the Department with respect to goods brought into Canada by Canadians who are travelling abroad. I again raise that caution and request that the Minister of National Revenue exercise care on behalf of Canadians.

With respect to export trade, which is part and parcel of this Bill because it contains provisions affecting the importation of goods from Third World countries, I again remind the House that the economic future of Canada is in great part dependent upon its substantive expansion of international trade.

It has been said by the Canadian Manufacturers' Association that Canada should get back to its early 1970 share of international trade when we enjoyed approximately 5 per cent of all international trade. That would create in Canada 1.4 million jobs. By expanding our role in international trade, we would create jobs within Canada that would virtually eliminate the officially unemployed in Canada. That is not put forward as a solution but rather as a goal at which Government can aim in attempting to resolve the most important economic problem in Canada, namely unemployment. A great part of that solution is to expand our participation in international trade.

It has also been said that $1 billion in terms of international trade and exports will create, at 1984 levels, 17,000 jobs in Canada. If we make that the aim and goal of our economic policies in Canada, we can look forward to virtual elimination of unemployment in Canada over a period of time. Both of those matters and thoughts should be kept in mind in relation to Bill C-7.

The Acting Speaker (Mr. Guilbault): At this point in our proceedings a ten-minute period is provided for questions and comments. Are there questions of the Hon. Member? Debate. Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Guilbault): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, referred to the Standing Committee on Finance, Trade and Economic Affairs.

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CUSTOMS AND EXCISE OFFSHORE APPLICATION ACT

MEASURE TO ESTABLISH

The Acting Speaker (Mr. Guilbault): The Chair would like to be guided by the House. It was mentioned previously that some form of agreement might have been reached or that we would deal with it when we reach it, as stated earlier by the President of the Privy Council (Mr. Pinard). Are there any special instructions from Members of the House of Commons?

Mr. Hnatyshyn: Mr. Speaker, I think it is fair to say that there have been some discussions with the Minister of State for Finance (Mr. MacLaren) with respect to what we consider to be a small but very important, indeed an extremely important, amendment to the schedule with respect to the application of the Act to fishing vessels, to include all fishing vessels in the schedule. I believe there is widespread support in all Parties with respect to an amendment to the schedule. I know the Minister of State for Finance has been canvassing this matter within his Department in terms of the policy which might be appropriate.

It would certainly be helpful if the Minister of State for Finance could address the question as to whether we could move to an amendment as suggested to him. I am sure he would find there would be unanimous consent with respect to whatever technicalities are required, whether it be by way of proceeding to a Ways and Means Motion, if that were necessary, or whatever authority is required to have the amendment made to the legislation.

It is this kind of co-operation for which we in the Official Opposition are well known. The House Leader will understand that we are trying to make Parliament work, as usual. If the Minister of State for Finance is prepared to consider this very constructive suggestion made by members of my Party with respect to an amendment, he will find that it will certainly facilitate the passage of this important legislation.

● (1610)

Mr. Pinard: Mr. Speaker, I welcome the offer by the Hon. House Leader of the Official Opposition to allow Parliament to work better in the future than in the recent past. I thank him for his co-operation.

It is true that there was a clear understanding that if we were to agree to the kind of amendment referred to by the Hon. Member, we could dispose of the Bill through all stages with one speaker per Party. It was not clear, if we were not to agree to the amendment, that there would not be one or two more speakers from the Official Opposition. For the time being I would prefer to let the Minister responsible deliver his speech on second reading. We would then have a better indication of what he intends to do. It is his decision. He may have good reason to agree or disagree. I therefore suggest that we start debate on second reading stage and then we will see what happens.

Mr. Skelly: Mr. Speaker, the position put forward by the House Leader for the Conservative Party is the wish of the entire House. Certainly I think it would be informative to the House to know where we are and how we are to prepare for this. It may be possible for the Minister to make a statement on the acceptability of the amendment. By putting the amendment forward we were led to believe—and it was confirmed by the Government House Leader—that the Bill could in fact be placed in danger. The largest part of the economy of shipbuilding in Canada will relate to offshore oil exploration among other things, so this is an extremely dangerous area. I wonder if the Minister might give an indication to the House whether he would be prepared to accept this very worth-while amendment and let us know prior to entering the debate whether we are preparing to pass the Bill through all stages—which we would very much like to do this afternoon—or whether procedural gamesmanship will put this very important piece of legislation beyond the reach of the House. We would like to see the Bill passed this afternoon with the amendment.

Mr. Pinard: Mr. Speaker, I would like to make two clarifications with respect to the last intervention made by the Hon. Member. First, I would suggest that he speak with his House Leader. There was never any firm agreement that we would agree to the amendment. Therefore, there was a possibility that we would pass the Bill through all stages this afternoon, maybe with a few more speakers, and without the amendment. That was a possibility. There was no firm agreement to bring in the amendment. I was not able to give that commitment.

Second, he is seeking a statement by the Minister. That is exactly what I just indicated the Minister would do when he started debate on second reading.

Hon. Roy MacLaren (Minister of State (Finance)) moved that Bill C-16, an Act to apply the customs and excise jurisdiction of Canada to the continental shelf of Canada and to amend certain Acts in relation thereto or in consequence thereof, be read the second time and referred to a Committee of the Whole.

He said: Mr. Speaker, I will address the question which the House Leader for the Official Opposition raised, but first I should like to deal with the substance of the Bill itself. It is legislation which will fill a vacuum in Canadian law and will have significant positive effects on the ability of Canadian manufacturers to compete on fair and equitable terms in supplying goods used in the exploration and development of Canada's offshore petroleum reserves.

As a result of the Notice of Ways and Means Motions originally tabled in June of last year and subsequently re-tabled in December, Bill C-16 has been in effect on a provisional basis since June 30, 1983. Bill C-16 implements the customs and tariff aspects of the offshore policies announced by the Government in January, 1983.

More specifically, the Bill extends Canada's customs and excise legislation beyond the 12-mile territorial limit to the outer edge of the continental shelf, or to a distance of 200 miles from shore, whichever is farther. Second, it eliminates the tariff preference on Commonwealth-built ships engaged in coasting and the preferences on other vessels and floating structures from both Commonwealth and developing countries. Third, it reduces to 20 per cent the 25 per cent rate of duty on vessels and floating structures used for petroleum drilling. Fourth, it clarifies the dutiable status of other vessels and floating structures.

Most of the exploration offshore has taken place beyond the 12-mile territorial limit. Until the provisional implementation of Bill C-16, it was not subject to Canada's customs and excise laws. With the increase in the level of resource activity on the continental shelf, Canadian manufacturers expressed concern about serious problems that they were facing in attempting to supply goods because of predatory pricing by foreign competitors.

Under international law, Canada has sovereignty over resource activities on its shelf, so it was decided to extend to these activities the same customs and excise rules and procedures under which domestic and foreign companies have to operate within the 12-mile limit.

Bill C-16 means that foreign goods used beyond the 12-mile limit are now subject to regular customs duties and excise taxes. It also means that legislation providing for anti-dumping and countervailing duties can be applied where imports are causing injury to Canadian production. The extension of the customs and excise regime covers only goods used in resource activities and not goods used in other activities such as fishing.

The economic impact of extending the customs and excise regime was carefully studied before we decided to introduce this legislation. It was recognized that the application of duties would increase the cost of goods used in the offshore and would have an effect on the cost of exploration. The cost impact, however, will be lessened because of Petroleum Incentive Program grants and tax savings and should have a minimal impact on the level of exploration. Other factors such as petroleum prices, the supply and demand for offshore equipment, and interest rates will have more effect on rates of return and exploration activity.

The new measures will have a substantial beneficial effect on the ability of Canadian industry to compete in supplying goods to the offshore. It is estimated that the level of offshore activity will require capital expenditures of approximately $10 billion over the next ten years. Without the extension of the customs and excise regime, Canadian shipbuilders and other manufacturers would be hard pressed to capture many of the contracts for these goods. With the customs jurisdiction extension, it is estimated that about $3 billion worth of installations and vessels will be built in Canada without the need for government subsidies. This action should also have some import substitution effect with respect to other goods required in the offshore.

There will be little, if any, net effect on the revenues and expenditures of the Government. While there will be additional revenue from duties and taxes, this will be more than offset by the expenditures relating to increased PIP grants and corporate tax savings. Those expenditures in turn will be offset by the termination of the 9 per cent production subsidy under the shipbuilding industry assistance program. The elimination of that subsidy was one of the measures announced as part of the new shipbuilding policy in January of last year.

One aspect of the new coasting trade policy announced by the then Minister of Transport on January 6, 1983 is the elimination of the preferences on Commonwealth vessels engaged in Canada's coasting trade. With the abrogation of the British Commonwealth Merchant Agreement and the phasing-out of tariff preferences on British goods, it was considered that the unrestricted entry of British vessels into our coasting trade was both outdated and anomalous. Bill C-16, therefore, accordingly amends the Customs Tariff and the Canada Shipping Act to eliminate the tariff preference on Commonwealth vessels used in coasting.

• (1620)

Further, in view of the termination of the production subsidy under the shipbuilding industry assistance program, it was decided that if the tariff rate on vessels was to be effective, the preferences accorded under the general preferential tariff should also be withdrawn. As a result of these amendments, all vessels and floating structures, except those used in drilling for petroleum, are dutiable at a uniform rate of 25 per cent regardless of country of origin.

The coasting trade policy announcement also indicated that there would be a continuation of the practice of allowing temporary entries of foreign vessels when no suitable Canadian vessels are available. It is the current practice to collect duty on one-one hundred and twentieth of the value of these vessels for each month engaged in coasting. It is intended to continue this practice by Order in Council pursuant to a new provision in the Customs Tariff. The new Order in Council will also provide for full duty exemptions on vessels temporarily used to move goods between west and east coasts or between Canadian ports via a foreign port, and certain cruise vessels, again if no suitable Canadian vessels are available.

It has been suggested that the partial duty payments on vessels temporarily engaged in coasting provides Canadian shipbuilders with insufficient tariff protection and should be increased. We have studied these proposals carefully and concluded that the current level of duty payments is equitable and reasonable. Foreign vessels are permitted to engage in coasting activity only when no suitable Canadian vessels are available. In view of this, the only real effect of increasing duty payments on these vessels would be higher costs for the

shipping industry. In other words, Canadian shipbuilders would not seem to benefit to any extent from such action. There may, however, be scope for tightening up the criteria used to determine whether or not suitable Canadian vessels are available for particular activities, and this is being examined.

It has been suggested that vessels and floating structures used in the offshore should be dutiable at a 10 per cent rate, the same rate applied to most equipment used in petroleum exploration on land. The 10 per cent rate is based on recommendations made by the Tariff Board in a report in the 1960s. It is perfectly clear that the 10 per cent rate was meant to apply to equipment used on land and not to vessels and floating equipment. Despite this, it has come to our attention that some vessels and floating structures have entered Canada at the 10 per cent rate. Therefore, the Bill includes tariff amendments to prevent any recurrence of this, and to remove any doubts about the proper dutiable status of these goods.

Notwithstanding these amendments, in recognition of the high cost of exploration in the offshore it was decided that the 25 per cent rate on vessels and structures used in drilling should be reduced to 20 per cent. The lower rate should not have any significant effect on the ability of Canada's shipbuilders to compete, but will help offset some of the higher costs that petroleum companies face as a consequence of the new offshore measures.

A great deal of thought was given to the manner in which this legislation should be introduced so as to lessen the initial impact on users of foreign equipment, while at the same time providing them with an incentive to buy Canadian goods in the future. With this in mind Bill C-16 provides duty and tax exemptions or "grandfather rights" for goods on site in the new jurisdiction on June 30, 1983, the effective date of this legislation.

It also provides exemptions for goods ordered before the Government announced its new offshore policies in January of 1983. The exemptions for foreign-owned goods are limited, in most instances, to the duration of the leases under which they are operating on the shelf. Similar grandfather rights have been introduced in connection with the elimination of the tariff preferences on Commonwealth ships engaged in coastal trading.

Since the announcement of the new offshore measures, we have received a number of inquiries and comments from our trading partners. In essence, they are concerned that the measures introduce new elements of protectionism. When we reviewed the desirability of extending customs and excise jurisdiction, careful consideration was given to the international implications of such action. Let me assure the House that we view the extension of the customs and excise regime as fully consistent with international law. Indeed, similar action has already been taken by the United States.

The related tariff amendments aimed at rectifying current and potential anomalies in the dutiable status of vessels and floating structures are purely technical with no substantive implications for our obligations under the GATT. We have nevertheless notified the GATT of the action taken.

In conclusion, I would like to state that the Government has received strong support for this initiative from various sectors of the Canadian economy, such as the shipbuilders, as well as from several Hon. Members on both sides of the House. As was to be expected, we also received a number of representations from importers and users of vessels and other equipment urging modification or cancellation of the new policies, or at least a delay in their implementation. We are not ready to do this. The extension of the custom and excise regime is, in our view, necessary if Canada is to exercise economic sovereignty in matters affecting resource development on its continental shelf and to provide its business community with an environment in which it can compete on a fair and equitable basis. This legislation is a reasonable compromise between the necessity of keeping offshore resource exploration costs down and the desirability of having Canadian manufacturers participate to the greatest possible extent in supplying goods to the offshore exploration. The generous grandfather rights reduce the initial impact of the measures.

I should now like to turn for a moment, Mr. Speaker, to the question raised by the House Leader of the Official Opposition and by the representative of the New Democratic Party with regard to Schedule B of the Bill now before us. Hon. Members will recognize that the purpose of the Bill is to ensure that Canadian shipbuilders and other marine suppliers have a fair and equitable opportunity to supply the petroleum exploration within our 200-mile limit. In providing this legislation, however, the occasion was taken in the schedule to the Bill to reorder, as it were, or to place in one schedule the various tariff rates which affect all types of ships, including fishing vessels exceeding 30.5 metres in length. Fishing vessels under 30.5 metres in length have incurred a duty since the 1950s but, equally, vessels over 30 metres in length have entered Canada free under the general preferential tariff.

The Bill now before us does not change in any way the regime pertaining to fishing vessels. Vessels under 30 metres will continue to incur a duty; those over 30 metres will continue to enter duty free. This is a policy which has been pursued by governments on both sides of the House since the 1950s. However, the placing of all of the tariff items pertaining to vessels under one schedule has drawn the attention of some Hon. Members of the House to the fact that fishing vessels measuring 30 metres or longer do enter duty free. It has been the contention of certain Hon. Members that the occasion should now be taken to impose a tariff on all such vessels comparable to the tariff now incurred by fishing vessels of under 30 metres. We have had one or two representations recently from shipbuilding interests—I might say very few—to consider such a change.

• (1630)

But we have equally had some representations from some fishing interests opposing such a change. We have also had in mind that if we were to change the tariff, that is to say impose a tariff on fishing vessels measuring over 30 metres, our trading partners could interpret this as a form of protectionism

which could in turn cause some difficulties for Canada in its general trade relations.

Mr. Skelly: A point of order, Mr. Speaker. The Minister just made an error which is so important he might want to correct it. It was not one or two shipbuilding interests, it was representatives from the Shipbuilding and Ship Repair Association which represents all shipbuilders in Canada. I wonder if he might wish to correct that.

Mr. MacLaren: I have noted the comments of the Hon. Member opposite. We have not only received such a representation but, as I indicated, we have received one or two representations from individual shipbuilding interests as well. I ask the Hon. Member to recognize that equally we have had indications from some fishing interests, an industry which has been passing through a very difficult time recently, I hardly need remind the House, that we should not impose any such increase in duties. Equally we have kept in mind the recommendations of the Kirby Commission which would have the Government eliminate all duties on fishing vessels, whether above or below 30 metres in length.

Be that as it may, the situation seemed to us one that warranted rapid but careful consideration of the interests involved, whether they be the shipbuilding industry on one side or the fishing industry on the other side. With that in mind, the Government in past weeks has undertaken an extensive survey of the opinion in the fishing industry and shipbuilding industries as well as in, for example, the Canadian Manufacturers' Association and relevant provincial Governments, about their views on the possibility of imposing a duty on fishing vessels over 30 metres in length so as to prevent any loss of production or employment at Canadian shipyards and in allied industries.

We have undertaken such a quick survey, Mr. Speaker. The adoption of the Bill this afternoon will in no way change the present tariff status of fishing vessels entering Canada which are over 30 metres in length. What we would propose to do is analyse the results of our survey in consultation with the private sector and then we will be in a better position to decide how best to act. That can be done through a Ways and Means motion at any time. I would hope that Members opposite would agree that the prudent and well advised way to proceed this afternoon is to adopt the Bill as we had discussed in previous informal contacts and then proceed separately with regard to tariffs on fishing vessels in light of the survey and consultations that the Government is currently undertaking.

Mr. Blenkarn: A point of order, Mr. Speaker. I appreciate that the Minister is not required to answer questions at this stage of debate. However, in view of the fact that there are relatively few people who are likely to take part in the debate, I was wondering if he would consent to answer questions. The Minister has certainly not exhausted any reasonable length of time in his presentation of the Bill.

The Acting Speaker (Mr. Guilbault): Order, please. Our Standing Orders do not call for questions and comments in the first round of speakers. If unanimous consent is asked for, I will inquire of the House if there is unanimous consent.

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Guilbault): Debate.

Mr. Howard Crosby (Halifax West): Mr. Speaker, in responding to the remarks of the Minister on Bill C-16, let me indicate our disappointment that he would not accept questions. That would allow us to bear down on the areas of difficulty which Bill C-16 presents. It might allow us to resolve any differences of opinion which might exist. I think the will of the House is to support Bill C-16 as being not only essential for the development of the Canadian offshore and shipbuilding industries but, indeed, long overdue as evidenced by the fact that the effective date of the Bill is June 30, 1983. If we had the opportunity of questioning the Minister, it might accelerate the process of passing the Bill. However, I am left with little alternative but to review on behalf of the Official Opposition our views with respect to Bill C-16, although we support the provisions of the Bill in substance.

The Bill in effect extends the territory of Canada to include the Continental Shelf as defined in Clause 2. That is basically the 200-mile zone that now exists off the coasts of Canada, brought about by international agreement. In the future, commencing with the effective date of this Bill, which as I have indicated is June 30, 1983, the territory of Canada for customs and excise purposes will extend to the limit of that 200-mile zone. That measure is overdue and quite necessary in the circumstances.

In the result, Mr. Speaker, the Bill relates to two very important areas. I do not think any of us will quarrel with the specific measures designed to implement this extension of jurisdiction in the application of the customs and excise laws of Canada. However, as I have indicated, we do want to consider the two main elements involved in this process. Those are the effect on the Canadian shipbuilding industry, and the offshore industry which has been so active in the past few years off the coasts of Nova Scotia and Newfoundland and which shows every sign of being a substantial economic force in the future if we take the right steps to manage and encourage this industry and those who are involved or might be involved in it in the future. Therefore, I want to deal with those two areas of shipbuilding and offshore development as they are affected by Bill C-16 and the measures that will be imposed once the Bill is enacted.

• (1640)

With respect to the Canadian shipbuilding industry, I heard the Minister indicate that there would be benefits of $10 billion over the next 10 years as a result of the measures taken in Bill C-16. It is a little difficult to understand what the Minister means by this allegation, because for the last few years the value of the shipbuilding industry in Canada has approached $1 billion. In fact, in 1982, the value of shipbuild-

ing in Canada was $1.1 billion. It dropped substantially in 1983 to a value of $739 million. Expressing that in terms of tonnage, Mr. Speaker, there were approximately 18,900 tonnes of new orders in 1983. Looking at that in terms of employment, that meant that approximately 14,000 persons were employed in Canadian shipyards in 1983.

I think we must consider that as a major factor in relation to these kinds of economic provisions. We have said time and again in the House of Commons that the major economic problem in Canada is unemployment and that it should be the goal and aim of any measures taken by the Government to reduce the amount of unemployment in Canada. It is in that context that I want to make my remarks concerning the provisions of Bill C-16 as they relate to the Canadian shipbuilding industry. We are trying to reduce unemployment in Canada and create more jobs and more job opportunities.

It is no exaggeration to say that acceleration and enhancement of the Canadian shipbuilding industry would result in thousands more jobs for Canadians. It is no exaggeration to say that the 20,000 now employed in the Canadian shipbuilding industry, which was reduced to 14,000 in 1983, could be dramatically increased by substantial increases in the amount of ship construction in Canada. How are we going to do that, Mr. Speaker? I will refer to the remarks made by the Minister in his address.

The Minister said that as a result of measures such as those included in Bill C-16 it would be unnecessary to subsidize the Canadian shipbuilding industry. I want to challenge that remark by the Minister. Looking world-wide at shipbuilding, and particularly at countries such as Poland, not to mention South Korea and other Third World nations which are becoming heavily involved in shipbuilding, one notices some very dramatic factors which affect Canada's shipbuilding industry and thereby affect Canadians. The major factor is simply the amount of government subsidization provided for shipbuilding in the countries I have mentioned.

A few years ago there were many difficulties at the Gdansk shipyards in Poland. The workers were on strike, and so on. We recognized then that the shipbuilding activity in Gdansk, Poland, was a type of unemployment project. There was no need at that point in time for the ships which were being constructed in the shipyards. Because of the world-wide economic downturn, there was no need for increased activity in ship construction. Yet the Gdansk shipyards were turning out large vessel after large vessel. It was really a kind of unemployment insurance.

If Canada had to compete in that kind of environment with a nation like Poland, which was prepared to spend millions of dollars subsidizing the construction of vessels for the world merchant marine trade, the industry would require very substantial assistance. I do not see how that is going to change a lot because of the enactment of Bill C-16. The amount of government subsidization applied to shipbuilding activities in countries such as Poland and South Korea is enormous. It is a much larger proportion than 20 per cent of the value of the construction. It would amount to millions of dollars. In fact, if we applied a large portion of our expenditures on unemployment insurance, which exceed $10 billion annually, to the shipbuilding industry, it is doubtful whether we could compete with nations like South Korea and Poland in ship construction.

The point I want to make, Mr. Speaker, is that the provisions protective of Canadian shipbuilding in relation to the vessels and other marine equipment referred to in Bill C-16 are absolutely essential. However, even when enacted, they will not breathe new life into the Canadian shipbuilding industry. With respect to shipbuilding in Canada, we must carefully analyse the international situation. We must determine exactly what is occurring in the nations with which Canada must compete with respect to vessel construction. We must determine, as a matter of government policy, whether the Government is willing to meet the kind of subsidization which is being provided in those competing nations. As I said, I have particularly in mind places like Poland and South Korea.

Japan and other shipbuilding nations are in competition too, but it is not clear what kind and character of subsidization they have. The Japanese would have us believe that their shipyards are more efficient, their workers are more productive and that there is no direct subsidization. In South Korea I do not think there is any pretence that their ability to produce vessels at much lower total costs than nations like Canada is not related to some very specific financial subsidization of the yards, in addition to whatever effective work measures and productive measures they have introduced.

As I understand it, the Canadian shipbuilding industry does not take the position that it is less productive or that its workers are less efficient than those in foreign shipyards. I think it is a fair statement on behalf of the Canadian shipbuilding industry, and particularly on behalf of the Canadian Shipbuilding and Ship Repair Association, that Canadian shipbuilders can compete internationally if the rules of the game are the same. That is to say, if there is no subsidization in terms of financial assistance which can take the form of low interest loans, direct dollar payments or whatever, Canada can compete. However, if there is subsidization, Canadian shipyards must have the same kind and character of subsidization in order to compete. It is as simple as that.

As the Minister and all Members know, one form of protection from competition is tariff barriers. That is what the Government has resorted to in Bill C-16. No Canadian wants tariff barriers unless they are essential. We would all like to compete in a free market worldwide, but that is not possible. We must take the realities of international trade and our ability to compete in international trade into consideration. That is why we endorse tariff protection as an ad hoc essential measure. Once we admit that we need that kind of protection in an industry such as shipbuilding, we must consider the exact kind of protection which is provided.

There is no way that a Member of the Official Opposition who does not have the facts and figures which are available to the Government and Government officers can make a judgement as to whether the specific numbers presented in Bill C-16 are appropriate in the circumstances. We must accept the

Minister's judgment that a rate of 20 per cent is sufficient protection. Time will tell whether the Minister is correct. However, we can examine the object of the tariff, that is to say the application to vessels and other marine equipment. That is where we quarrel with the exemption of the tariff with respect to vessels over 100 feet. The Minister prefers 30.5 metres.

Our quarrel is that the historic reason for this exemption of fishing vessels over 100 feet has been lost. I believe this is accurate in that the exemption came into existence at a time when the Canadian fishing industry had to compete with foreign fleets in the deep sea or so-called offshore fishery. At that time Canadian ships would not only have to compete for catch, but for the processing and eventual marketing of the fish that were caught with nations like Portugal and iron curtain countries like Russia.

● (1650)

Therefore this measure was implemented under the appropriate legislation to allow for that kind of competitive situation, and in recognition of the disadvantage to Canadian fishermen if they had to pay a higher amount for their vessels.

However, in 1984 we have a 200-mile zone, as Bill C-16 makes clear. Canadian fishermen are not competing directly with foreign fishermen, at least in the sense that Canada has the right to eliminate foreign nations from fishing the 200-mile zone. If it allows such fishing, it is done so under permit and licence from the Government of Canada. Therefore it can be fairly said that this kind of special protection is not required for international competitive reasons.

Having said that, I have in effect made the case for the Canadian shipbuilding industry which wants to have the advantage of competing for future fishing vessel construction. I can assure the House that future fishing vessel construction would be mainly for vessels in excess of 100 feet. Of course, it would be vital for the Canadian shipbuilding industry to have the opportunity to participate in what may be a very substantial construction program.

Having made the case for the Canadian shipbuilding industry, I want to respond to my own case on behalf of the fishing industry. I know that the Fisheries Council of Canada has grave reservations about the elimination of that exemption. I can say that all Members of the House, Government and Opposition, are between the proverbial rock and the hard place. We do not know whether to side with the Canadian shipbuilding industry and remove the exemption for fishing vessels over 100 feet, or to side with the fishing industry and keep the exemption.

I offer the Minister a base for making the decision. That decision is Canadian jobs. We want more jobs and if they can be provided by the shipbuilding industry on the basis of the elimination of this exemption, then that is the way it should go. If it can be provided by the Canadian fishing industry by way of taking advantage of the continuance of this exemption for fishing vessels over 100 feet, then that should be done.

On behalf of my colleagues, I say to the Canadian Shipbuilding and Ship Repair Association, who made one representation, and to the Fisheries Council of Canada who made the opposite representation, that we want to decide in the direction that will provide more jobs for Canadians and eliminate a portion of the unemployment faced by the 1.5 million Canadians now unemployed, not to mention another million who are employed at jobs below their qualifications of those employed part time. While we would like to see this exemption removed with a view to creating more jobs in the shipbuilding industry, we recognize that if it would be to the grave disadvantage of the Canadian fishing industry in terms of job creation in that industry, we understand the basis for the decision.

I will leave the Minister with one thought on that aspect of the matter. It is anticipated that as a result of the restructuring of the Atlantic fishing industry there could be tremendous momentum in the fishing industry over the next years, or decade. This might result in very substantial construction of fishing vessels in the range of over 100 feet. Therefore we want to look very carefully at the projection of that situation, because we could be talking about millions and millions of dollars in fishing vessel construction. If the level of fishing vessel construction was the same as the past few years, perhaps it would not be such a grave problem. But anticipating a substantial increase in the need for fishing vessels means that we would want to look at that situation very carefully.

Having dealt with the problems as they relate to Canada's shipbuilding industry in relation to Bill C-16, I want to talk about the offshore industry, particularly as it relates to the Province of Nova Scotia, and also to the Province of Newfoundland. Both provinces now enjoy substantial activities in their offshore areas resulting from the energy exploration taking place off Nova Scotia and Newfoundland. In the case of Newfoundland, there is the potential of developing the oil reserves in the Hibernia field. In the case of Nova Scotia it is the gas reserves off Sable Island and Venture.

Let me indicate the basis for offshore energy development being vital to the future of Nova Scotia. This is an industry that is worth $1 billion a year at almost current rates. Furthermore, there has been a projection in terms of the value of the offshore industry in relation to Nova Scotia. In 1982, the amount spent on offshore activity was $220 million. That is money that is alleged to float back into the economy. In 1983 the amount increased to $579.4 million. According to the Canadian Oil and Gas Administration, Nova Scotia consequently enjoyed that level of expenditure of offshore activity in 1983. When one considers the formula that $1 million in expenditures provides 30 to 40 jobs, depending on the level of that employment, we are considering a very substantial number of jobs for Nova Scotia. In that respect it is said that the offshore activity pumped approximately $101 million directly into Nova Scotia in terms of supply and service there and produced 1,400 jobs for Nova Scotians.

I do not know how these figures are derived and I only put them on the record to indicate how substantial this industry might be for Nova Scotia.

According to a May 8, 1984, report in the *Chronicle Herald*, the value of agreements under the legislation adminis-

tered by the Canadian Oil and Gas Administration would result in exploration activity in total value of $702 million off the coast of Nova Scotia. It is easy to see why offshore exploration is the hope for the future in Nova Scotia.

I want to give two specific examples of how the offshore activity affects an area like Nova Scotia. The first example is a small company called M & M Manufacturing Company Limited in Fall River in the constituency of Halifax West. It is in business, and succeeding in business as a result of the offshore activity. The President of that company, Melvin Mattie says that business is great. He employs people in that small community near Fall River and estimated that his revenues last year would be $1.5 million, increasing to $2 million in the following year. That is an example of a small business that was created and has been successfully operated on the basis of the offshore industry. That is how jobs are created for Nova Scotians in relation to offshore development.

A great issue in Nova Scotia today is the position taken by the various Liberal candidates with respect to the Petroleum Incentives Program. The notion exists that some leadership candidates are not in favour of the Petroleum Incentives Program. Of course, those candidates who are not in favour of this program will receive very few votes in Nova Scotia. What the Government will do in the future with the Petroleum Incentives Program is a matter of real concern. Let me point out that the amounts involved in the government's Petroleum Incentives Program are immense. We are talking about an expenditure of $4.7 billion over the life of the program. The Government must ensure that these massive amounts of money are converted into real benefits for Nova Scotians and all Canadians. That is why I again refer to the importance of Bill C-16 which hopefully will ensure that the vessels and other equipment used in the offshore industry will be Canadian made.

● (1700)

In that respect I want to point out and underline that we are quite late with this kind of measure. I was amazed when the Minister on introducing this Bill referred to the fact that in some areas there are no suitable Canadian vessels. I can tell the Minister why there are no suitable Canadian vessels. There are vessels that serve oil rigs around the world which have been in existence for a number of years. There is no equivalent industry in Canada. Not having an offshore industry in Canada we did not have the rigs and the service vessels.

If we are going to allow Canadians to participate in this aspect of the offshore oil industry, namely, the construction of rigs and service vessels, Mr. Speaker, then we have to provide some lead time. We cannot take the position that there are no existing vessels and rigs, so we will allow foreign vessels and rigs to be brought into the 200-mile zone to service the Canadian oil industry. We have to stop it now. We have to say "no more foreign vessels". That will allow Canadian shipyards to go to work to construct the vessels and rigs required. Then we will have Canadian vessels.

If I do not make myself clear, let me express it as a self-fulfilling prophecy. If we create an industry where there was no industry, such as the offshore oil industry, we cannot expect to have all the articles of that industry in place. If we make the statement that we do not have and we will not have the equipment, then that prophecy will be fulfilled, Mr. Speaker. In other words, if we do not take steps to allow Canada to gain entry into the industry, it will never happen.

In that connection, I want to underline the work done by the Minister of Development in Nova Scotia, the Hon. Roland J. Thornhill, who has taken a very close look at Nova Scotia's participation in the offshore oil industry, particularly in terms of Nova Scotia benefits. It may be of interest to Members of the House to know that under the terms of the Canada-Nova Scotia agreement, resource companies negotiating exploration and development licences with the federal and provincial governments must submit a benefits plan.

The benefits plan defines the exploration or development activity in terms of the expenditures expected to result from programs, the employment to be created, and the potential socio-economic implications. Employment and expenditures are translated into Canadian and Nova Scotia content commitments based on industry and government experience.

By way of this action taken by the Minister of Development in Nova Scotia in co-operation with the federal authorities we can receive assurance that Nova Scotians and Canadians are going to benefit from these operations. But the way they will benefit most is by keeping the activity in Canada. The way we will benefit most in Nova Scotia from the off-shore energy industry is by building the vessels and the rigs that are used in that industry, and by supplying the services that are required for it. We will only do that if we get the head start I was talking about and if we start the ball rolling right now by agreeing that Canada has to be given the opportunity to get her foot in the door by way of constructing vessels, oil rigs and other equipment used in the offshore industry. During the period when Canada has to get its foot in the door the industries involved need some protection. This has already taken place to a limited degree.

The Saint John shipyards has already constructed an oil rig, *Beau Dril III*, which is now in operation off the coast of Nova Scotia as I understand it, although it sat in Halifax Harbour for several months receiving some final work. There is no doubt about the ability of the Nova Scotia, the New Brunswick and the Newfoundland shipyards to construct the kind of service vessels used in the offshore industry. If we bring in these protections, Mr. Speaker, and we are serious about it and really want to get Canada into this industry by protective measures and the required assistance, then we can participate in a real way.

To give you one example of the difficulties that occur, the amount and value of work that flows out of Canada in the offshore industry is not always realized. All of the statistical material that relates to offshore development is done outside of Canada as far as I know. It is a multimillion dollar item. We have to be on guard to make sure that Canadians get the

maximum benefit from our shipbuilding industry and from our offshore energy industry. It may not be important in Ottawa Centre, Mr. Speaker. The Member from that riding comes into the House pooh-poohing this kind of thing. But if we are here talking about Canadian manufacturing in Central Canada, or if we are here talking about the automobile industry, the Member for Ottawa Centre (Mr. Evans) would be up from his seat saying "We have to have protection. You cannot buy American-made cars. You have to buy your cars made in Oakville, Ontario." We are used to that. But when we start talking about shipbuilding in the Maritimes and we talk about the offshore energy industry then everybody goes silent. It is a situation of "we do not want to talk about that. Let those fellows fight their own way. This should be a free world economy. We should let oil rigs flow in and out from Denmark, Norway, any place you want. Bring them in. Set them up and send the information to Atlanta, Georgia, for processing at a cost of millions and millions of dollars and millions of Canadian jobs." And the Hon. Member for Ottawa Centre does not care. But the people of Canada care. They care about Canadian jobs because every unemployed Canadian represents dollars out of the pockets of Canadians. But if the Hon. Member for Ottawa Centre does not know that, he better start realizing it. I understand. I live in Ottawa Centre and I see the conditions there. They are perfect, Mr. Speaker.

Mr. Evans: Thanks.

Mr. Crosby: The unemployment rate must be down to zero, because Ottawa benefits from all of Canada. Regions such as Nova Scotia and Newfoundland want to share in those benefits. The only way they will share in the benefits is by getting some advantage from offshore exploration, and some advantage from shipbuilding. In order to gain that advantage they need some protection, help and assistance from Government. Let me say to the Minister of State for Finance (Mr. MacLaren): Give us the protection. Give us what you have given other parts of Canada and we will get the job done.

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, It looks as though this Bill, which has been a long time coming, will now come to fruition, but only after a lot of cautious and dangerous positions taken in the House. The Bill is worth supporting. It is unfortunate that the Government was unable to accept the amendment which I think this whole House wanted to see passed. It is worth nothing what kind of a gift the Minister is interested in giving to certain interests.

The Department of Fisheries and Oceans estimated in 1982 that $5 billion would be needed over the next decade to upgrade the East Coast trawler fleet. Unless that loophole for 100 foot fishing vessels is plugged the Canadian shipbuilders will lose out on an enormous amount of money. The Minister's statement that the Government will be able to pick up this particular amendment down the road is complete foolishness. I believe that by the time he finishes his consultation we will be on to the next federal election and there will be another Parliament. Hopefully sometime off in the future, before the opportunities have all gone, there will be a chance to plug that loophole.

It is extremely unfortunate that the Liberal government was unable to accept the recommendations of the Opposition Parties to pass that legislation, and is now quite prepared to kiss $5 billion for Canadian economic development and employment goodbye. That is a tragedy. But that has been the history of shipbuilding in Canada since the Second World War. For whatever reason the Liberal Government decided to torpedo that industry, leaving it alone and not provide it with any meaningful support.

• (1710)

Policy statements by a variety of Ministers of Liberal Governments indicated that they felt Canada's best interests lay in having the Japanese, Koreans and Europeans supplying cheap ships. It was thought that this was providing economic opportunities for Canadians when in fact an industry was being handed away. It was an industry in which Canada had developed tremendous expertise. It could have provided tremendous employment opportunities and economic benefits, as well as an opportunity to develop technology in an industry in which we could have been a world-class leader.

It was even more tragic when the Government lost an opportunity for Canada to have a presence in offshore development. Canada probably has one of the largest coastlines in the world. It is dependent upon marine transportation, both coastal and international. It was deprived of future resource development in oil and gas, mineral exploration and deep seabed operations. It was similar to the case of the old Avro Arrow and the development of the first jetliner. The Government was prepared to give away the shipbuilding industry in the same manner as it gave away the aviation industry. It has ignored the shipbuilding industry for decades.

It is interesting that the Bill before us was developed somewhere in relation to the Canada Oil and Gas Act when it was apparent that Canada would lose an enormous amount of employment and economic development in this particular field. The Government showed no initiative in bringing forward the Bill. A tremendous amount of energy was expended, to the credit of the new Minister. Certainly his colleagues cannot be given the same credit because they resisted bringing it forward. They wrung their hands and moaned and groaned. They suggested that our trading partners would somehow retaliate or that our big bad neighbour next door would somehow retaliate. A classic lack of guts has characterized this Government. However, it is refreshing in the dying weeks of this Parliament to see this Bill before us. It is very close to receiving the support of the Houe.

I do not want to dwell much longer on the Bill, except to say that it is only a step forward. The potential for Canada in marine industrial development is very great. We believe shipbuilding industries across the country will benefit, and that tens of thousands of Canadians will return to work as a result of this legislation. Also an opportunity will be provided for Canada to become a world-class leader in the shipbuilding

industry. We must remember that ocean industry groups behind the shipbuilding industry also have a chance to flourish.

The Government of Canada must not only look seriously at providing this 200-mile custom limit, it must assist the industry which it held back for so long. There is an opportunity for Canada to develop shipyards and ocean industry groups which have the potential for tremendous technological advancement in this field. The Government should look seriously at providing incentive financing. Through the Export Development Corporation it could provide financing to foreign purchasers at extremely low rates of interest. Such long-term loans could be very beneficial to the countries which purchase Canadian ships. It should also provide that type of concessionary financing to Canadian owners and developers of marine platforms and ships. Such financing is extremely important in order to get the industry rolling again, an industry which the Government has shackled for so long.

When the Government took office in July 1980 it decided that assistance under the Canadian Shipbuilding Assistance Program would be cut from 20 per cent to 9 per cent. At present it talks about removing the assistance entirely. Now, when there is an opportunity for the industry to blossom and grow, it is talking about removing the incentives. The custom boundary extension is passive. It is a constructive act, but it is passive. It should contain some aggression to ensure that financing provided for the construction of vessels for foreign owners in Canada is provided for Canadians who want to have ships built in Canada. That would provide the industry with a tremendous shot in the arm.

This is only a starting point. A more active situation is the Petroleum Incentive Program. It will pay 80 per cent of the cost of doing business to oil companies participating in exploration in the Canada Lands. When an oil company wishes to import a leased rig which was built in another country, not only is the cost of leasing covered, the cost of duty is covered under the Petroleum Incentive Program. The Minister must convince his colleagues that PIP should apply only to rigs built in Canada. If a Canadian firm wants to have a rig built here and lease it to an oil company to become involved in offshore exploration, that rig should be covered by the Petroleum Incentive Program. However, if it wishes to purchase a rig from any other country to use in these waters, it should not be covered by that program. It is an enormous flaw in the existing situation which the Government should move quickly to rectify. It is absolutely irrational to provide a taxpayer subsidy at the 80 per cent level to pay leasing and duty costs of an imported marine platform to conduct exploration in Canada.

There is another area in which we have an advantage. The next step has to be one of providing Canada with a Canadian merchant fleet. There is tremendous opportunity in providing Canada with Canadian-built ships and insisting that they be crewed by Canadians. Again the Government appears to be providing lip service in its dying days. Rather than becoming active and aggressively pursuing this tremendous opportunity, the Government sat on its hands throughout its term of office and said that nothing could be done. It followed consistently its policy that Canadians could not build ships and therefore it was necessary to have foreign countries build them cheaper and better. The Government said that Canadians could not operate ships, although Canada has a maritime tradition which extends back to the time of Jacques Cartier. The Government makes no move to bring home the Canadian Pacific Fleet, to repatriate it. Canadian Pacific Ships is at liberty to carry Canadian cargoes all over the world with no benefit to Canadians. It has its ships built in foreign countries. It means its vessels with foreign crews. Its vessels are registered in Bermuda, London and Singapore. The benefits of its trading accrue everywhere else in the world but Canada.

The particular piece of legislation before us today should have been coupled with a marine industrial strategy which ensure a Canadian merchant fleet carrying Canadian goods in Canadian-built ships, crewed by Canadians and with the benefits accruing to Canada. I am sure Hon. Members on my right would support such an activity.

Outfits like Federal Commerce and Navigation need to be tuned up by the Government. They need to have a more responsive attitude toward the country in which it does business. Canadian Pacific Ships has to develop a responsible attitude toward this country as well. It should display good corporate citizenship. The same applies to Papachristadias. There is a litany of disasters in the marine industry which the Government has tolerated.

● (1720)

It is long past the time that we brought this together into a comprehensive marine industrial strategy which would see Canadians derive the benefits of shipbuilding. This would build world-class industries and leaders in technology. This should be done with the support, not with the opposition, of the Government. Behind that shipbuilding effort we would develop an ocean industries group. It would supply engines and other components for those ships, and marine platforms. It would also provide navigation systems. That group is worthy of support. In its early stages there should be subsidization, if you will, to get it rolling. Once rolling and competing on a world-class basis, there could be low interest rate loans, long-term loans, with specific areas of subsidization for enhancement. But we should get rolling on that.

The other area where something has to be done is very clear. We have to get involved in a Canadian merchant fleet. There is no point sending wheat abroad in Russian vessels or in vessels of Canadian companies that are registered in other countries. I recognize that the Government at this very late date has brought together another advisory committee on developing a Canadian merchant fleet. It is complete nonsense that, task force after task force developing the line that we should be following, studying the subject to death, in order to go out on the hustings in Eastern and Western Canada, in the Province of Quebec, along the St. Lawrence River and important areas along the Great Lakes where Canadian shipbuilding

is done, where Canadian ships are operating, the Government is going to say: "Look at what we have done. After five years we have developed a policy or a program to take one more of hundreds and hundreds of looks at what we have had. See what we are doing to provide a Canadian merchant fleet".

Two things have to happen. This Government, even in the time available, could put in place Transport Canada policies that would enhance Canadian registered ships. Without coming to Parliament, they could do something constructive to enhance the manufacture of Canadian ships, Canadian-operated ships, and ensure that Canadian crews are on those ships. There are dredges in the Arctic carrying foreign crews in Canadian waters.

A complaint was made recently to the Minister of Employment and Immigration (Mr. Roberts), a man travelling this country saying that he wants to be the leader of his Party, which would like to remain in Government, that he signed an order to allow foreign crews on a Canadian ship. That was done just the other day. It is simply not acceptable. We know what has to go into place to develop a Canadian marine industrial strategy. That strategy within Transport Canada, within Customs and Excise, within the taxation policy areas, can be effectively carried out.

Before us today is a fairly constructive move. It is a passive move. It is not a move by a Government that is showing aggressiveness or clear concern for an industry that for years has been neglected. Nevertheless, it is one small move. There must be many more following. With that I will conclude my remarks. I hope this Bill passes quickly.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, the good faith of the Government was indicated when the Minister refused to answer questions with respect to his consultations with the fishing industry concerning the removal of the exemption of 100-foot shipping vessels. The answer is that the Government wants to continue allowing foreign shipyards to bring ships into Canada and exploit the resources of Canada to the detriment of Atlantic Canada and the ship workers of Canada. This must stop.

If you read the Schedule, you find that it exempts ships and other vessels exceeding 30.5 metres registered length for use in commercial fishing industry. The item is tariff 44002-1. It says British preferential tariff free, most favoured nation tariff free, Saudi Arabia tariff 25 per cent, General preferential tariff free. It is only vessels used in commercial fishing.

A vessel is brought in, used for a day in commercial fishing, it is into Canada for free and that's it. This loophole represents a hole in this Bill so wide you could drive the whole—I was going to say the army through with all its tanks, but we have not got that many. It is a hole in the Bill that must be corrected or this Bill will be virtually meaningless.

Some years ago we declared a 200-mile limit. We extended the boundaries of Canada 200 miles out to sea so that we would be able to exploit the commercial resources of the continental shelf. What does this Government do? Up until now it leaves the 200-mile area totally free for anybody and his brother to exploit. It is supposed to monitor the number of fish taken off the Altantic Coast. It does not do that very well. It should do everything to ensure that the jobs in shipbuilding, manufacturing, resource exploitation, equipment, food, supplies, are in Canada, and that all that is used in resource exploitation on this extended limit of Canada is purchased from Canadian manufacturers, Canadian suppliers, or impose tariffs.

This Bill is supposed to do that, but what does it do? As far as drilling rigs are concerned, the ones that are presently under lease, they are okay. As far as coasting vessels are concerned, the ones presently operating, they are okay. They do not have to pay tariffs. Only the new ones might have to pay tariffs, but they will probably come in as fishing vessels for use in commercial fishing. They will be used for commercial fishing for a day. Then they can do the coasting trade and not be subject to any tariff.

This is the hoax we are being asked to support and the Minister refuses to answer questions. I ask why? He knows we will get to him. He knows we will ask the questions that will embarrass him. Therefore he hides under the rules. What kind of Government would hide under the rules and pretend that it is doing something for the shipbuilding industry in this country?

The Hon. Member for Burin-St. George's (Mr. Simmons), who has the Marystown yard in his riding, knows what will happen to him. He has been pestering the Minister to do something about it. It is not just members on this side who think that this exemption should go. Members from all over Atlantic Canada thinks this exemption should go.

The Acting Speaker (Mr. Guilbault): Order, please. The Chair has allowed a certain leniency this afternoon by permitting Members to go into what should be discussed at committee stage, that is referring to specific clauses. Because it felt that an agreement might be reached, if the Government agreed to make an amendment, this was done. I cannot allow the Hon. Member to base his whole speech on this particular clause. It is jumping the gun. We will deal with this in committee stage, if we ever reach that stage.

Mr. Blenkarn: On the point you have raised, Mr. Speaker, may I suggest that this is a Bill that in pith and substance is imposing a tariff on vessels being brought into Canada, and the Canadian limit for the purpose of determining the importation is the continental shelf or the 200-mile limit. That is what we are talking about. This Bill is to levy a tariff on ships and other things now being brought into the 200-mile extraterritorial part of Canada and do not now any duty. The Bill extends the limit so that those goods are subject to duty. That is the purpose of the Bill. The trouble is, the Bill does not do that. The Bill is supposed to do that. It is only proper at second reading to point that out. It was always my feeling that at second reading we were entitled to debate the nature of the Bill. That is the purpose of second reading debate. That is where the problem is—

• (1730)

The Acting Speaker (Mr. Guilbault): Order. I do not know whether the Hon. Member is reflecting on a ruling made by the Chair or failing to see that the Bill contains much more than the simple Schedule to which he is referring. Other Members have been able to speak about the principle of the Bill. The Chair has been lenient in allowing the Hon. Member to refer to the Schedule from time to time, but he should not make an entire speech on it. That can be done at committee stage.

Mr. Blenkarn: With all due respect to the Chair, I would suggest that I am not now referring to the Schedule. I have referred to it. I am really talking about the principle clause in the Bill, which is Clause 3. That Clause imposes a tariff. Then, the Bill goes on to exempt certain parts of the tariff. I am talking about the pith and substance of the Bill. With respect to the Chair, that is what I intend to continue to talk about.

We are looking for some recognition for those provinces which have very little in the way of natural resources. Their people are entitled to the benefits of the resources in the 200-mile limit. The Premier of Newfoundland has expressed his concern with respect to the right to control the oil and petroleum resources in the 200-mile limit. He has also expressed concern with respect to the fishing resources. One of the advantages of having the 200-mile limit is the number of jobs that can be created for Canadians. The purpose of the Bill is to ensure that the goods, the drilling platforms, the drill bits and all types of machinery and equipment which are used in fishing or in oil exploration bear duty and are organized in such a fashion as to ensure that Canadians—particularly those from Atlantic Canada—get the jobs that those resources will provide.

Prior to the 200-mile limit declaration, certain things were exempt. Obviously a person drilling at sea was not drilling in Canada, and therefore he could bring in his drill ships, rigs and supplies from anywhere in the world. They were not subject to duty because they were being used in a non-duty area. The same applied to fishing vessels and fishing gear, indeed, to everything used beyond the normal three-mile limit. They were in international waters and they were not subject to duty. Therefore, the jobs which would come from manufacturing, supplying, and servicing were not subject to Canadian taxes and were not ensuring that Canadians received the protection that Canadians elsewhere, in other businesses and in other parts of Canada, received. The concept of the Bill is to extend that limit and to extend Canada's borders for customs purposes 200 miles out to sea.

We have focused on the fishing vessel exemption. We have said that it is a very major exemption. Indeed, with that exemption the whole purpose of the Bill is damaged—destroyed. But more importantly, it affects the whole substance of what we are trying to accomplish by ensuring that those who come from Atlantic Canada get all of the benefit there is for them in that 200-mile resource area. For example, equipment that is presently on lease or that is presently servicing the area and which is owned by foreigners is exempted. Those are exemptions which take away the jobs and the benefits that Atlantic Canadians should have.

All along we have been taking away what we should have. My friend from the New Democratic Party mentioned a merchant marine policy. We could have our own Canadian merchant marine if we were prepared to operate a merchant marine that was based on international tax levels instead of Canadian domestic tax levels, and on international labour standards instead of domestic labour standards. After all, if ships are to travel the world they must operate under international standards to be competitive. We could have a merchant marine, but everything that we do in Ottawa seems to be directed from a central Canadian concept that does not bear any relation to the benefits that should accrue to Atlantic Canada, to Pacific Canada and to northern Canada. By the extension of the 200-mile limit in this Bill, we in a sense promise Atlantic Canadians the resource benefits, the job benefits, the manufacturing benefits and the supply and service benefits that that extension of Canada's boundaries should give them. To the extent that this Bill does not do that, the Government should be castigated. In a sense, the Government has promised something that it seems to have no intention of delivering.

We do not seem to have developed any shipping or shipbuilding policy. We had a 20 per cent subsidy for shipyards which has been reduced to 9 per cent. It will soon be phased out completely. If we were to substitute that subsidy arrangement with a tariff arrangement that covered all ships that took advantage of the 200-mile limit, and if we had a tax situation or a tariff that protected our shipbuilding industry so that our industry at least would have a captive or home market for our coastal ship requirements, then perhaps we could justify the removal of that 9 per cent subsidy. We are not only going to let the subsidy die, but we are going to allow a good portion of the ships that should be subject to tariff come in tariff-free. That is a derogation of responsibility.

• (1740)

The problem is that the Bill is presented in such a way that it really looks as if Atlantic Canadians are getting something. Do not look too closely at the fine print, though, because what it says it gives in Clause 3 is taken away in the Schedules. It is that kind of deceit, to put it that way, Sir, which I suppose prompted the Minister to refuse to answer questions. He knew that if we really started asking questions, the real pith and substance of what was happening would come out. The Government would be exposed for what it is; the Bill would be exposed for what it is.

The Bill is better than nothing, Sir, I suppose, but not much better. I am very disappointed that the Government did not come forward, recognizing the kind of Bill it had, to make sure that the jobs which are supposed to come to Atlantic Canada from the 200-mile limit would in fact come to it, that the 200-mile limit would not be just a promise in the air. It should make sure that the fish resources in the 200-mile limit come to

Canadians and are sold by Canadians as processed fish; that the oil and petrochemical resources now discovered all come through Canadian hands. This will not happen because of this Bill, and that disappoints me. Therefore, again I ask the Minister and the Government why do they not come clean? Why do they not really tell us how far they will go to assist perhaps one of the most depressed parts of our country, the part of our country where unemployment is by far the highest? The only way we are ever going to reduce the human misery, the tragedy, the unemployment and poverty upon poverty which exists in parts of Atlantic Canada, particularly, is by enabling the people there to have resources which they can exploit and so earn a living and have a decent standard of existence. We could do that, but this Bill does not do it.

The Acting Speaker (Mr. Guilbault): Are there any questions on the remarks of the Hon. Member?

Mr. Skelly: Mr. Speaker, this is an extremely important piece of legislation and we note there are 17 minutes left in which to get it through second reading, through committee stage and finish it all this afternoon. I just wonder whether, as spokesperson for the Conservative Party on this Bill, the previous speaker could stand up and enlighten this House as to whether his Party intends to let this particular Bill go through all stages today, or whether it is going to sandbag it?

Mr. Blenkarn: Mr. Speaker, I could say that that is not a permitted question under the rules, but I will not. I believe it is only fair that the Hon. Members of the New Democratic Party, so much in bed with the Liberal Party these days, should have an answer to that question.

Mr. Althouse: Look at our voting record.

Mr. Blenkarn: Yes, we can look at that Party's voting record and we could look at its arrangements today. I am told that there are Hon. Members of the New Democratic Party looking for Liberal nominations. They get along with the Liberals famously. Obviously, the Hon. Member is prepared to give away this legislation. He wants to have another notch in his record, showing that once again he has come to heel to the Liberal Party. Are we going to do what the Hon. Member asks? Well, that is not up to me, Sir. There are other Hon. Members of this House of Commons who want to make contributions. We have already passed three pieces of legislation this afternoon.

Mr. Althouse: Is that enough?

Mr. Blenkarn: If this legislation did something for Canadians we could probably go through it quickly. However, the Minister and the Government do not even answer questions on the matter. I am surprised that the Hon. Member would even ask such a question.

The Acting Speaker (Mr. Guilbault): Are there any other questions or comments? Debate.

Mr. Bob Corbett (Fundy-Royal): Mr. Speaker, I am pleased to finally have the opportunity to speak on Bill C-16, an Act to apply the customs and excise jurisdiction of Canada to the continental shelf of Canada and to amend certain Acts in relation thereto or in consequence thereof.

This Bill is long overdue, Mr. Speaker, or legislation like it. Unfortunately, as pointed out by the previous speaker, we are extremely disappointed that for some reason or other this Government has decided that it is going to single out people in the business of building fishing vessels of over 100 feet for particular persecution. This Government has determined that it is going to single out particularly those men and women who are normally employed in that section of the shipbuilding industry for isolation and persecution as well. We believe it is extremely unfair, Mr. Speaker, and we plead with the Government to reconsider its seemingly intransigent position on this matter and, indeed, give the issue some very deep consideration. We plead with the Government to show some compassion for those people to whom a livelihood is just as important as it is for those people who might be involved in the construction of new vessels used in exploration work, new passenger vessels, and virtually all other shipping material for use in Canada within the 200-mile limit.

The ways and means motion which was presented to this House last June 29 was indeed one which was heralded with a great deal of enthusiasm by our Party, as it was by the New Democratic Party. We had pressured the Government before that time to get on with the long awaited legislation which it had been talking about approving and bringing forth to this House for some number of months—indeed probably in the vicinity of two years, perhaps two and a half years. Until last June 29 we and the industry had not seen anything of it. Of course, in the meantime we have been pressing the Government to introduce the legislation so we could peruse it and have the opportunity of assessing its impact on the shipbuilding industry in this country.

I personally welcome a good number of the areas with which the Bill deals. I believe it is indeed good news for the shipping industry that this Government finally has become aware of the plight it has been experiencing over the last number of years. One of the problems we have with this legislation at this late date is that the shipbuilding industry has plummeted to such depths of despair that a good many of the qualified workmen, who for years found work in that particular sector, have now left the area and have taken up other means of making a living. For instance, in 1982, there were over 9,000 people in this nation employed in the shipbuilding industry and, indeed, this year that work force has dropped to less than 2,000 men. The ship yard in Saint John, New Brunswick, one of the finest facilities you will find anywhere in the world, let alone in Canada, steadily employed upwards of 1,500 to 2,000 people. In 1978 it employed 2,089 people. In 1981 that number had dropped to 1,627, and, indeed, in January of this past year, the work force at the Saint John yard had dropped to a shameful low of 40 men. I doubt today if there are 40 men still working at that shipyard. I realize that the shipyard at Saint John has

received the contract for construction of the six frigates, and a substantial amount of that work is being subcontracted to yards in other parts of the country. However, this contract will contribute handsomely to the welfare of that yard and employees in that region.

• (1750)

I have become very concerned, Mr. Speaker, about the Government's intentions concerning the shipbuilding industry in Canada. As can be pointed out by anyone who has had the time to peruse *Hansard*, the Government's record has not been enviable at all. Members on this side have repeatedly asked questions of the various Ministers responsible for shipbuilding policy over the years, of whom there have been several, and all of whom promised to introduce the legislation. With the exception of the present Minister, none of them have produced. In response to these questions we have never received any satisfaction whatsoever. I am informed that questions have been asked as to the status of the frigate program at the Saint John yard. They have asked which shipyard will the first frigate be started in? What is the schedule for construction of the second and third ships? Will all the work normally connected with the construction of a ship be undertaken in the yard itself, or is the contract written in such a way that the work can be subcontracted out? These extremely important questions have been left unanswered. They are being asked by the workers directly affected, particularly those in the Saint John yard.

I ask the Government to be considerate and to be concerned about the plight of those workers, Mr. Speaker. It is a very frightening experience to not have the assurance of work that you thought you had a few short months ago. I think these people deserve answers to these questions which so directly affect them, and I urge the Government to address itself to these questions. If the Bill is allowed to pass with the additions and recommendations we have made, it will be a long over-due step forward, and I look forward to some positive response from the Government in that regard.

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

[*Translation*]

The Acting Speaker (Mr. Guilbault): Mr. MacLaren, seconded by Mr. Pinard, moved that Bill C-16, an Act to apply the customs and excise jurisdiction of Canada to the continental shelf of Canada and to amend certain Acts in relation thereto or in consequence thereof, be read the second time and referred to Committee of the Whole.

Is it the pleasure of the House to adopt this motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Guilbault in the Chair.

[*English*]

The Assistant Deputy Chairman: Order. House in Committee of the Whole on Bill C-16, an Act to apply the customs and excise jurisdiction over Canada to the continental shelf of Canada, and to amend certain acts in relation thereto or in consequence thereof.

Clauses 2 to 13 inclusive agreed to.

On Clause 14—

Mr. Blenkarn: Mr. Chairman, Clause 14 refers to the schedule in the Bill. Therefore, I move:

That the Customs and Excise Offshore Application Act be amended in the Schedule on page 12 as follows:

That the tariff item 44002-1 be deleted.

The Assistant Deputy Chairman: The Chair is ready to entertain the amendment.

Mr. MacLaren: A point of order, Mr. Chairman. If I understand the amendment correctly, it would have the effect of placing a charge on the public purse. Therefore, I would assume that under Beauchesne, Articles 523, 516 and 519, the amendment is not in order.

• (1800)

The Assistant Deputy Chairman: The amendment, which I have in my hand, reads that the tariff item be deleted. In deleting the tariff item, we do not impose a tax. As a matter of fact, we would even remove a tax. I do not know if the Minister understood the amendment properly. This would remove the tariff item completely. In other words, the 25 per cent general tariff would also be dropped. We would lower the taxes, not increase them. The amendment is in order as far as the Chair is concerned.

Mr. MacLaren: Point of order, Mr. Chairman.

The Assistant Deputy Chairman: The Minister on a point of order.

Mr. MacLaren: As I understand the amendment as it was read, we would be removing, under the British preferential tariff, the free access; under most favoured nation, free access; and under general preferential tariff, free access. If we remove "free" from each of those three categories then it necessarily follows that the general tariff of 25 per cent pertains. Therefore, there is a charge in the sense that we would be imposing on importers of those vessels the general tariff as opposed to the free entry under the other three categories.

The Assistant Deputy Chairman: The Chair is taking the question under advisement for a minute.

The Chair has no problem accepting the substance of the amendment, that is, the deletion of a tariff item. The Chair realizes that the Member is doing it by amending Clause 14. There is a procedural problem involved there. I would like to suggest to the Hon. Member that he could move the same

amendment in substance when we reach the Schedule which is just a couple of items down the line.

Mr. Blenkarn: Mr. Chairman, I would perhaps agree with you. I only moved it now because if you look at page 12 of the Schedule it says "Schedule" and then "(Section 14)". Therefore, I felt it might be appropriate to make the amendment now. However, if it is your ruling that it be made when we come to the Schedule, I would certainly be prepared to have the matter stood down until that point. The reason I moved it now is because of the reference to the Section in the Schedule.

The Assistant Deputy Chairman: The first thing we have to do at this time is to realize that the clock has passed six o'clock. Therefore, this committee should rise.

Mr. Skelly: Point of order, Mr. Chairman.

The Assistant Deputy Chairman: The Hon. Member for Comox-Powell River on a point of order.

Mr. Skelly: I wonder whether with unanimous consent of the Members in the House we could extend the time of sitting until such time as this Bill is completely through the House, considering the good faith expressed by all Parties that we want to see this in place.

The Assistant Deputy Chairman: Is there unanimous consent to proceed as the Hon. Member just suggested?

Some Hon. Members: Agreed.

An Hon. Member: No.

Mr. Pinard: Some one on the Conservative Party side said no, Mr. Chairman. However, we would agree that time be extended until someone calls it six o'clock.

Mr. Hnatyshyn: We can agree with that proposition. Until someone calls it six o'clock, on our part we will continue to consider this matter.

The Assistant Deputy Chairman: We are back on Clause 14. I would just remind the Hon. Member for Mississauga South that Clause 14 which we are now considering would strike out tariff items of a previous Act which we are amending. Therefore he does not have to propose the amendment he wishes at this time. The amendment would be in order only when we reach the Schedule, and we are getting there. First, I will ask, shall Clause 14 carry?

• (1805)

Some Hon. Members: Agreed.

Clause 14 agreed to.

The Assistant Deputy Chairman: Shall Clause 15 carry?

Some Hon. Members: Agreed.

Clause 15 agreed to.

The Assistant Deputy Chairman: Shall the Schedule carry?

Mr. Blenkarn: Mr. Chairman, you have in your hand an amendment to delete tariff item 44002-1 in the Schedule to the Bill found on page 12. I so move that amendment.

The Assistant Deputy Chairman: The Chair considers the amendment to be allowable.

Mr. MacLaren: Mr. Speaker, I rise on a point of order. Let my try again. If this amendment were to be adopted, it would have the effect of abolishing tariff category 44002-1. In other words, under the British Preferential Tariff, we would remove the free entry under most favoured nations. We would supposedly remove the 25 per cent general tariff, and we would remove the free entry under the general preferential tariff. However, if we were to do that, then the general tariff category applies, in which case 25 per cent would apply in all four categories. By abolishing 44002-1 we would in effect replace that category with 44000-1, which is a 25 per cent tariff in each of four categories.

I would submit to you that according to Beauchesne 523, 519 and 516, the Opposition cannot amend the Bill in such a way as to place a charge on the public purse.

The Assistant Deputy Chairman: This is certainly a complicated situation. If other members have contributions, the Chair will hear them.

Mr. Hnatyshyn: I have a very short contribution to make.

The Assistant Deputy Chairman: The Chair has ruled, but since then Hon. Members have been commenting on the so-called ruling of the Chair.

Mr. Hnatyshyn: I agree that Your Honour should be as lenient as possible, but I do not know how many times, when we attempt to have a full fledged discussion with respect to procedural matters the Chair says that we cannot question the ruling of the Chair.

I clearly heard you say, Mr. Chairman, that this is an acceptable amendment. That is my brief intervention. I accept you at your word, if that has been your ruling. I appreciate the eminent argument put forward by the Minister of State for Finance (Mr. MacLaren) but it is too late.

Mr. Pinard: You have ruled on an amendment.

The Assistant Deputy Chairman: Are Hon. Members still questioning the ruling? If they do, the Chair will question its own ruling.

Mr. Pinard: Mr. Speaker, when you ruled, you ruled on an amendment that was moved to Clause 14. You never ruled on the amendment that is proposed to the Schedule now. It is a brand new amendment. It is not an amendment on which you have ruled. Therefore, there is no ruling on this amendment. There is an objection that is awaiting your decision.

We have explained why the amendment to the Schedule is not admissible. It is up to you to make a decision, but

certainly, with respect, you have never ruled on the amendment to the Schedule that has just been put.

Mr. Blenkarn: Mr. Chairman, in my view you ruled on that amendment twice. I think we should respect the Chair.

The Government has many more members in the House than the Opposition. The Government can vote to make sure that this tariff exemption on vessels over 100 feet stays where it is. The Government can make sure that fishing vessels of over 30.5 metres are treated in accordance with this tariff item if it wants to. I think it is a matter of voting on this amendment. We can see where the Government stands on the issue. The Government has the opportunity to vote this way or it can let the amendment go through. There is no question about it. Most of the Members involved from Atlantic Canada who belong to the Government Party want this changed. The New Democratic Party—

● (1810)

The Assistant Deputy Chairman: Order, please. The words of the Hon. Member are not of very great use to the Chair in trying to determine whether or not this is allowable.

Mr. Skelly: Mr. Chairman, at the time the amendment was received by the Chair the Chairman indicated that the amendment would not be acceptable under Clause 14, but it would be acceptable and received under the Schedule. Was that not a ruling of the Chair, that that amendment was acceptable under the Schedule? The Chair would find nothing wrong with it, I believe was the wording. What we do have is a ruling that if the Hon. Member placed this amendment before the Chair, that it would be the acceptable thing to do; that it would be appropriate and acceptable to the Chair. That was the nature of the words of the Chairman. That was the ruling of the House.

Second, the amendment does receive the popular support of the House. Many of the Members here are in favour of this kind of benefit. I wonder whether the Chair should not accept it, given the Chair's first ruling, and given the sense of the House which the Chair would feel if he were to allow it to proceed.

Mr. MacLaren: Mr. Chairman, I rise on a point of order. I would be glad to have your guidance. Is it in accordance with our rules that an Opposition amendment can increase a tariff?

Mr. Blenkarn: It decreases it.

Mr. Evans: No, it does not.

The Assistant Deputy Chairman: That has not been raised so far. The problem we have is, first, the Hon. Member for Comox-Powell River is right. When I disallowed the amendment on Clause 14 I said it would be allowable under the Schedule. Therefore, the amendment is allowed as far as I am concerned.

Some Hon. Members: Hear, hear!

Mr. Evans: Mr. Chairman, I think if I recall correctly, you said the amendment—

The Assistant Deputy Chairman: Order, please. The Chair has made a final ruling. We are going to proceed with the business in committee now. Is there any debate on the amendment?

Shall the amendment carry?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Assistant Deputy Chairman: All those in favour of the amendment please say Yea.

Some Hon. Members: Yea.

The Assistant Deputy Chairman: All those opposed will please say nay.

Some Hon. Members: Nay.

The Assistant Deputy Chairman: In my opinion the nays have it.

And more than five Members having risen:

Amendment (Mr. Blenkarn) negatived: Yeas, 18; Nays, 24.

Schedule agreed to.

Clause 1 agreed to.

Title agreed to.

Bill reported, read the third time and passed.

An Hon. Member: Six o'clock.

Mr. Pinard: Mr. Speaker, I rise on a point of order. There was a House order that the House would sit until we called it six o'clock. As yet no one has called it six o'clock.

The Acting Speaker (Mr. Guilbault): Order. The Chair heard a Member calling it six o'clock, with all due respect.

It being after six o'clock p.m., this House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 2(1).

At 6.18 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, May 24, 1984

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—NON-CONFIDENCE MOTION—YOUTH EMPLOYMENT OPPORTUNITIES

Hon. John Wise (Elgin) moved:

That this House condemns the continuing failure of the Government's policies to restore even pre-recession levels of employment opportunities for young people at a time when hundreds of thousands of young Canadians are about to join the labour force from our schools and universities and Canada's unemployment rate for young adults remains the highest of any western industrial nation.

He said: Mr. Speaker, I welcome this opportunity to lead off debate on an extremely important matter facing all governments, whether they be municipal, provincial or the federal Liberal Government we have in office at the present time. I am sure everyone would agree that one of the most critical challenges facing Canadian society, our business and industrial labour leaders, politicians at all levels, is that of youth unemployment. I am sure everyone would agree as well that how this challenge is met will shape the character of Canadian society for decades to come. Because of this challenge, and because of the deep concern we have for the fact that the present Liberal Government has not been able to deal adequately with the problem of youth unemployment, my colleagues and I have utilized one of those rare occasions we have today to put this motion before the House.

I think it would be interesting to examine and compare the record of this Government and that of the last Conservative Government in 1979-80. During that nine-month period in which we were in office we created jobs at the rate of 7,000 per month, for a total of some 60,000 jobs. In the 49 months since the election of this particular government, we find that it did not create jobs, that in fact the number of young people employed decreased by nearly 300,000. During the nine months we were in office we created jobs at the rate of some 7,000 a month, and during the period of time this Government has been in office it has decreased the number of jobs by 7,000 per month.

Official statistics indicate that at the present time we have some 525,000 to 550,000 young Canadians out of work. Indeed, if we examine some of the statements by the Minister of State for Youth (Mrs. Hervieux-Payette), who unfortunately is not in the House, and neither is the present Minister of Employment and Immigration (Mr. Roberts)—I hope their schedules will permit them to join us before the—

Mr. Blais: I rise on a point of order, Mr. Speaker. Cabinet is meeting this morning, Mr. Speaker.

Mr. McGrath: That is not a point of order.

The Acting Speaker (Mr. Guilbault): Order, please.

Mr. McGrath: Have you been blackballed, J.J.?

Mr. Crosby: They kicked him out for leaking that document.

The Acting Speaker (Mr. Guilbault): Hon. Members also know that it is not in order to reflect on the presence or otherwise of Members in the House.

Mr. Deans: On a point of order, Mr. Speaker, I personally apologize to the Hon. Member who has the floor. I would not have risen, but Cabinet or not, the House of Commons sits on Thursday mornings.

Some Hon. Members: Hear, hear!

Mr. Wise: Mr. Speaker, if we—

• (1110)

Mr. Lang: Mr. Speaker, I rise on a point of order. The Minister of State for Youth (Mrs. Hervieux-Payette) is presently on a speaking engagement in Montreal. She is travelling back and will be here this afternoon.

The Acting Speaker (Mr. Guilbault): It is not orderly to reflect on the presence of Members in the House of Commons, nor is it useful for the House proceedings to determine where Members are across the country.

Mr. Wise: Mr. Speaker, I hope that exchange will not be taken off my time.

If we examine some of the statements which are being made across the country, and they are few and far between, by the Minister of State for Youth, we will find that she has actually admitted to the fact that the true number of unemployed young adults in the country is close to 700,000 rather than 550,000. There are about 1.2 million young Canadians in colleges and universities in the country. Within the next 10 days those young Canadians will be leaving schools, universities and other institutions of learning. A conservative estimate would be that approximately 50 per cent of those people will be joining the summer workforce. We could add 600,000 to that 700,000 and, if we did a bit of mathematical calcula-

tion, we would find that the actual number of young people who are out of work across the country is in the neighbourhood of 1.4 million Canadians.

During its 16 years in office the Liberal Government has been the architect of the unemployment crisis facing Canada and Canadians today. In 1968 when the Government first took office, total unemployment was approximately 358,000. Last year, in 1983, total unemployment had risen to 1.448 million Canadians. In 1968 one out of every 22 working people was out of a job. Last year that ratio rose to one out of every eight workers. In 1968 the unemployment rate was 4.5 per cent. In 1983 it rose to 11.9 per cent. In 1968 UIC benefits totalled some $438 million. In 1983 those benefits grew to $10.2 billion. During this 16-year period total unemployment in Canada increased by approximately 400 per cent.

As bad as the figures of total unemployment are, the youth unemployment situation in the country is even worse. In 1968 the unemployment rate for youth was 7.7 per cent, or 3.2 per cent higher than the total unemployment rate. In 1983 the youth unemployment rate rose to 19.9 per cent, or 8 per cent higher than the total unemployment rate last year. These are staggering increases. However, neither the total unemployment rate nor the youth unemployment rate should be accepted in a modern industrial economy. Youth comprise about 25 per cent of the Canadian workforce and about 37 per cent of its unemployed. When the hidden unemployed, those who have given up looking for jobs because there is no work available, are included in the unemployment totals, youth unemployment then comprises over 40 per cent of those who are unemployed.

These are stark numbers. In more human terms, continuing levels of high youth unemployment could alter the fabric of Canadian society. The longer a young person unsuccessfully looks for work, the more a sense of hopelessness sets in. As the months go by, young unemployed people start losing faith in themselves, their friends and their families and begin to question the worth of society.

I am sure everyone would acknowledge that it will take more than money to solve the youth unemployment problem. It will take attitudinal as well as structural changes. Governments and society face a major task in handling and coping with this problem.

• (1115)

The youth population of Canada indeed has been declining recently. In January of 1984, there were some 4.371 million Canadians aged 15 to 24. That was some 80,000 fewer than in the same month of last year and 182,000 fewer than in January of 1981. The number is expected to drop by an additional 90,000.

I am also sure that everyone would acknowledge the fact that as the Canadian economy expands, obviously more jobs are created. The youth unemployment rate should decline more rapidly and an improved economy will ultimately provide a solution to the youth unemployment rate.

However, waiting does not address the deep problems being faced by young people in this country today. The federal Government should and could be taking certain actions in various areas to alleviate these problems. The Government should make greater use of the tax system through utilization of unemployment tax credits to encourage youth employment.

Since the Government has already announced that it will be using its purchasing power to encourage the hiring of women and the handicapped, we are of the firm opinion that this same policy should be extended to Canada's youth. The hiring of young people will not be very beneficial if it only leads to lay-offs of older personnel. Therefore consultation must take place among industry, business and labour to ensure that the worker displacement problem does not happen.

Greater emphasis should be placed on training and retraining programs in order to meet the present and future skill needs of the workplace. Task forces have studied and white papers, books, reports and reams of paper have been written about the unemployment needs of the 1980s and 1990s. However, governments, universities, industry and labour must work together in order to ensure a fulfilment of these needs. Greater use ought to be made of the career access program and the apprenticeship programs. As an example of what the future holds if nothing is done now, the National Advisory Panel on Skill Development Leave has pointed out that 35 per cent of Canada's working women, especially in the clerical, banking services and telephone sectors, could be unemployed by the 1990s because of advancement in technology alone.

Consideration should be given to the use of unemployment insurance funds as a development tool as well as a maintenance fashion. This would allow for more creative use of the unemployment insurance system. Too many young Canadians graduate from training programs or educational institutions and cannot find work. It is not because their skills are not in demand but because they cannot make contact with the employer who needs them. In the current fiscal year some 50 per cent of the graduates of classroom training courses are still out of work three months after graduation. In addition, the Ontario Government has shown that community college graduates have an unemployment rate of some 23 per cent as compared with an Ontario youth unemployment rate of some 14.7 per cent. I understand that one of the areas of major unemployment has been the computer-related field. With the ever-increasing use of computers, I find this to be an incredible statistic.

Clearly, therefore, as job-creation agencies, Canada Manpower centres across this country have not been performing adequately. These centres ought to be computerized so that the unemployed as well as the potential employers know what is available to them across the country. The longer it takes to get a job, the more discontented a person becomes with the Canada Manpower centres. As Members, we have all certainly experienced the difficulties with those centres almost on a daily basis. There ought to be better provision of counselling services at these centres throughout the country. The unemployed should not be treated as mere statistics.

More consultation is needed with the provinces as far as educational funding is concerned. We acknowledge the fact

that the British North America Act gave overlapping responsibility and jurisdiction for education between the federal and provincial governments. The Minister of Employment and Immigration has stated that the federal Government's traditional role of being responsible for upgrading educational skills indeed should be rethought. Too often, unfortunately, the federal Government's rethinking has evolved into federal Government dictating—dictating how and where money would be spent. That does not solve the problem but co-operation and consultation with the provinces will certainly help. A federal-provincial conference on educational funding should be called at the earliest possible moment.

• (1120)

In several parts of this country young people face a future of almost permanent unemployment. Wage subsidies and employment tax credits will be of little value in these economically depressed regions. In such regions there ought to be programs of community-based entrepreneurial development which will assist individuals and groups wishing to start new businesses to raise money, to cut through the red tape, to identify markets and to train workers.

These ten proposals, Mr. Speaker, will help to alleviate the problem of youth unemployment. Just as importantly, they will help to ensure the future skill needs of the country. These proposals would not necessarily, though I admit a couple of them would, entail the expenditure of more money. Rather they would entail a reallocation of present funds.

I recognize that my time has almost expired, but let me conclude by quoting the Hon. Member for Central Nova, the Leader of the Official Opposition (Mr. Mulroney):

> No amount of make-work projects and Government schemes—no gimmicks—can substitute for sustained economic growth based on lower interest rates, technological innovation, and increased trade. These are the means to growth. These are the means to full employment. These are the means which will assure young Canadians the opportunities they deserve.

Let me conclude by repeating one of my opening sentences: How this challenge is met will shape the character of Canadian society for decades to come.

The Acting Speaker (Mr. Guilbault): At this time in our proceedings a ten-minute period is provided for questions or comments relating to the remarks of the Hon. Member for Elgin (Mr. Wise). Are there any questions?

Mr. Lang: Mr. Speaker, my question for the Member is related to the quotation of his Leader who talked about the importance of lower interest rates. It is somewhat like talking about the importance of motherhood. Is the Hon. Member for Elgin (Mr. Wise) suggesting that the Conservative Party has changed its position on interest rate policy, that the Conservative Party will put in exchange controls or some other measure to lower interest rates? What is it that the Hon. Member suggests the Conservatives will do differently to lower interest rates and provide more jobs for young people?

Mr. Wise: Mr. Speaker, I welcome the Hon. Member's question. I am sure he must feel somewhat uneasy in view of the fact that the main thrust of the motion today is based on youth unemployment. I would have expected him to have placed that subject in very high priority and utilized the opportunity left open to him to direct a question with reference to the subject of youth unemployment. He has chosen not to do so. He has chosen to raise another broader issue on the Canadian economy, more specifically on interest rate policy as far as this Party is concerned. That would take much time to be able to respond adequately.

If the Hon. Member would take the time to check *Hansard*, he would find we are so concerned about that subject that our Party selected it as a topic on a recent Opposition day. I would recommend to the Hon. Member for Kitchener (Mr. Lang) that he check and read *Hansard* for that particular day. It will certainly enlighten him very much.

The Acting Speaker (Mr. Guilbault): The Chair would like to follow up on the point raised by the Hon. Member for Elgin. Questions asked of a Member who has just delivered a speech must be related to that speech.

Mr. Lang: Mr. Speaker, I believe the question was directly related. I related it to his last remarks and the quotation in the Hon. Member's speech. He quoted his Leader who was downgrading the importance of specific government initiatives to deal with youth unemployment. He called them gimmicks and said that the real method of dealing with youth unemployment was to reduce interest rates. That is the relationship. I think the Hon. Member should read his own speech; then he will see the relevance of the question put to him.

• (1125)

Aside from that, the importance of interest rates is a relevant point. When interest rates go down, economic growth increases and we have more employment in general in the Canadian economy. Of course, it provides more opportunity for jobs. I agree with the Hon. Member in those remarks.

The reason I am putting a question to the Hon. Member is that I do not believe his Party has any different policies with respect to interest rates than the present Government. For them to say that they have a low interest rate policy is misleading.

Mr. Wise: Mr. Speaker, the Hon. Member should take the time to listen to some of the statements which are being made, not only by his caucus colleagues but by a Cabinet Minister of his Government. He must have some second thoughts about the interest rate policy which his Government has been following. The Minister suggested that if he were elected leader of the Party, he would fire the Governor of the Bank of Canada.

Certainly there is a very direct relationship between interest rates and what is happening in the general economy; I have admitted that. There is no question about that. No one would deny it. Indeed, the people who suffer most seriously as a result of the high interest rate policy of the Government are small businessmen. They are the employers of some 70 per cent of all the labour force in the country. These enterprises

are the ones that would provide job opportunities and would take advantage of the employment tax credit and the career access program.

We put questions to the Minister of Employment and Immigration during examination of his estimates. We cautioned him that these programs would not be fully utilized because the state of the general economy still remained at a very low ebb. That results from high interest rates. The Hon. Member should be listening to what people in the industrial and financial communities have been saying, that there is a lack of confidence based upon the record of the Government. Many expenditures are being placed on hold, and some have been on hold for two years now. If we talk with businessmen or people who come to Canada looking for investment opportunities, they tell us in no uncertain terms that they will not participate in any massive investment until such time as an election is called and this Government is tossed out of office.

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. I hate to intrude at this point in time, particularly in relation to the well known ruling with respect to reflecting upon the presence or absence of Members in the House. There is a well established convention in the House of Commons with respect to allotted days that we have at least one member of the Cabinet present in the Chamber. There is not one member of the administration in the House in response to this allotted day, which is contrary to the conventions of the House.

The Acting Speaker (Mr. Guilbault): Order, please. I can go even further by stating that Citation 316(c) of Beauchesne's Fifth Edition is clear. It is not orderly to reflect upon the presence or absence of Members of the House of Commons. The Hon. Member has made his point. I only hope that Members will stop harping on this during the day.

Mr. Althouse: Mr. Speaker, the Hon. Member for Elgin (Mr. Wise) at the beginning of his speech spoke about the jobs created in the seven-month period when the Conservatives were in office. It would be instructive for the House to be given some further information about that period of time. Most business leaders and economists understand that results follow an action.

I was not a Member of the House of Commons at that time. Can he tell the House what specific actions were taken by that government to cause the creation of extra jobs, or was he simply referring to some of the proposals that were presented some seven months later, after these jobs had already been created in the Budget which was rejected both by the House and by the country?

• (1130)

Mr. Wise: Mr. Speaker, I am simply reciting the record and the facts. Indeed, I am giving the benefit of the doubt. I am actually reciting Government statistics and facts. A number of things were done during that ten-month period. The very brief time that I have available to me would not allow an adequate explanation of what we were able to achieve during that very brief period of government. I regret very much the Hon. Member was not here. He certainly would have enjoyed a very favourable period in the House.

Let me tie that in with the importance of small business and medium-sized business in the country. At that time we as a Cabinet were extremely worried because interest rates were pushing 12 per cent. The President of the Treasury Board (Mr. Gray) stood on this side of the House and said that if they went beyond 12 per cent, if he had occupied a government position at that time he would have the honour to resign.

There was a great deal more business activity going on during that period because there was more confidence in the economy. Small business people were investing in the economy. Interest rates were at 12 per cent. During the 49-month period, in fact a 24-month period taking it to the summer and fall of 1981, the Hon. Member will know what happened. Because of the policies of this Government, interest rates took off. Interest rates rose from the earlier level of 12 per cent and 13 per cent to as high as 21, 22 and 23 per cent. That makes an impossible situation for small business. Consequently, money did not come into the country in view of the lack of confidence shown and our own domestic capital fled the country. Obviously inactivity began in the small business sector and the farming sector as well. Job opportunities since then were simply not available.

Mr. McGrath: Mr. Speaker, I rise on a point of order. I do not want to be frivolous and I do not want to delay the House, but I believe this is important. It has to do with the point of order raised by my colleague from Saskatoon West. Is it Your Honour's ruling that it is in fact not an established convention of this House that a Minister be present at all times?

The Acting Speaker (Mr. Guilbault): Order. Is the Hon. Member coming to the point of reflecting on the presence or absence—

Mr. McGrath: You have not heard me.

The Acting Speaker (Mr. Guilbault): I am just trying to stop a Member from reflecting on the presence or absence of another Member in this House. If the Hon. Member is rising to do something else, I will listen to him.

Mr. McGrath: Mr. Speaker, I am rising to do something else. I will not name any Member. Consequently that will satisfy your citation from Beauchesne. It is an established convention of this House, given the fact that the Government is responsible for the management of the House, that there shall be at least one and usually two Ministers present at all times. Because of your ruling, a Minister came in. As a consequence of your ruling, which I felt was not in the context of the point of order of my colleague, the Minister got up and left the Chamber. It is important because I would not want that to be on the record as a precedent.

Mr. Deans: Mr. Speaker, you cited Beauchesne's Citation 316(c):

Besides the prohibitions contained in S.O. 35, it has been sanctioned by usage that a Member, while speaking, must not:

(c) refer to the presence or absence of specific Members;—

I would ask if you would reflect upon the meaning of "specific". It is clearly appropriate in the House of Commons, as a result of normal usage, to refer to the absence of Members, provided one does not specify exactly which Member is absent. I would like you, not necessarily to rule at the moment, but to consider that it is appropriate for a Member to rise in the House of Commons or during the course of a speech to draw to your attention the fact that there is no one from the Cabinet present. That does not refer to a specific Member.

The Acting Speaker (Mr. Guilbault): The first point the Chair would like to make is that the original point of order raised by the Hon. Member for Elgin was directed at the Minister responsible for youth, which was quite specific. Second, Citation 316(c) reads:

—refer to the presence or absence of specific Members;—

This leads to some interpretation. It does not say "specific Member" but "specific Members". It was the interpretation of the Chair that the Cabinet is certainly of a plural nature. In any event, the point has certainly been made three, four or five times, regardless of the rules. I suggest we continue the debate.

Mr. Hnatyshyn: Mr. Speaker, I wish to make an intervention on the point of order. This has been an interesting exchange. Under our rules, we are now involved in an allotted day which is very much a matter of supply. It is a matter of the members of the administration defending the spending of their departments.

The motion before us is a condemnatory motion relating to the Government's lack of policy with regard to youth unemployment. Accordingly, it becomes an important ingredient in terms of that whole process to determine whether the Government has any member of its administration present in the House to answer. The same point was raised and an undertaking was given by the Government with respect to the Minister of Energy, Mines and Resources (Mr. Chrétien) not being available to discuss estimates before the committee. The Government understood the gravity of that allegation and gave an undertaking to see what could be done so that that Minister would be before the commitee.

We are now sitting in the House of Commons and having a discussion on the floor of the House of Commons with respect to supply. Without casting reflections on any individual Members or the reason they are not here, it strikes me that the convention of the House is always that the administration, the Cabinet, the executive, are here on the floor of the House of Commons prepared to answer questions and defend the Government's position *vis-à-vis* the motion on the floor. That is the crux of what we are doing here today. We are not reflecting on the absence per se.

We say that the Government cares so little about this topic that it cannot even spare a couple of Ministers to be on the floor of the House of Commons to defend its position on youth unemployment, and I think that is shameful.

The Acting Speaker (Mr. Guilbault): The Chair would only remark that while the Hon. Member was labouring his point, the Chair was able to see that Cabinet is now represented in the House of Commons. If we could get back to the debate, it would be appreciated. The Hon. Member for Mission-Port Moody.

Mr. St. Germain: Mr. Speaker, are we on debate?

The Acting Speaker (Mr. Guilbault): We are on debate. The time allowed for questions and comments has now expired. We are back on debate on the motion. The Hon. Member for Mission-Port Moody.

Mr. Deans: Mr. Speaker, I rise on a point of order. I gather that you were about to recognize the Hon. Member for Mission-Port Moody for debate. While I would not want in any way to impede him in his desire to make a speech, the normal practice has not been to recognize two members of one Party, one after the other. In debate on Opposition days, it has frequently been that the two Opposition Parties express their point of view and then the Government responds. I would suggest that although it is quite legitimate to recognize the Hon. Member for Mission-Port Moody now, it might be better to recognize him later in the debate.

• (1140)

Mr. de Corneille: Mr. Speaker, I rise on a point of order. I wish to support that same point. My reason is that I am sitting over on this side and I was assuming that you were recognizing the member of the NDP at this time, Mr. Speaker. However, I would also like to speak.

The Acting Speaker (Mr. Guilbault): The Chair realizes that a member of each Party is supposed to speak on the first round. With all due respect, perhaps the Hon. Member for Mission-Port Moody would yield the floor to the representative of the New Democratic Party. Would that be agreeable?

Mr. St. Germain: Agreed, Mr. Speaker.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I thank the Hon. Member for Mission-Port Moody (Mr. St. Germain) and I appreciate his courtesy. I would like to take a few moments to discuss the topic that is before us this morning. I believe it is a very complex topic. There is no doubt in my mind that it is one of the most important problems confronting Canadians at this time.

The question of providing adequate employment is a question that bedevils everyone in politics. I think it would be unfair to suggest that there is one simple solution that will automatically resolve the problem. I do not pretend for one moment to think that from the moment whichever of the political Parties comes to power, there would automatically be a job for everyone. I say "a job for everyone" advisedly because I do believe that unless, as a matter of principle, political Parties in Canada and perhaps in other parts of the world intend to ensure that every Canadian available for work

is given the opportunity to work, then no amount of patchwork programming will resolve the problem.

There is a shortage of jobs in Canada. However, there is no shortage of work. If one were to look across the country, one would see that there are any number of tasks which need to be done. The question then becomes whether it is a matter of the policy of this Government to choose not to have that work undertaken and completed or whether it is that because of financial constraints, the Government feels that it is better to put the available capital into other things than the completion of that work. I think we must address that question.

When looking at the over-all picture, it is hard to imagine that within the traditional sense of the word "employment" we will suddenly be able to create a sufficient number of jobs for everyone who is presently unemployed as well as for everyone who is entering the workforce for the first time. We all know that the technological change that is taking place is by its very nature designed to reduce the participation of individuals in the workplace. The technological change, the computerization and the robotics that have become so much a part of the workplace in Canada will, out of necessity and by its very design and intent, eliminate jobs that were of a traditional nature.

In the 1950s and the 1960s, I can remember young people entering the workforce from the high schools and universities as there were no community colleges in Ontario at that time. They looked forward to entering into the traditional forms of employment, the forms of employment that their fathers had had before them and perhaps even their grandfathers. People in Hamilton looked to the Steel Company of Canada, Dominion Foundries and Steel, the International Harvester Company, Protor and Gamble and perhaps to the auto industry outside Hamilton for employment. In those days there was even the Studebaker Company but that has gone by the boards now. People in Hamilton looked to those companies and to others for employment. Over the years, as a result of technological change, those employers have, in my judgment wrongly in some cases, reduced the necessity for human effort in the workplace.

I believe we will be faced with a terrible dilemma. How can we create those traditional kinds of jobs? I frankly think that the answer is that we cannot. We will not be able to keep pace technologically and in terms of our productive and competitive capacity if we insist on having things which were once done by hand and foot continue to be done by hand and foot in Canada while they are being done by machines and technology elsewhere. Therefore, I think we are being confronted with a serious problem. We will not be able to keep the same numbers of people working in the steel companies any more. We will not be able to keep the same numbers of people working in the automobile manufacturing plants any more. We will not be able to keep the same numbers of people making bottles, cans and all of the other things that they once made any more. What, then, are we going to do, Mr. Speaker?

If technology has changed the workplace in such a way as to make traditional jobs fewer, then we must look at non-traditional employment. We must also look to ways of making it possible for people to enter non-traditional fields while at the same time not over-burdening the cost factors in the world economy.

There are those who think that all we need do is get more people to buy more things and everyone will automatically be put back to work. That is not so. We in Canada are operating now at something like 70 per cent of the productive capacity of the technology that is currently available. The fact of the matter is, Mr. Speaker, that even if people were prepared to buy more, the machinery that is already in place is capable of producing more with a very limited increase in manpower. That will not be the solution to the problem.

What is the real problem, Mr. Speaker? As I see it, the real problem is somewhat different. Why do people need jobs? Aside from all of the benefits of going to work and being part of the social structure of the workplace, the main reason people work is to receive income. That is why people keep working long after they should retire, that is why people work overtime and that is why people take jobs that, even by their own admission, are back-breaking or mind-bending jobs that provide very little in the way of self-fulfillment. They do that because they need an income.

We in Canada will have to take a look at ways of opening up job opportunities where young people enter the workforce. That may require that we make some serious decisions about such things as hours of work and the length of the work week. It may require that we look at the question of whether or not the pension programs currently available in Canada, private and public, are adequate enough to allow people to move out of the workforce at a time when the kind of work that they have been accustomed to doing is becoming more and more difficult for them to do. Either they must move on to a different kind of lighter or less strenuous work, without a loss of income which would cause all kinds of difficulties meeting financial commitments, or they must fall within a structure that we may create which will enable people to retire at an earlier age. This would open up many of the traditional jobs that are currently being held.

In the 1940s, the 1950s and the 1960s, we moved from a 60-hour work week to a 48-hour work week to a 40-hour work week. I frankly believe that we must again take a serious look at whether or not we have reached a point in time when a further reduction in the work week would perhaps make sense, given our productive capacity and our ability to consume.

The next thing I think we must do is take a look at how one qualifies for benefits in the event that one is available for work but there is no work available. When that young person leaves his or her educational facility and goes out into the workplace, even if he or she attends every single interview available, registers with Manpower and sends a resumé to every potential employer in the area, that young person will still find that there are just not enough jobs. And we are saying to these young persons that because they have never worked before, they are not eligible for any income. Not only can we not produce enough jobs for them, but if they are unfortunate

enough to have just completed school and therefore are without any work record and have not contributed to any insurance program, they are not eligible for any income either. That does not make much sense to me.

• (1150)

I believe, therefore, we must do some very dramatic rethinking about the prerequisites and requirements for people who are out of work, with no prospects of work. I believe we could begin by telling these young persons that if they are available for work, regardless of their age, and if, after having gone through all the various and many registration requirements, there is still no work available for them, then they are eligible for unemployment payments because they are unemployed. The fact that they did not work before is immaterial; they are still unemployed.

If a young person is available to enter the workforce, and the workforce has not grown enough so that there is a position available for them, that does not mean that they have to stop eating or stop paying their rent. It does not mean that they do not need any income. So it seems to me that we must begin by making a fundamental decision about income before we make any decision about employment. We have to make that decision now, and that decision must be that people who are available for work and for whom no work is available must be eligible for some kind of unemployment payments. We must start there.

Then, second, you say to the young people coming out of our educational institutions that if there is no work in the traditional sense, they will be eligible to draw certain payments. But they will also be encouraged to embark upon co-operative programs, self-employment programs within their community and in other communities. We must encourage those young persons to create the kind of jobs which are currently not being created.

I visited a high school the other day and put to the students something which I recognize in the long term is not going to work but in the short term is a good idea. There are any number of young people just about to leave their high schools for the summer. They will be looking for temporary summer employment. They used to get hired by the very companies I mentioned earlier, but these companies are not hiring now. They have already laid off employees and have no room for any young people. I suggested to these students that they are going to have to go out and seek work on their own.

One of the drawbacks they have is that they have no income to enable them to go out and do that. However, I suggested to them that there are things they could do. They could, for example, conduct a survey of all the agricultural communities surrounding the City of Hamilton. They could work in teams and go to each of the farmers and see whether or not there is work which the farmer requires and for which the farmer is prepared to pay. I told them they should do that to start with. And I feel that we should be prepared, as a national program, to provide some income directly to these young people in the form of employment income in order to enable them to go out and undertake that search for work. There is a lot of work which needs to be done but the trouble is that these students do not have any income to get them from where they are to where the work is. Second, they have no way of making contact with those individuals who might be willing to hire them. I am talking now about temporary employment.

I also suggested to these young persons that perhaps they could take two or three small jobs and make them into one job. Perhaps they can go out and discuss with prospective employers the possibility of working for them one day a week, or even less. If they find three or four employers willing to hire them on that basis, that would enable them to get into the workforce and to gain experience. These suggestions are all short term but they do address one of the problems which confront, I believe, a large number of young people who will now be entering the workforce in a temporary way.

However, that is not going to solve our problem, Mr. Speaker. It is just a short-term solution. It will not do very much for the long-term difficulties. As far as I can see from looking at the future of employment in Canada, we must establish that everyone in Canada has a right to a job, given the fact that we require of people in our society that they do have a job. Our whole society was built on the basis of people working, and unless we are prepared, as a matter of principle, to ensure that everyone has the right to a job, they will never spend the time and effort seeking out the kinds of employment necessary to meet the demand. We must place an onus of responsibility upon ourselves and upon the Government.

I believe that all across this country there is work of varying kinds which requires doing and for which there are people available, but it is not being done. Two or three years ago we suggested, for example, that there was a need for an additional 100,000 housing units to be built yearly over the course of the following three to four years in order to meet the demand. If we had done that, we would have created 280,000 jobs annually. If we had done that we would have taken the pressure off the other employment areas which are being filled and we would have opened up an opportunity for some people to get back to work or to enter the workforce for the first time. You will remember, Mr. Speaker, that at the same time we were saying that we suggested there ought to be an immediate move to complete the east-west pipeline in Canada in order that we would create not only energy self-sufficiency but tens of thousands of jobs for people in the construction industry and the manufacturing industry. Had we done that, we would have reduced the number of people unemployed and opened up other job opportunities for those now entering the workforce.

You will remember, Mr. Speaker, that we said there had to be a complete revitalization, in fact, of the transportation system of Canada. We had to complete not only the railroad transportation system but the port facilities, inland and on the coasts. If we had done that, the tens of thousands of jobs which would have been created would have taken the preassure off the other employment areas and opened up jobs for young people entering the workforce. That would have been a helpful way to begin to solve that particular aspect of the problem.

We suggested that it was time we took a look at placing a requirement for the manufacturing in Canada of significant components of those products, such as automobiles and other products which are now being imported into Canada. We are not saying we should not import or export, but there must be a requirement to manufacture in Canada some of the parts we use in Canada. If the Government had followed that kind of direction, a significant number of jobs would have been created which would have made it possible for young people to enter the workforce.

● (1200)

I am sure the Hon. Member who spoke before me will appreciate that if we had begun to take advantage of the vast agricultural component of our country and had placed a greater emphasis on support for the farmer in his or her attempts to replace the obsolete farm machinery with new machinery in order to be competitive in world terms, we would have created jobs in the farm machinery manufacturing sector. There are a whole series of job-creation projects, both public and private, which could have been and still can be undertaken and which would have opened up 400, 500 or 1,000 jobs for Canadians presently unemployed or entering the workforce for the first time.

We have to restructure our apprenticeship training program, Mr. Speaker. It is absolutely essential that we make it a prerequisite for employers to take on apprentices and train young people in new techniques. Therefore we must begin developing apprenticeship training programs that will allow young people to learn the skills necessary to make them a valuable part of a productive society.

We have to undertake now to look at the need to face up, I think is the right word, to the problem of high interest rates which have bedevilled the Canadian economy. As the Hon. Member who spoke previously has said, and I am sure the Liberals will agree, we are the only people in the House of Commons who consistently demanded from the Government a lower interest rate policy. We have even gone so far as to say that we would be prepared to undertake whatever steps are necessary to achieve that policy.

In closing, Mr. Speaker, there are any number of ways that new jobs can be created. There are any number of ways that we can bring young people into the workforce both temporarily and permanently. There are new ways which have to be looked at of reducing the work week and the work life of people while guaranteeing a decent income. Therefore, I want to move an amendment to the motion, seconded by the Hon. Member for Humboldt-Lake Centre (Mr. Althouse):

That the motion be amended by deleting the period after the word "nation" and adding the following thereafter:

"—and in particular the Government's adoption of the United States interest rate and monetarist policies, thereby reducing employment opportunities for young Canadians."

The Acting Speaker (Mr. Guilbault): The Chair would rule that this amendment is in order. The debate from now on will be on the motion and the amendment. We still have a ten-minute period for questions and comments.

Mr. Lang: Mr. Speaker, I would like to congratulate the Hon. Member for Hamilton-Mountain (Mr. Deans) for giving a speech that was not just a blind litany of mindless criticism. He obviously put some thought into it and gave some alternatives. He went through about four different suggestions for dealing with the problem of youth unemployment, and unemployment in general. He talked about work sharing. I agree that that is an important aspect of dealing with the problem. The Government already provides mechanisms by which work sharing can take place. In my own community there are 64 different companies who use work sharing.

He also talked about having young people and others create projects in their communities to meet the various demands of Canadian society which have not been met by the private or public sector as yet. The Government has programs for doing exactly that, such as the Summer Canada program and the Canada community development projects.

The Hon. Member talked about the importance or major capital projects and how they can provide employment. Housing, transportation and farm machinery are the three examples he gave.

Mr. Deans: You lost one.

Mr. Lang: In the last several Budgets the Government has provided various incentives to stimulate the housing industry. As to transportation, the Crow rate was amended to provide a massive injection of capital for the revamping and modernization of our railway system. Numerous funds have been supplied for upgrading ports. Concerning farm machinery, we all remember that the Government provided assistance to Massey-Ferguson.

Mr. Deans: That is not what I am talking about.

Mr. Lang: Although I agree with many of the suggestions the Hon. Member has made, I guess the point is, how far do you go with increased funding in these areas, and is a limitation imposed by the deficit?

The Hon. Member talked about the apprenticeship training program. I think that is an extremely important area but there seem to be some obstacles to obtaining the co-operative effort needed between business, labour and government to attain an apprenticeship program which will deal with the problems in as effective a manner as we would like. I would ask the Hon. Member whether it is his position that unions should be more receptive to apprenticeship programs, because one of the obstacles is presented by the union movement itself.

Mr. Deans: Mr. Speaker, it is interesting to see how different conclusions can be drawn from different things. The best apprenticeship programs in this country are offered through trade unions, Mr. Speaker. The construction industry runs its own apprenticeship programs. The apprentices who come out of those programs are of the highest quality. They are as good

as any apprentices anywhere in the world, and better than many. There is no reluctance on the part of the trade union movement to be involved in apprenticeship programs. The difficulty has always been that employers found it easier to go offshore and hire skilled labourers and tradesmen rather than take the time to put in place apprenticeship programs to meet their needs for the future. There is very little evidence to show that the trade unions in any way inhibited the development of apprenticeship programs.

Leaving that aside for the moment and referring to the Massey-Ferguson bail-out, I put it to the Hon. Member that that is exactly the wrong way to go about establishing and maintaining a viable farm machinery industry. What was required was that farmers have more income in their hands in order that they could afford to purchase machinery. If the farmers could not buy the machinery it did not make any sense to keep the plant going. The changes to the Crow rate took money out of farmers' hands. That was our argument all along. You cannot change the Crow rate and demand farmers pay out more of their available income for freight costs and then expect that they will also have money available to purchase new machinery. That was why we argued against the changes to the Crow rate.

I submit to the Hon. Member that the funding of the development of the transportation system based on changes to the Crow rate, not totally but substantially, worked counter to the efforts of the majority of people to create employment. It worked counter to the efforts we were putting forward to try and stimulate the manufacturing sector. Although the Government had the germ of an idea, it went about it the wrong way.

• (1210)

I will make one final point which I think is the most important point. One of the main reasons that there was a fall-off in job creation in the country, albeit influenced by international events, was quite clearly the very high interest rates. The Member asked whether I am prepared to see the money spent to undertake these major works projects. The answer is yes, I am prepared to see the money spent. With regard to housing, if we built the 100,000 housing units and created the 280,000 jobs, every single penny that was invested would come back either in the form of mortgages or rents. In addition, 280,000 people who were previously unemployed would be working and paying taxes. The companies which make all the component parts, be it shingles or taps, would be manufacturing and paying taxes.

I suggest that investing in that industry or in the pipeline, which would be of the same benefit in the long run, or in many of the other projects that we suggested, is the way to get people back to work and paying taxes. It will increase confidence and reduce the debt load of the Government.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Mission-Port Moody (Mr. St. Germain). The Hon. Member for Eglinton-Lawrence (Mr. de Corneille) on a point of order.

Mr. de Corneille: Mr. Speaker, I thought it had been indicated that we were going to hear from a member of each Party on the first round.

Mr. Deans: It is a question.

Mr. de Corneille: Is this still the question period?

Mr. Deans: It is a question.

Mr. St. Germain: It is a question.

The Acting Speaker (Mr. Guilbault): We are still in the question period. I do not see what the Chair has done wrong in recognizing an Hon. Member who wishes to pose a question. The Hon. Member for Mission-Port Moody.

Mr. St. Germain: Mr. Speaker, the Hon. Member made the statement that we cannot create jobs. Why do people need a job?

Mr. Deans: To get an income.

Mr. St. Germain: To get an income. This is exactly what he said.

Mr. Deans: That is right.

Mr. St. Germain: He suggests a shorter work week. I agree with him that we are going to have to share. In the fifties, sixties and seventies we did shorten the work week. How can the Hon. Member recommend this at this particular point in time when he knows that every small business, from which sector I came just nine months ago, is on the verge of bankruptcy? That sector is the creator of jobs.

The Hon. Member made an excellent speech but he gave no indication of how we are going to bolster the engine of growth which is small business. He claims that we must shorten the work week. I ask in all sincerity how we are going to stimulate growth so that these small businesses can afford it. I agree that some of the larger businesses can afford it, but how can small business afford it?

Mr. Deans: Mr. Speaker, I will be very brief. I will first say that there is no conflict in saying that you cannot create jobs and at the same time talking about looking at the work which needs to be done and doing it. In the process people become employed. I think the Member would recognize that there is no conflict between those two.

With regard to the work week, the argument being put forward by a significant number of people about the inadvisability of moving toward a shorter work week is the same argument that was put forward by basically the same people when the work week was shortened before. Although that argument has a certain appeal, it turns out in the long run not to have any real substance. If we are able to stimulate economic activity by doing a variety of things, as I suggest we will, if we are able to reduce the cost by stabilizing the interest rates and if we are able to stimulate activity in small businesses by virtue of the capital works projects, then the small business

entrepreneur will be in a position to accept a move toward a shorter work week. As a result there will be more people in the consumer marketplace, more people buying his product and more people active in society. That will be to his long-term benefit.

I do not think anyone is suggesting that a shortening of the work week would happen overnight. We must move systematically to reduce it in a gradual way, recognizing that there can be some detrimental effects, but also recognizing that the economy can be stimulated because there is new capital flowing to those small businesses.

Mr. Lang: Mr. Speaker, I would like to comment on the Hon. Member's assertion that there is no resistance at all by the union movement to the apprenticeship program. He made the point, and I agree with it, that in the past business has tended to import skilled labour because it was cheaper to do so. However, government has put up obstacles to this by requiring that any new jobs must be posted across Canada for a full month before an immigrant can take that job. I also agree that business, labour and government all have a role to play in ensuring that a good apprenticeship program comes in and in dealing with the problem in other ways.

I do not think we can whitewash and say that the trade union movement is receptive to the apprenticeship program. They have legitimate concerns that this may be a method of reducing income and cutting costs in the workplace. I think that has to be legitimately addressed. We must set aside some of our natural biases, depending upon our Parties, to address that particular problem. I would like to hear the Hon. Member's ideas on this.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Hamilton Mountain (Mr. Deans) has one minute to respond.

Mr. Deans: I recognize the time is passing quickly, Mr. Speaker. Nothing the Member has said would lead me to believe that there has been resistance on the part of trade unions to the implementation of an accredited apprenticeship training program in Canada. There was resistance by trade unions to the thrust which would result in people being hired at lower wages to do the work already being done by others who would then be unemployed. Great Britain, Sweden, France and Japan have been able to establish apprenticeship programs which allowed young people to enter the workforce and be trained properly in the way in which the work was to be done without impeding or in any way detrimentally affecting the employment opportunities for those workers presently working. I do not see why that cannot happen in Canada. You will find no resistance on the part of the trade union movement.

The Acting Speaker (Mr. Guilbault): Order, please. The time has come to resume debate on the amendment. The Hon. Member for Eglinton-Lawrence (Mr. de Corneille).

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. I do not want to delay this debate because it is an important topic. My recollection, Mr. Speaker, was that you recognized the Hon. Member for Mission-Port Moody (Mr. St. Germain) who then, out of the graciousness for which he is well known in the House, deferred to the Member for Hamilton Mountain (Mr. Deans). It seems to me that under the circumstances, having been recognized, the logical person to be recognized to carry on the debate should be the Member for Mission-Port Moody. You had asked him, Sir, if he would be prepared to defer to the Member for Hamilton Mountain. I will not make any further comment except to say that, in all sense of fairness, he has been waiting and was prepared to proceed. I think it is only equitable that he now proceed with his speech.

The Acting Speaker (Mr. Guilbault): Earlier the Chair humbly recognized that it had made a mistake in not passing from the Progressive Conservative Party to the New Democratic Party since we are in an initial round today. To do what the Hon. Member is suggesting would simply compound the mistake by depriving the other Party from having a speaker in the initial round. The Chair has recognized the Hon. Member for Eglinton-Lawrence.

• (1220)

Mr. Roland de Corneille (Eglinton-Lawrence): Mr. Speaker, youth unemployment is not, as some members of the Opposition claim, a problem that can be solved easily or quickly. The public and the Opposition know that there is no quick fix. Nor is it, on the other hand, as some propose, a temporary aberration that can be blamed on the arrival of the baby boom generation. Rapid growth in the population has certainly had its effect, as has the recent recession, but of more significance I suggest is the way we do business in this country, the way our educational system works and the way we counsel and guide our young people as they prepare to enter the workforce.

Our young people in Canada represent the best trained and best educated generation of our history. Yet it is a cruel irony that many of them are still on the outside looking in, unable to find a job. It is no secret that many young people who are out of work are now coming to the conclusion that their skills and their education are of no use.

The youth of Canada are ready and able to take their rightful place in society and we, as a Government and as concerned adults, must see that they do. Technology is rapidly carrying us to the 21st century, but because of the rapidity of this change, all too often our skills and management techniques are still those of the 20th century. Exciting new jobs are being created that demand workers with specialized training. Our competitiveness in international markets and ultimately our standard of living depend on our ability to fill these jobs with qualified people.

We live in the age of the technician. If we do not train people for the types of jobs available in the labour market, if we persist in producing workers without the right skills, then the unemployment rate will remain high with jobs just going begging. The young people today recognize these facts and are expressing their concerns eloquently and admirably. Certainly

we respect and should encourage the pressure that should always be placed upon government to seek every avenue to try to provide opportunities for young people.

The young people tell us that we must concentrate on the development of skills and human resources for all segments of the youth population. We must generate meaningful activities in the areas of education, training and voluntary services for all those with depressed employment prospects. We must promote a sense of excellence and innovation and encourage young people to identify with these goals of society so that their considerable talents will improve. The public should not be misled that we can do this overnight.

This Government has already taken huge steps to respond to these concerns. Through our Youth Opportunity Fund, we will invest more than $1.3 billion in this fiscal year alone in training, job creation and employment services for young people. That is a significant amount of money.

The Youth Opportunity Fund is a comprehensive and overall global approach to a very complex problem. Through this fund, programs and services are made available for all youth groups, including the early high school leaver who has little or no educational skill that would provide him with a job in the workforce at the present time, students searching for summer work experience and all other young people looking for an entry into the world of work.

Today I would like to focus my remarks, which of course are limited by time, on the national training program and how the Government, through that program, is helping young people develop the skills that will enable them to be truly productive members of Canada's workforce. When the National Training Act was proclaimed in 1982, it allowed us to bring our training system up to date and to prepare Canadians for full participation in this technological era. With it, we have been able to develop policies and programs that compare favourably with those of other countries. The program is designed to help those who need to update their present skills, learn new ones or to be in a better position to find permanent employment.

The national training program is working at its full capacity to give Canadians the skills that they will need to find rewarding jobs. In point of fact, the Government has in place an enlightened program and policy that provides for the training and retraining needs of all its human resources. This Government is at the forefront of activity to develop the talents of all Canadians, but extends a helping hand to those who need it the most. While there is concern for all, undeniably, young people—especially those with little education and skills and those whose education has not prepared them for the realities of the workplace—are prime beneficiaries.

Perhaps at this point I should mention the extent of our financial assistance for training. This fiscal year we will be spending more than a billion dollars to help Canadians upgrade their present skills or to learn new ones. More than half of the total training budget is directed toward the purpose of courses in both public and private learning institutions for individual Canadians. This will provide training opportunities for some 220,000 men and women, nearly half of whom will be young people.

Besides this institutional training, we have in place the industrial training component, projected to train some 61,000 Canadians during this fiscal year. More than 26,000 of them will be young people. Industrial training is highly important as it involves the co-operation and partnership of the private sector where trainees learn a trade under general industrial training or a skill of national importance under the critical skills training stream. The Hon. Member for Kitchener (Mr. Lang) alluded to that program and its importance a few moments ago.

This emphasis on training and retraining in high skill occupations is in fact in effect. It is an important aspect of the national training program. As a result, there has been a sharp increase in the number of trainees in occupations of national importance. In fact, in terms of trainee starts, the number has nearly doubled in less than two years. Occupations are designated as being of national importance when they have traditionally been in short supply or foreseen as being needed in tomorrow's high technology world for which appropriate training action can be taken to prevent or alleviate the shortage.

Another way in which the Government is helping to meet the challenge of change quickly is through what is known as the Skills Growth Fund. This fund, which was established through the National Training Act, assists public institutions as well as non-profit organizations to establish, expand or modernize training facilities. Since this Skill Growth Fund got under way less than two years ago, a total of 247 projects have been approved with a value of more than $165 million. Every province and territory has had projects approved. Both the public and private sectors have benefited. The figures show that public institutions such as community colleges have had 205 projects approved and a total funding of $148 million.

Just two weeks ago, the Government added another $30 million to the Skills Growth Fund for 1984-85. This money, coming as it does from the Youth Opportunity Fund, has been specifically designated to improve training opportunities and facilities for young people. Surely Hon. Members will agree that this is evidence of the Government's concrete action to help young people.

Let me cite a few examples to show how the Skills Growth Fund works to improve training opportunities. A youth job corps program in Toronto is using its $261,000 allocation for employment preparation. The Nova Scotia Nautical Institute in Port Hawkesbury is using its $3.2 million contribution to provide much needed maritime training to more than 300 trainees annually. The Youth Business Learning and Development Centre in Winnipeg has received $107,000 to provide training and clerical assistance to people with special needs. The focus of this project is clerical upgrading, including word processing. The training is computer-based and this innovative approach has already shown to be effective with the project's young clientele. On the West Coast, at the British Columbia Institute of Technology, the Skills Growth Fund has made

possible a new robotics program and the Pacific Vocational Institute is using the fund for a high-tech training centre.

● (1230)

I cite these examples, Mr. Speaker, to illustrate, since large amounts of money can boggle the mind and leave one with a lack of understanding and perception, how the Government is effectively working to ensure we have highly trained Canadians ready to meet the high-skill needs of our future economy. By citing the different places, I have endeavoured to show that this effort is being made across the whole nation, and is trying to provide meaningful opportunities for people to take on jobs in all parts of Canada.

I might add at this point that the operation of the Skills Growth Fund is an excellent example of how this Government co-operates with the provinces as well as with businesses, as we have indicated, in the private sector, and various other organizations, both charitable and community minded, in pursuit of a national goal. It is a comprehensive program involving all phases of community life, public, private and charitable.

A key element in preparing young people to enter the labour market is being able to predict which skills and professions will be in greatest demand in the next few years so that the education and training provided corresponds to the real needs of our economy. To do this effectively, we need to know what the needs will be and where. With this in mind, and in very close collaboration with other governments, labour and business, we have developed the Canadian Occupational Projection System, or COPS. The system has been designed to collect, process and disseminate information on the future supply of, and demand for, workers on a professional basis.

The goal, then, is to plan Canada's human resources better, and especially its young human resources. It is to plan, where there are people with little or no skills, for retraining, or for those who wish to have and need skills in those industries requiring people with special skills, and, of course, the professions. It is a totally comprehensive approach to the entire subject of human resources and employment. It is not a patchwork type of thing, here, there or the other place. It is a total approach to a total problem which has huge and important dimensions to it in the future.

I could go on about the efforts of the Government to train our young people for the world of work, but I am glad that I have had this opportunity to talk about one aspect of it to show that dismissing the work of the Government in a few simple words is most unfair, most ineffective and inaccurate.

I could go on about the efforts of the Government. Just two weeks ago, for example, we announced the establishment of a new youth training option. With $30 million of Youth Opportunity Fund money, this option will offer young people a new form of training lasting up to a year. It is being designed to provide participants with both theoretical training and structured on-the-job training and experience. When it becomes operational around Labour Day, it will truly provide young people with yet one more option for learning. I know that all Members here share this Government's concern for our young people. Obviously this subject would not have been called on this Opposition Day if it were not a shared concern. I think it is important, therefore, for the whole picture to be given.

Our youth are standing on the threshold of greatness in the Canada of the future. We all have a stake in what happens to our young people. With the programs this Government has put in place and is putting in place, we are ensuring they acquire the knowledge, the skills and the experience that will equip them for the way ahead.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments relating to the remarks of the Hon. Member for Eglinton-Lawrence?

Mr. Taylor: Mr. Speaker, the Hon. Member for Eglinton-Lawrence (Mr. de Corneille) mentioned that the starts under the national training program doubled in two years. I believe the national training program came into force in 1982. If you start from nothing, doubling does not mean anything. If you have one and double it, you only need one more. But if you have 1,000 and double it, it would be 2,000. Could the Hon. Member give me the figures he has which show the doubling?

Mr. de Corneille: Mr. Speaker, I do not have the release here from which I cited my figures, but I think to observe that when you start from nothing and you double it you have nothing is a cavalier approach to what I thought was a rather comprehensive description of a very serious and comprehensive program. It is a program which has a great deal of taxpayers' money invested in it and a great deal of thought has been given to it by Canada's civil servants as well as this Government to make it an effective training program for our people. To minimize its scope, to disregard it or to be a cavalier about it is really not the point here. I hope that is not what is intended.

Mr. Taylor: Mr. Speaker, who is minimizing it? I am simply asking for the facts.

Mr. Beatty: He says he does not know.

Mr. Taylor: I am asking what is the figure. Is the conscience of the Hon. Member bothering him? I simply asked for the figure. What was the figure that was doubled? How many starts are being made this year? How many were made in 1982 and 1983? That is all I want to know. I am not minimizing the program, Mr. Speaker, I just want to know the facts. Is there no answer from the Hon. Member?

Mr. Fretz: Mr. Speaker, it is amazing that we did not get an answer to the question posed by the Hon. Member for Bow River (Mr. Taylor). However, we know it is not necessary to answer if the Hon. Member for Eglinton-Lawrence feels he does not want to answer.

During his speech he said that there can be no quick fix. I do not think we are having even a slow fix to the problems we are experiencing in this country today. What we are having is an attempt at patching up. What we need are new initiatives as espoused by our spokesperson this morning, the Hon. Member for Elgin (Mr. Wise). Our Party does espouse job

training, as indicated in the speech delivered by the Hon. Member for Elgin.

We feel job training and job retraining is important, but what we need are brand-new initiatives, which we are not getting. Job training and retraining are not just good enough if there are no jobs for young people to go to. That is the area in which this Government is deficient. That is the area about which this Government is failing to do anything. This Government has literally failed in job training and retraining. Even if that were sufficient in itself, there are simply not the jobs for young people to go into because this Government lacks the determination, the political will and is deficient in the area of philosophy of getting jobs for the young people today.

Mr. de Corneille: Mr. Speaker, I appreciate the comments the Hon. Member has made about his concern about the effectiveness of the programs. By commenting on that, I think he should then provide some examples of where these programs are not reaching out or not meeting people's requirements. What I have been trying to do is to specialize in a certain specific area and provide facts and programs so that Hon. Members and the public may know the wide range of programs being made available to enable people to take on jobs. It is not only a matter of making jobs available but of making Canadians able to work in the jobs that are available or that down the line will become available. It is not possible, and I am glad it has been reiterated, to have a quick fix.

● (1240)

I believe the facts I have presented to the House concerning the programs in place and being funded at the present time will have to speak for themselves. I tried to show the comprehensive nature of them. I hope they will be effective. I know that in some cases in my riding in the City of Toronto they are effective.

We can talk about creating positions, but we also have to talk about the fact that many new jobs have been created. When we talk about figures and statistics, very often we become depressed or concerned about the fact that there is a large reservoir of unemployed. However, it is important that we are creating jobs at a record rate in Canada as compared with other countries in the western world. When we look at that fact and at the training programs available to Canadians, they comprise a policy. I hope the Government will never give up its efforts or feel satisfied with anything less than total employment.

Mr. Patterson: Mr. Speaker, I would like to direct a question to the Hon. Member for Eglinton-Lawrence (Mr. de Corneille), but first I will refer to an article which appeared in my local newspaper. I received it just today. It indicates that the job situation in the Fraser Valley of British Columbia is devastating. This report was the result of the work of a task force established by the Fraser Valley College. In part the article reads:

College principal Dr. Barry Moore said "I found the report just devastating."

Also it pointed out that somewhere between 9,000 and 15,000 youths between the ages of 15 and 24 years are unemployed in the Fraser Valley region. According to the article, Dr. Moore stated:

It's just further indication of a major kind of new era we're going into, where 20 to 25 per cent of the people are not able to find jobs.

That's the prospect. I think we're facing a major, major shift in our society.

The Hon. Member referred to several programs which were put in place by the Government. What percentage of the amounts requested under the provisions of the various programs has actually been allocated to date?

Mr. de Corneille: Mr. Speaker, I would not want to answer that question because I do not have the most recent facts. The Hon. Member should direct that question to the Minister of Employment and Immigration (Mr. Roberts) or to the Minister of State for Youth (Mrs. Hervieux-Payette) in Question Period.

However, I can point out that there are certainly programs in place in my riding. I have cited in my comments certain examples of programs across the country in order to point out that it is a real thing, not merely figures at which one could look and merely say: "Oh, the Government is throwing money at it". On the contrary, the Government is establishing carefully thought out programs in collaboration and consultation with the provinces and with the Public Service to work with institutions such as our universities and community colleges. The total picture involves many organizations throughout the country.

On May 14 there was an announcement by the Minister of Employment and Immigration that 300 projects were being undertaken with Imperial Oil which have just been enlarged. By increasing its fund base, Imperial Oil has been able to add to the program. I refer the Hon. Member to that press release as an example of the specific way in which we deal with the private sector. I am sorry I cannot give him the present statistic as to what is the exact percentage.

[*Translation*]

The Acting Speaker (Mr. Guilbault): Since there are no further questions or comments, the House will now proceed to debate.

[*English*]

Mr. Gerry St. Germain (Mission-Port Moody): Mr. Speaker, I rise to speak on a subject which I wish did not exist in the magnitude it does; as a matter of fact, I wish it was totally non-existent. Youth unemployment is the most terrifying blight which has reared its head in Canada since the depression of the 1930s. It is a serious social problem. If it is not corrected immediately, it will have lasting effects for generations to come.

Most young Canadians find themselves in a dead-end situation, actually on a dead-end street, due to high levels of unemployment. Parents and students have worked hard and sacrificed to obtain education. With unemployment being so high and the prospects so negative, they are asking why they

should obtain a degree or training. This is understandable; I have an unemployed youth in my own home who is trained and educated.

As of April there were 1,235,000 young people attending school full time. Over the next few months, if past experience is any guide, approximately 650,000 young people will attempt to enter the labour force, further magnifying and amplifying the problem. We are entering a new era, one that is totally different from what Canadians have had to face before. Rapidly changing technology, different labour laws and the development of a new philosophical working program surround us.

These changes require a great deal of planning, something which the Government opposite has totally neglected. Also they will require a great deal of understanding and a closer working relationship with our fellow Canadians. With this in mind, it is that much more important for them to have a functional education.

Why are we debating a non-confidence motion today regarding the Government's inability to cope with youth unemployment? The reasons are numerous. I should like to point some of them out in the House today. According to the Government, the current youth unemployment problem is based upon structural problems in the economy. The Liberals have said that we will never again see full employment. It is unadulterated hogwash that we will never see full or even close to full employment again. The structural economic problems to which the Liberals refer point to the mismanagement of the Liberal Government. Its structure for the last 16 years has caused these problems. Growth and jobs will come with good, sound management.

I would like to indicate how ludicrous is the approach of the Government to these problems. It claims that youth unemployment will disappear because the number of youths is declining. What will really happen is that youth unemployment will merely change category in Statistics Canada reports, but the problems will remain. Just the word "youth" will be removed. Yes, in two years or three years youth unemployment will decrease, but the problems will remain given the same administration.

• (1250)

Let me talk a little bit about the social stigma that unemployment brings to a community. The effects are not nice to talk about but it is time we started to recognize them. When people lose their jobs, or cannot get jobs, they lose their dignity. It is not only the families that suffers but entire communities. The riding of the Hon. Member for Fraser Valley East (Mr. Patterson) is directly south of mine. Reports are that we have up to 47 per cent unemployment in my riding. I have raised this matter in the House. Hopefully the Minister of Employment and Immigration (Mr. Roberts) will look at that area. That is an indication of the severity of the problem, as so aptly pointed out by the Hon. Member for Fraser Valley East.

Once someone is unemployed for a long period of time, studies show that it is harder to train and employ such an individual. In Ontario, 20 per cent of those who are hard to employ eventually end up representing 50 per cent of the welfare costs.

Let me get down to the real social problems, problems I have seen as a peace officer in this country. Suicides among those between 15 to 24 have quadrupled since the 1940s. Of 4,000 suicides reported in 1981, 1,300 were teenagers. For each one carried out, there were 100 to 150 attempts. Alcohol consumption by those 13 to 20 years old sharply increased for both boys and girls. Frustrated by a society that appears to offer no future, no hope for the unemployed, they become depressed, despondent and eventually become addicted to drugs. That is the only alternative they see in the bleak window of life that has been caused by mismanagement. The only way out of this dilemma is to change the scene so that our youth can once again look to the future optimistically. They must be allowed to dream and hope must be restored. This can be done only by creating a country where they can develop job skills in trades or professions and become productive participants in this great country.

How did the Liberals attempt to deal with these problems? They first tried make-work programs that included no training. There was the Canada Works program. It was an attempt to delay the inevitable by taking tax dollars and throwing them in every direction. Now what do we hear from the Minister of Employment and Immigration? We should change our approach and start training with U.I. benefits. At last he is starting to listen to what we on this side of the House have been telling him. We must act now. We have a generation adrift.

The Government has been recycling people through its glorified welfare system, from UI to Canada Works. It is a vicious circle that does not go anywhere. I think the Government recognizes this. I went to look at some of the statistics with regard to these programs. In March, 1984 youth unemployment was just over 525,000, as pointed out by the Hon. Member for Elgin (Mr. Wise), a rate of 18.2 per cent. As the Hon. Member for Elgin pointed out, who knows the real figure? It could be as high as 1.4 million youth unemployed.

In 1983 the unemployment rate in Canada for young adults, those aged 20 to 24, was 18.5 per cent. This compared to 18.2 per cent in the United Kingdom, 14.6 per cent in Australia, 14.6 per cent in the United States, 7 per cent in Sweden and 4.1 per cent in Japan. Canada had the highest unemployment rate for young adults of any major western industrialized nation last year. The current rate is 17.1 per cent for both sexes, 19.6 per cent for young adult males.

The Hon. Member for Eglinton-Lawrence said that the Government had created jobs. With all due respect, they were short-term jobs. With all the respect in the world, there was no other way to go. I could see that with the policies it had. We spend about $3.2 million per day trying to reduce unemployment through these programs.

Youth form 25 per cent of the workforce and about 30 per cent of the unemployed. We know that we are in trouble, real trouble. The pre-depression figures—and I use the word "depression"—for June, 1981 show youth unemployment at

12.2 per cent, representing approximately 398,000 unemployed youth. At that time unemployment in the United States for youth was about the same as what it is now. We have surpassed that.

These costly, non-productive programs have jeopardized our economy and placed unreal pressure on small business, the real engine of growth and the only solution to job creation. These programs have led to high taxation. They have bled the country and business by not allowing for hiring and the expansion of youth training and actual youth employment. Excessive taxation, a lack of incentive for investment and no reward for risk by the Government has led to the horror story we see today.

There are solutions. The first one I would like to talk about is co-op education. I have visited Douglas College in my riding and Douglas College in the riding of New Westminster-Coquitlam. What is continually pointed out is the lack of understanding by the federal Government in dealing with the other two levels, the educators and the province.

The Hon. Member for Kingston and the Islands (Miss MacDonald) demanded an amendment to Bill C-12, urging the federal Government to negotiate with provincial education ministers and provincial educators, as agreed to by the Secretary of State (Mr. Joyal). That was raised in the House yesterday. All of this has taken so much time that we are now in the midst of a crisis and the Government is trying to adjust. We have been saying this for the last nine months that I have been here.

The Hon. Member for Eglinton-Lawrence talked about training. You can train everybody in the world to the highest degree, but if they have no job to go to and there is not a sound basis for an economy in which small business can develop, such training is useless.

We have pointed out a solution time after time in this House with regard to youth employment, namely our resources. Youth are adaptable to reforestation employment and physical work. The long-term effects of farming our forests instead of mining them would be beneficial in years to come as well as solving the problem at the present time.

May I call it one o'clock, Mr. Speaker?

[*Translation*]

The Acting Speaker (Mr. Guilbault): Order. I am sorry to interrupt the Hon. Member but it is now one o'clock. He will be able to continue his remarks this afternoon, when the House resumes the debate.

It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

S.O. 21

STATEMENTS PURSUANT TO S.O. 21

[*English*]

UNEMPLOYMENT INSURANCE ACT

DEFINITION OF FULL-TIME AND PART-TIME EMPLOYMENT

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, while following up on a complaint from a constituent last week, I was reminded of the holes in the Unemployment Insurance Act through which a truck could be driven. It seems that the interpretation and the definition of full-time versus part-time employment differs in the Act depending on where the book is opened.

In the case of my constituent, the UIC had completely cut off his benefits because he had taken a part-time job. Fortunately, the national office of the UIC overruled the regional office in Barrie and gave him back his benefits retroactive to the cut-off date.

I feel that there are many people being victimized by the system in this way, most of whom would not think to contact their Member of Parliament to work on their behalf. I maintain that when a UIC recipient suspects that the system is not serving his or her best interests, that person should exercise his or her rights by contacting Ottawa. Meanwhile, it is the duty of the House to realign the Unemployment Insurance Act before the rights of others are completely undermined.

My constituent is happy with the action which has now been taken. What can we do about the thousands of people who are not happy?

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HUMAN RIGHTS

PLIGHT OF ANDREI SAKHAROV AND SPOUSE

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, the civilized world is aghast at the pitiless persecution of both Andrei Sakharov and his wife, Yelena Bonner. The treatment of the Sakharovs is an indication of the Soviet Union's contempt for human rights. Despite signing the Helsinki Final Act in 1975, which specifically confirms the right of the individual to know and act upon his rights and duties in the field of human rights, the Soviet Government has once again shown how few rights and how little dignity the individual is allowed against the brutal and overwhelming power of the state.

Sakharov, who in 1975 won the Nobel Peace Prize and was labeled the spokesman for the conscience of mankind, has been on a hunger strike since May 2. His reason for going on a hunger strike is very simple. His wife is badly in need of an operation, and the Soviet authorities will not allow her to leave the Soviet Union. What type of inhumane system would not grant this simple request?

In light of the treatment of the Sakharovs it becomes easier to understand the actions of a Government that could coldbloodedly bring about the downing of Korean airliner 007,

causing the deaths, of its 269 passengers, including 10 Canadians.

Mr. Speaker: The Hon. Member's time has expired.

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CANADA POST CORPORATION

USE OF FOREIGN MAIL SERVICE BY CANADIAN RESIDENT

Mr. Jim Fulton (Skeena): Mr. Speaker, it is with some regret that I bring to the attention of the House the effects some free enterprisers have upon the costs of Canada's postal service. I have with me today a letter mailed to a Vancouver hospital from Post Office No. 179 in Tijuana, Mexico. The letter carries a 10 peso stamp and a 9 peso stamp. At today's rate of 132 pesos to the dollar, this makes the stamps worth about 15 cents Canadian, less than one half the cost of mailing a letter in Canada to a Canadian destination.

The return addesss on the envelope, which has been carefully concealed by the 9 peso stamp, is Williams and Wilkins, Baltimore, Maryland. The return address inside the envelope is Williams and Wilkins, Box 7220, Ancaster, Ontario. However, on contacting the manager of the Ancaster Post Office today, I learned that there is no Williams and Wilkins in Ancaster, Ontario. That there is no such company in Ancaster was confirmed by Bell Canada. The box, however, is registered to a Mr. John V. Basmajian of 106 Forsyth, in Hamilton, Ontario.

This is an abuse of the postal service of Canada and of other countries, Mr. Speaker. I urge all Canadians who are receiving mail bearing stamps from outside Canada but a return address from inside Canada, to forward the envelopes to Canada's Postmaster, the Hon. André Ouellet, at the House of Commons. By stopping this kind of abuse, we could have a less expensive postal system in Canada.

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POLITICAL PARTIES

LIBERAL PARTY LEADERSHIP CAMPAIGN—ALLEGATION CONCERNING MEMBER OF NEW DEMOCRATIC PARTY

Mr. Gordon Towers (Red Deer): Mr. Speaker, Liberal leadership candidates have been speculating out loud lately about their future Cabinet-making plans. I am reminded of a quip the late Mr. Diefenbaker once made about shuffling a deck of deuces.

Yesterday the Energy Minister alleged that a Saskatchewan NDP Member is considering crossing the floor to join the Liberals. That is the very first time I have heard of a rat swimming toward a sinking ship.

Some Hon. Members: Oh, oh!

Mr. Towers: I wonder how much anguish this revelation will cause in the NDP caucus. Perhaps it will cause none. His colleagues may be happy that he is finally finding a home and a haven in socialist heaven.

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POLITICAL PARTIES

LIBERAL PARTY LEADERSHIP CAMPAIGN—CANDIDACY OF HON. JOHN TURNER

Mr. Gordon Taylor (Bow River): Mr. Speaker, Mr. "Turnaround-Turnabout-Turnover-Turner" certainly knows how to look after himself. He is a director of Bechtel Canada, Massey-Ferguson, and MacMillan Bloedel, to mention a few from which he is putting into his pockets a few thousand dollars every year. He has been reappointed as a director of the CPR, the company to which the Liberals gave a guaranteed annual income at the expense of western farmers. Considering the payments the CPR is making to Turner, it is no wonder that freight rates went up.

If that is not enough to make every ordinary Canadian ill, hear this! As a director of the largest liquor company in the world, Seagram's, poor John receives only $15,000 per year just for his good looks, plus $500 for travelling expenses for every meeting he attends. With a smile on his face, the Chairman of Seagram's told reporters that "from a Seagram point of view it is not a bad thing to have a future Prime Minister on our board". Seagram's will then have a pipeline right into the Prime Minister's office. Seagram's knows what happened to the CPR when it had a pipeline into Liberal offices.

Mr. Turner will not resign his positions. Oh, no, the CPR can go right on extracting the lifeblood from the prairie farmers with higher and higher freight rates. Seagram's can go on increasing liquor prices so that it may continue to buy the favours of the next Prime Minister of Canada. Mr. Turner's answer is that he must look after his security. What about the security of the Canadian people, Mr. Speaker?

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POLITICAL PARTIES

REJECTION OF LIBERAL PARTY'S WOOING BY NDP MEMBER

Mr. Doug Anguish (The Battlefords-Meadow Lake): Mr. Speaker, instead of reading the Regina manifesto, which is the basis of the NDP constitution, this morning, as I usually do, I made the mistake of listening to the CBC world report. You can imagine my shock when I heard a story to the effect that I was planning to join the Liberal Party. So that there can be no confusion, I would like the House to know exactly what my contacts with the Liberal Party have been.

• (1410)

Earlier this year I was approached by a group of people, including some former Conservatives, who asked me if I would consider running as a Liberal in the next federal election. My

answer was no. Nevertheless those who approached me in Saskatchewan then arranged for the president of the federal Liberal Party to call me. Once again my answer was no. They also asked the federal Energy Minister to approach me. Once again my answer was no.

For the enlightenment of the Liberals, and anyone else who cares, I am a New Democrat now, and I am proud to say I will continue to be a New Democrat. I did not initiate any approach to the Liberal Party, and never will. However, the Liberals should not be discouraged from trying in Saskatchewan. Just last month two prominent Conservative executive members and a Conservative MLA announced they were joining the Liberal Party.

Some Hon. Members: Oh, oh!

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AGRICULTURE

APPEAL FOR IMPOSITION OF COUNTERVAILING DUTY ON BEEF IMPORTS

Mr. Lee Clark (Brandon-Souris): Mr. Speaker, cattle production is no longer the healthy, going concern it once was in Canada, and the Government has a duty to help the industry get back on its feet. Cattle producers' share of the consumer dollar is shrinking, farm bankruptcies are increasing, and there have been numerous meat packing plant closures in recent years. Last week Burns Meats of Brandon, Manitoba, became another casualty in a badly ailing industry.

While some factors in the livestock industry are difficult to control, there are steps which the Government could and should take. For example, Canada must offset the trade advantage now enjoyed by subsidized Irish and Danish beef exports into this country. One cannot overstate the potentially devastating impact of these imports on the Canadian cattle industry. In addition, Canada's good trading relationship with the United States is being threatened by the sudden invasion of Canadian beef into its market, beef we can no longer sell domestically. The solution is to introduce a countervailing duty on subsidized Irish and Danish beef imports. Until this occurs, Canada should impose an interim surtax.

Yesterday in this House the Minister of Agriculture (Mr. Whelan) was asked whether he would support these measures. He chose to sidestep both the issue and his ministerial duties by offering absolutely no hint of how, or even if, he intends to take some kind of action. I appeal to the Government to introduce appropriate measures now, before the damage done to Canada's once thriving beef industry is irreversible.

[*Translation*]

Mr. Speaker: The Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mr. Gingras).

[*English*]

Mr. Hnatyshyn: Order! He is a Parliamentary Secretary.

[*Translation*]

FINANCE

STATEMENT BY QUEBEC'S MINISTER OF FINANCE ON TRANSFER PAYMENTS

Mr. René Gingras (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, today I would like to say a few words about the system of equalization payments in Canada.

When a senior citizen comes to my office to talk about a guaranteed income supplement that was cut off because last year his income increased, he usually leaves my office quite satisfied with the explanation he receives. However, when I hear a Quebec Minister of Finance like Jacques Parizeau, supposedly an economist, explain the system of equalization payments in Canada, I am absolutely flabbergasted. Just what is his understanding of the system? Is he an economist or is he terribly inconsistent? He asks for and accepts assistance when Quebec is in trouble and refuses to help the other provinces when Quebec's situation improves. His own figures prove that he has benefited quite considerably through equalization in recent years. And now he refuses to admit that the federal Government and the seventy-four Members from Quebec have anything to do with the improved situation in Quebec. As usual, in line with his separatist philosophy, he takes the credit for positive developments and blames us when things go wrong.

Mr. Speaker, this is definitely a no-win situation for us, and I have therefore decided to let Quebec voters draw their own conclusions at the next elections. My constituents are well aware what my Government has done during the recession in Abitibi, compared to which the Parti Québécois's contribution was peanuts. They will realize—

Mr. Speaker: I am sorry to interrupt the Parliamentary Secretary, but his time has expired.

[*English*]

With respect to the interjection at the beginning concerning whether or not Parliamentary Secretaries can make Standing Order 21 declarations the rules are quite clear, yes. Questions are another matter, but under Standing Order 21 Madam Speaker Sauvé was most explicit that this should be permitted.

ORAL QUESTION PERIOD

[*English*]

POOLS

CANADA SPORTS POOL CORPORATION—ALLEGATIONS CONCERNING STAFFING APPOINTMENTS

Hon. Bill Jarvis (Perth): Mr. Speaker, my question is directed to the Minister of State for Fitness and Amateur

Sport. In this morning's edition of *La Presse*, the Canada Sports Pool Corporation was described as a veritable nest of patronage reserved for members and friends of the Liberal Party of Canada. The article went on to give names and appointments in support of this allegation.

Given that, above all others, any national organization devoted to support Olympics, medical research, and amateur sport, should be free of such allegations, I want to give the Minister the first opportunity to deny categorically the allegations contained in that article. I ask him if he is in a position now to give the House, and the country, that categorical denial?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I would like to point out to the Members of this House that the newspaper article in question, which says that friends of the Party in power were appointed to the Canada Sports Pool Corporation, does contain a modicum of truth,, but there are also some statements that are entirely wrong. Certainly, there were people who belonged to the Liberal Party, but there are also individuals who belong to the Progressive Conservative Party, and I cannot deny that either. What I can say is that belonging to a political party is not, and never will be, a requirement for appointment. In this area, the Canada Sports Pool Corporation was led by a concern for competence and success. The basic requirement as to select individuals who had been successful with Loto Canada, before the Progressive Conservative Government decided to abolish the Corporation and hand over $500 million to the provinces, and that is strictly what happened.

[*English*]

Mr. Jarvis: We in this Party look for competence and success also. But if there are any profits flowing from this sports pool, our concern is that they are not skimmed off by the sticky fingers of a bunch of Grit hacks. That is our concern.

Some Hon. Members: Hear, hear!

APPOINTMENT OF FORMER ASSISTANTS TO MINISTERS

Hon. Bill Jarvis (Perth): I wonder if the Minister could explain, Mr. Speaker, if it is by design or by coincidence that the ex-president of his riding association has received an appointment; that one organizer and one former assistant to the Minister of Finance received an appointment, and that a former Minister's assistant received an appointment in Manitoba. Are we to believe that that is sheer coincidence, or is it not, frankly, sheer design on behalf of the Liberal Party?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, as I said before, belonging to a political party is not a requirement for appointment to the Canada Sports Pool Corporation. However, if intelligent individuals have decided to support a political party, this is a free country, and if they decide to do so, they can. Now, if my hon. friend opposite wants me to publish the names of people on the other side who have asked me to try and support certain appointments, I am willing to do so, and I should be quite happy to reveal the names of those hon. friends opposite.

[*English*]

QUALIFICATIONS FOR APPOINTMENTS

Hon. Bill Jarvis (Perth): In that case, Mr. Speaker, if nothing else but in the interests of fairness to Liberals everywhere, I wonder if the Minister could make public the qualifications for appointment. For example, is a 72-hour Liberal qualified, or must he or she have been a long-term member? If he or she is a donor, for how many years and for how much? The simple question is this: what are the qualifications for these Liberals before they receive the Minister's permission to jump into the porkbarrel and wallow around at the taxpayers' expense?

Some Hon. Members: Hear, hear!

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, once again, the Progressive Conservative Party did not spend enough time on its homework.

Let me give an example. Notices were published across the country. In fact, the Opposition Critic mentioned that jobs were available with the Canada Sports Pool Corporation. There were 1,200 job applications across the country. We are still examining these applications and interviewing prospective candidates.

Membership in the Liberal Party, Progressive Conservative Party or the New Democratic Party is not a requirement. However, if there happen to be intelligent individuals in the Canada Sports Pool Corporation who support the Liberal Party, all I can say to them is: thank you! They are just smarter than the rest. They know we want to do something for amateur sports. They know we want to make the Pool a success. In fact, we want to try and make up for the complete mess the Progressive Conservative Party made when it signed the agreement in 1979 and gave everything to the provinces, leaving nothing for amateur sports in Canada, for the Calgary Olympics, the Canada Games, the Panamerican Games or the Commonwealth Games! That was the policy of the Progressive Conservative Party.

• (1420)

[*English*]

Mr. Bosley: And, Mr. Speaker, the Liberals will never bring in wage and price controls either.

Some Hon. Members: Hear, hear!

REQUEST FOR APPOINTMENT LIST—REFERENCE TO LOTO CANADA EXPERIENCE

Mr. John Bosley (Don Valley West): Mr. Speaker, my question to the same Minister is very simple and is in two parts. Will the Minister file with this House a complete list of all those who have been hired?

Secondly, since the Minister says people have been hired because of their Loto Canada experience, will he tell this House which of the following is the truth—one, that the Sports Pool is not a lottery, in which case using the defence of lottery experience is just a sham and cover-up for hiring Liberal organizers, or, that the Sports Pool is a lottery and that experience is useful, in which case the Minister has broken his agreement with the provinces?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): First of all, Mr. Speaker, anyone who has worked for Loto Canada has gained an experience which can be useful in sports pools since he is expected to contact retailers and corner store owners to ask them whether they are interested in supporting a worthwhile endeavour from coast to coast. We do have previous experience and we recall that the provinces asked us to sign that agreement because there were profits to be made. You decided to let the provinces take over the whole operation, which is a fair indication that Loto Canada employees were doing a good job and running a profitable business. And if the Canadian Sports Pool Corporation thought that anyone who had worked for Loto Canada had good credentials, I said: Indeed, Sir, that is true!

[*English*]

Mr. Bosley: Some day, Mr. Speaker, the Minister is going to have to admit that the Government of Canada made a great deal more money out of that agreement than it is going to make out of the way this Government is running the proposal.

RATIONALE FOR CREATION OF SPORTS POOL

Mr. John Bosley (Don Valley West): Mr. Speaker, my question to the Minister is quite simple. The Minister knows full well that the experience with sports pools has not been good and that the probable financial success of this particular corporation is in some doubt, in the minds of many people. Given the evidence produced by the press, will the Minister now finally admit that the real reason behind creating the Sports Pool was not the Olympics, was not medical research, and was not amateur sport, but was in fact an opportunity created by the Government to put back on the public payroll, at big salaries and huge expense, Liberals who were put out of work when Loto Canada was killed?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, it is inconceivable that Members opposite have yet to understand that we need money to help amateur sports in Canada. Since we are talking about money, people have had enough of taxes, and the only way to find a new source of revenue was to set up the Canadian Sports Pool Corporation, and that is why we created it. The Progressive Conservatives are free to speak against amateur sports and raise objections against the fact that we want to help Calgary. But we are in favour of that, we are in favour of promoting medical research and we want to do everything we can to support amateur sports. If they are against that, so be it!

* * *

[*English*]

PENSIONS

CLOSURE OF CCM PLANT—LOSS OF EMPLOYEES' PENSION BENEFITS

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my question is not about lotteries, although what I am going to ask the Minister of Finance about is rapidly turning into a bit of a game of chance. Recognizing that Canadians contributing to pension plans are entitled to expect that their hard-earned contributions will entitle them to a reasonable return when they retire, will the Minister take a look at some recent cases, such as Prestolite in 1978, and the most recent being CCM, which left 450 workers without any pension benefits, and determine how it can be that the federal Government, through the Enterprise Development Program, bailed out the Royal Bank, CCM's major creditor, to the tune of $8 million, while every single one of its 450 employees lost their pension benefits because CCM closed down?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member is certainly aware that a Parliamentary committee has carried out a complete review of the various pension schemes and tabled its report. Based on this report, I proposed in my last budget a number of improvements to the Canada Pension Plan. I hope Parliament will support my recommendations and proposals. I should like to remind the Hon. Member, however, that over 80 per cent of corporate pension funds in Canada come under provincial jurisdiction. If he considers the cases which he has referred to, I think he will realize that these particular pension funds were regulated by the government of Ontario, and that the regulation and control of the pension funds in question were a provincial responsibility.

Now, this remains a serious problem which should be under constant review by both the federal and provincial levels of government.

As to the assistance provided under the Enterprise Development Program, it was meant to maintain jobs in an industry faced with major difficulties and not to salvage a particular bank.

[*English*]

REQUEST FOR LEGISLATION TO PROTECT WORKERS' PENSIONS

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I put it to the Minister that the problem does not require further study. It is clear that employees who have contributed over the years to company pension plans in Canada face the risk, in fact the probability, that during economically depressed times such as we have been having, their pension plans will disappear with their jobs. Will the Minister bring forward legislative proposals to alter the Canada and Quebec Pension Plans to ensure that the pension contributions of employees, whether private or public, will be protected in the same way as the Royal Bank investment was protected in the case of CCM?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, obviously the Hon. Member will have to do a little bit of study himself after having said the problem does not need study. In his first question he asked me whether I would study the matter, and then in his second question he said it does not need study. He should at least be consistent from one question to the other.

The Hon. Member suggests that we should amend the Canada and Quebec Pension Plans to achieve the purpose he mentions. He knows, or should know, that it is not by amending the Canada and Quebec Pension Plans that you can achieve that purpose. Contributions under the Canada and Quebec Pension Plans are fully protected, by the Quebec Government in the case of the Quebec Pension Plan, and by the Canadian Government in the case of the CPP. What the Hon. Member is worried about is private pension plans, and this is outside of the ambit of the Quebec and Canada Pension Plans. As I mentioned before, over 80 per cent of the pension plans in the private sector are under the control of the provinces. The question of the specific cases he has referred to should be addressed in particular to the Governments of the provinces concerned.

PROTECTION OF PRIVATE PENSION PLANS

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, as you know, I did not ask the Minister to study it further; I asked him to investigate that specific instance. More important, I know that the Canada and Quebec Pension Plans do not cover it, otherwise I would not have asked for changes in the law to cover it.

Will the Minister recognize the need for protection of private pension plans into which people have been paying all their lives? Will he recognize that there are significant numbers of workers in Canada who are now over the age of 55, who cannot find employment or get unemployment insurance because they have run out of benefits, and who do not qualify for assistance, and they cannot even get their pension money? Will the Government move to negotiate changes in the pension arrangements in order to protect the pension investments of Canadian workers?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, if the Hon. Member is asking whether the federal Government will discuss this particular issue with the provinces and see whether they can take steps in their own area of jurisdiction to ensure better protection under pension plans, of course we will do it. We have been doing it in the past, and we will continue to do it.

However, as far as imposing any particular legislation on the provinces in that regard is concerned, the Hon. Member knows that this cannot be done and should not be done.

* * *

● (1430)

NORTH ATLANTIC TREATY ORGANIZATION

SIZE OF CANADIAN CONTRIBUTION

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, my question is for the Minister of National Defence. Last November 18 in reply to a question from myself here in the House, the Minister stated, as reported on page 28979 of *Hansard,* that "Canada needs to take a back seat to no one in terms of its NATO contribution." At approximately the same time the Minister was presenting to his Cabinet colleagues a document that stated, among other things, and I quote:

> If a major international crisis were to occur, the Canadian Forces could not make a credible contribution to deterrence.

The fundamental purpose of NATO is deterrence. By the Minister's own words in this Cabinet document, we contribute nothing to deterrences. For the sake of his own credibility, would the Minister at least admit to the House that he was in error last November and that in fact Canada is not contributing significantly, or even modestly, to NATO deterrences?

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, the statement I made in November was valid in November. The statement I made then is still valid today. If the hon. gentleman were honest, Mr. Speaker, he would recognize that he had made allegations of like kind on a number of occasions in committee. I responded at that time. If he reviews the transcripts of the committee hearings he will see that I maintained the strength of Canada's contribution to NATO. I maintained, as well, the competence of that contribution.

The hon. gentleman knows that he made allegations which he claims were supposedly contained in a leaked document. He knows that I have refused to comment on any leaked document. He knows furthermore, Mr. Speaker, that if there were such a document, being a Cabinet document, it could not be subject to comment.

Mr. Andre: Mr. Speaker, one wonders how the Government expects to receive any respect at all from Canadians or our NATO allies, with that kind of attitude.

REQUEST FOR POLICY CHANGE

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, the Cabinet document describes the sad condition of all three services, but in particular the Navy. It points out, as other people have done, that by the end of this decade we will have 12 serviceable ships in the Navy for a country with a coastline 100,000 kilometres long. As the Minister has pointed out in that Cabinet document, the Navy cannot live up to its defence commitments.

I will quote from the public record of what the Minister stated before the Senate. He said:

> Currently approved funding levels fall some billions of dollars from the levels that would be necessary over the next 15 years to completely modernize the maritime force at the currently authorized levels.

In other words, this public statement by the Minister confirms what the Minister said in his Cabinet document, namely, that it is a facade to pretend that our maritime forces are living up to NATO commitments.

If the Minister is not going to commit, to use his own words, the billions of dollars the Navy requires, will he at least have the integrity to admit that we shall have to change our defence policies and rely even more on the Americans to protect our coastline because we are incapable of doing it ourselves?

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker the hon. gentleman recognizes that last July I signed a contract to obtain six new frigates. The hon. gentleman knows as well that at the same time I announced the TRUMP, the Tribal Class Update Modernization Program. The hon. gentleman knows that those two programs were advanced in recognition that we needed to update our capital equipment in terms of the Maritime Command. There is no great mystery in that, Mr. Speaker. That is all part of the Government's attempt since 1974-75 to increase our investment dramatically in capital equipment.

The hon. gentleman will recall that in 1974-75 the Government spent $2.5 billion in defence expenditures. At that time the percentage given to capital equipment was roughly 8 per cent. This year I will be spending $8.7 billion. That is more than a $6 billion increase in 10 years in defence expenditures, Mr. Speaker. This year I will be spending over 26 per cent, as compared to 8 per cent in 1974-75, on capital equipment. That is a tremendous increase, Mr. Speaker. It is money well spent. We will continue to increase our spending in this area. In 1986-87 I will be spending $11.1 billion, Mr. Speaker, in order to provide the best equipment for the best Armed Forces there are within NATO.

Some Hon. Members: Hear, hear!

Mr. Nielsen: You will not be around.

Some Hon. Members: Hear, hear!

Mr. Speaker: The Hon. Member for York-Peel. Does the Hon. Minister of National Defence rise to be recognized?

Mr. Blais: I rise to complete my reply, Mr. Speaker.

Mr. Speaker: It appeared that the Hon. Minister had given a fairly lengthy reply. The Hon. Member for York Peel.

RATE OF GROWTH IN DEFENCE EXPENDITURES

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, my question is also for the Minister of National Defence. Would the Minister simply assure the House that the Government has indeed approved the maintenance of a 3 per cent annual real growth in expenditures for defence for this fiscal year and for the fiscal years 1986 and 1987?

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, I am glad that the hon. gentleman asked me that question. As you will recall, in 1979-80 when the hon. gentleman was President of the Treasury Board he was referred to as "Sinc the Slasher". Those were the days when we did not meet the 3 per cent net increase which the hon. gentleman mentions. In effect there was a net decrease in defence expenditures during the time when that hon. gentleman was responsible for the direct Treasury, Mr. Speaker.

As far as the Government is concerned, we are maintaining our 3 per cent increase. As I advised the Committee on External Affairs and National Defence this week, I have accepted to submit to my colleagues a force goal for NATO of a net increase of 4 per cent in real expenditures for the military.

REQUEST FOR GOVERNMENT COMMITMENT

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, my supplementary question is also for the Minister of National Defence. I would like him to answer the question that I put. Would he indicate to the House whether the Government has definitively committed to a 3 per cent real growth expenditure increase not only for this fiscal year, but for the fiscal years 1986 and 1987? In short, can he assure the House that the Government has agreed to fund fully its commitment to NATO and our defence commitments generally at a 3 per cent real growth rate for the years to which I have referred?

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, I was in Brussels last week.

Mr. Nielsen: Yes or no?

Mr. Blais: The Member for Parry Sound-Muskoka was with me at the time I made this statement. I indicated that Canada's undertaking to meet the 3 per cent real growth commitment is a real one, and one which I propose to honour.

Mr. Stevens: Is it approved?

Mr. Blais: I suggest again, Mr. Speaker, that the proof of the Government's performance lies in how we have done in the past. Over the past five years, except for the time when the hon. gentleman was in government, our real rate of increase was 3.5 per cent in terms of defence expenditures.

Oral Questions

BROADCASTING

CONTROL OF ABUSIVE PROGRAMMING

Mr. Jack Masters (Thunder Bay-Nipigon): Mr. Speaker, my question is for the Minister of Communications. Pornography is an increasing concern to Canadians. At the moment the Subcommittee on Communications and Culture is studying sexual abuse in broadcasting. Is the Minister contemplating any action on Bill C-20, which is an Act to amend the Broadcasting Act, to address what is a very great concern to many Canadians?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, this is indeed an issue which we take very seriously. I have followed very closely the proceedings of the Special Committee on Communications and Culture which has heard a number of witnesses on this issue. I have also had the opportunity to discuss it at length with the Minister of State responsible for the Status of Women, and with my Cabinet colleagues. We have indeed decided to introduce an amendment to Bill C-20 to deal with the problem of abusive programming, particularly as it relates to women.

• (1440)

I think that this amendment will indeed make explicit the Government's commitment to the principle that all Canadians have the right to programming which respects the dignity and equality of individuals and groups. I would very much hope that we would have the co-operation of the Opposition to see to it that this amendment to Bill C-20, along with Bill C-20 as a whole, is adopted by the House as soon as possible.

* * *

HOUSING

ALLOCATION OF GOVERNMENT FUNDS

Mr. Dan Heap (Spadina): Mr. Speaker, my question is directed to the Minister of Public Works, who is responsible for housing. As the Minister knows, his Government allotted $1.8 billion in 1983 to subsidize housing in Canada. Of that, $372.5 million went to non profit housing, including co-ops, and $393.4 million to publicly owned housing, which is about 41 per cent of the total. The other 59 per cent went to private profit builders and renovators.

Considering that private profit builders serve the more affluent people in Canada and that subsidies to them encourage inflation of housing costs, why did the Government give nearly three-fifths of the total subsidy to the affluent, and a little over two-fifths to the needy?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, while not accepting the Hon. Member's convoluted arithmetic, I would tell him that this Government, in social housing terms, has done a great deal. In fact, if the Hon. Member bothers to look at the annual expenditure, he will realize that this Government does more than all of the provinces put together.

The Hon. Member also confuses different types of housing which constitute social housing. That is why, if he attends meetings like the one held in Toronto the other night, he may be tempted to confuse co-op housing and social housing. The reality is that the problem of co-operative housing concerns the percentage of those who are assisted and who benefit from the program. In fact the Hon. Member should know that the queue of those waiting for social housing, including singles, ex-psychiatric patients, and battered women, is growing longer. It is to these groups that I have tried to give some attention in the past couple of years.

Mr. Heap: If the Hon. Minister had accepted the invitation that he was extended to meet with 700 people on Tuesday, he could have presented that point directly and tried to make it credible. In fact, he dodges the arithmetic that he talks about.

FUNDING FOR CO-OPERATIVE HOUSING

Mr. Dan Heap (Spadina): Mr. Speaker, the Minister has reduced the total social housing budget for this year by 10 per cent, to 22,500 allocations, but he has cut co-op housing by 45 per cent, to 3,339 allocations. Since his own CMHC report admitted last year that the capital costs of co-op housing are not significantly different from the capital costs of private profit housing, will he tell us why he has so savagely cut the allocations for co-op housing, and will he announce now where he will place the 7,653 allocations that he has not yet announced this far into 1984?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, the Hon. Member should know from answers in the House that in fact, for a number of years, we had been given more than the normal allocation in social housing units in order to create some economic activity. It was understood all along by those who bothered to find out that, at one point, we would come back to the 22,500 level, where we are this year.

As for the reduction in one type of social housing, co-op housing, again I say to the Hon. Member that, as we face the problems of homeless singles, the problem of ex-psychiatric patients who have nowhere to go, and as we face the problems of rural and native housing, housing those who are the worst housed people in our country, we had to do some reallocation, and that is what I have done.

* * *

NATIONAL REVENUE

DEPARTMENT'S ECONOMIC INTELLIGENCE NETWORK

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, my question is directed to the Minister of National Revenue. It concerns the economic intelligence network of his Department, which appears to have been set up by someone who has seen too many B movies and felt it was necessary to

have a group of gum shoes within the tax Department. In view of the fact that his chief of audit, Mr. Robertson, said that the group was killed because he found it frightening in its perception, why was the group ever established in the first place? Was it established with the knowledge of the then Minister? Precisely what was the nature of the information which the group hoped to get from External Affairs, the RCMP, FIRA, Statistics Canada, Energy, Mines and Resources, and from informers?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Mr. Speaker, I think the Hon. Member was perfectly right in stressing the fact that this group was never operational and that, after the concept was developed, the departmental authorities decided that it did not meet its objectives. I am in complete agreement with this decision.

The idea was to have a special group appointed to collect information on larger companies, which information could be used to further clarify certain income tax returns. As was indicated by the Hon. Member, when this concept was developed, it was not considered to be compatible with the objectives of the Department and it was felt that it would not be proper to implement such a system in view of the nature and the function of the Department. In other words, this system was never put into effect and has never been operational.

[*English*]

APPROVAL FOR CREATION OF NETWORK

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, was the previous Minister aware of this group? Did he approve of the creation of this group within his Department? Second, would the Minister tell the House whether any files were developed, such as files on individuals or specific taxpayers and, if so, what has been done with those files?

Finally, will the Minister give the House the unequivocal assurance that this group has not simply been buried within his Department and reconstituted within another branch of his Department?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Mr. Speaker, on the first question about whether or not my predecessor had given his approval, I shall have to check first. In the second place, I would like to assure the Hon. Member that this system is not operational in any form whatsoever in the Department and that we have no intention of using it in any way.

[*English*]

STATISTICS CANADA

SECURITY OF INFORMATION

Mr. Gordon Towers (Red Deer): Mr. Speaker, my question is directed to the Minister of Supply and Services. Has the Department of Supply and Services, through Statistics Canada, ever provided any information for the Department of Revenue?

[*Translation*]

Hon. Charles Lapointe (Minister of Supply and Services): As I stated in a press release at noon, Mr. Speaker, I would suggest it is quite irresponsible to imply even indirectly that Statistics Canada does not maintain full confidentiality with respect to data collected from Canadians. Statistics Canada has now been in existence for 65 years and that has always been the basic principle underlying all its operations. Under no circumstance has any Statistics Canada employee given information to any spy ring whatever, as reported in the article. Indeed, any employee who would release that kind of information would be subject to legal action under the law.

* * *

[*English*]

THE ADMINISTRATION

LIBERAL PARTY LEADERSHIP CAMPAIGN—ACCEPTANCE OF DIRECTORSHIPS

Hon. Don Mazankowski (Vegreville): Mr. Speaker, I wish to direct my question to the Prime Minister. In the course of his discussions with the Liberal leadership candidates about campaign guidelines, was the issue of the acceptance or renewing of directorships on prominent boards of directors of Canadian companies ever raised and discussed? If so, were there guidelines established? I ask this in light of the fact that one of the candidates, since the campaign started, has accepted the renewal of his appointment to the board of directors of CPR, and just yesterday it was reported that the same candidate, Mr. Turner, accepted re-election to the board of directors of Seagram's, which prompted the Chairman of Seagram's to state: "From a Seagram standpoint it would not be a bad thing to have a future Prime Minister on our board". Would the Prime Minister indicate whether that was discussed during his discussions with the candidates?

Right Hon. P. E. Trudeau (Prime Minister): The answer to the question is no, Mr. Speaker. However, I would volunteer that statements by third parties have nothing to do with what the leadership candidates and myself have said to each other.

Mr. Mazankowski: Will the Prime Minister not agree, as I am sure most people would, that the statement made by the Chairman of Seagram's implies an expectation of favouritism? Does the Prime Minister not think statements like that and candidates reaccepting appointments to boards really serve to

tarnish the image and, indeed, the credibility of people in public life?

● (1450)

CPR DIRECTORSHIP

Hon. Don Mazankowski (Vegreville): Mr. Speaker, may I ask the Prime Minister how can the farmers of Canada have any hope, confidence, and trust in this administration when the Minister of Transport is so closely aligned to one of the leadership candidates, Mr. Turner, who is on the board of directors of CPR? Furthermore this situation is compounded by the fact that the former chairman of the CPR is serving in the Senate, and the former chairman of the CNR is serving as the Grain Transport Agency Administrator. How can farmers expect to get a fair deal from this regime?

Some Hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member is free to do what I would not want to do, that is, to take sides in favour of one, or against one of the federal leadership candidates. I do not believe he has a delegate's vote. I take it that his enjoinder to people on this side is hidden support for the Minister of Agriculture, which I am sure the Minister of Agriculture will acknowledge.

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METRIC CONVERSION

ENFORCEMENT OF REGULATIONS—MINISTER'S STATEMENT

Mr. Bill Domm (Peterborough): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. She was asked on November 2 if she would enforce metric regulations after Judge William Ross said it was legal to use imperial measurement. The Minister of Consumer and Corporate Affairs said:

—the law prevails and we will not be able to enforce any of those regulations in the Province of Ontario.

She later amended this statement to include all of Canada.

Why does the Minister propose to ignore the law now and, according to her recent press release, pass an Order in Council in July, after Parliament recesses in June, which would make mandatory the use of metric weigh scales?

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, the Hon. Member is manufacturing statements that are not included in the press release. I recommend he buy himself a new pair of glasses and read the press release again. The press release states very clearly that we have gazetted our intention, as provided to us by an Act of Parliament, to regulate metric and imperial advertising. We are, indeed, extending regulations that were in effect up until the end of this year. This extension of regulations has been done because of the many, many requests that were put forward by such umbrella organizations as the Consumers' Association of Canada and the Retail Council. In fact there were 242 member organizations at a metric forum that requested we put regulations in effect that would call for both metric and imperial advertising; advertising only. It does not refer to any use of metric scales.

Mr. Domm: Mr. Speaker, the Minister of Consumer and Corporate Affairs might be able to convince some of those pea-brained dinosaurs in the Liberal Cabinet that it is not a new Order in Council, but I would suggest that the Minister read her own press release that says the amended regulations will be published shortly in *The Canada Gazette* and would become effective early in July. I say to the Minister: Pay attention to your own press releases.

SALARIES OF METRIC COMMISSION EXECUTIVES

Mr. Bill Domm (Peterborough): Mr. Speaker, I have a supplementary question for the Minister of Consumer and Corporate Affairs. Under the freedom of information legislation I have obtained a government document from Consumer and Corporate Affairs which indicates that $270,000 will be spent on Metric Commission executive salaries in 1984-85 representing a reduction of less than half a person year. The total salary costs for the Metric Commission in its phased-out year will exceed $1,663,000. The Minister better face up to the people of Canada. Is she going to phase out the Metric Commission, and is she going to pass Orders in Council against the decision of the Judge in the Ontario courts?

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Yes, Mr. Speaker, we are going to phase out the Metric Commission, as was the original plan laid out some time ago. The reason for the phasing out is that the work is done. Canada is now very close to being totally metric.

Some Hon. Members: Oh, oh!

Mrs. Erola: And the metric forum to which the Hon. Member was invited, and in which he participated, indicated that there is overwhelming support for metric, that the children of our country are now fully familiar with the metric system. It is only the dinosaurs on the other side of the House who still cannot count.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

* * *

TRADE

BEEF IMPORTS FROM COMMON MARKET COUNTRIES

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, I have a question for the Minister for International Trade. I believe he is behind the curtain.

Mr. Darling: He is hiding.

Mr. Hargrave: My question deals with the matter of subsidized Common Market beef imports. The Minister should be aware that these beef imports have already depressed our Canadian cow markets right across the country, by $5 per cwt. They have upset our normal trade patterns with the United States. The Minister should also be aware that our total beef imports for this new calendar year are up by 40 per cent, and those coming specifically from the Republic of Ireland are up by 306 per cent. In view of the fact that the Common Market has over 600,000 metric tonnes of surplus stocks of beef in storage, how can the Minister justify this extreme situation wherein Canada has certainly become the dumping ground for the Common Market's expensive mistakes with its overly rich subsidies?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, the Hon. Member outlines a situation that is factually quite accurate. There has been a vast increase in the shipment, from Ireland in particular, of beef into the Canadian market. As I believe I indicated to the Hon. Member, or to some other Member in the House on a previous date, to guard against the situation of dumping, if the Hon. Member is suggesting—to use that word—that pricewise this meat is being dumped, as well may be the case, then there is provision in Canadian law for the people who are being affected to take action by way of making a dumping complaint, which triggers an investigation that can result and will result, if the facts are there, in restrictions being placed on that unfair competition to Canadian producers.

The Government has provided these laws to give that sort of protection to Canadians who produce, in this case, meat. But it is they who are being affected and they must initiate an action in order for a remedy to be provided in this regard.

In relation to what the Hon. Member says about the European Community's agricultural practices, there is no question but that the practices they are following are, in effect, subsidizing many of their agricultural exports, are wasteful, costly to their own taxpayers, and have a very disturbing impact upon world trade.

Mr. Hargrave: Mr. Speaker, let me say to the Minister that the cattle producers of Canada are very much aware of these regulations and particularly of how long it takes to get action. The Government, as recently as last week, did indicate some support for the recommendations of the beef import advisory committee. It is a situation almost as serious, right now, as in 1975-76 when we had unrestricted access to our markets by off-shore imports. That is how serious it is right now, Mr. Speaker.

GOVERNMENT POLICY

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, I have a supplementary question for the Minister for International Trade. Is it possible that the Government's reluctance to act now, or earlier since it has known about this since February 16, relates to the current Liberal leadership campaign to be followed by the election, of course, and the well know Liberal policy approach of a cheap food policy in Canada?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, I want to say it has absolutely no relationship to anything of that type. The Hon. Member has to realize that, rightly or wrongly, the law provides a certain trigger for the investigation to take place. That is the same law that was in existence when the Clark Government was in office, and it is in existence now. It is a very sensible provision, and it is one which many countries have to deal with in these sorts of situations. Producers should take advantage of that provision. Certainly we are anxious to provide all appropriate protection against unfair overseas competition such as dumping. If the Hon. Member has time later this afternoon, he should drop down to my office and we can talk to the officials in the Department to see whether there is anything else we can do.

* * *

• (1500)

EXTERNAL AFFAIRS

BRAINWASHING OF CANADIANS IN CIA FUNDED EXPERIMENTS—UNITED STATES POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. It concerns the brainwashing of a number of Canadian citizens in Montreal, funded by the CIA of the United States. In a letter to the Hon. Member for Winnipeg North written on May 10, the Minister described this act as a breach of sovereignty. Also he indicated that the Government of the United States had orally expressed its apology. Unfortunately, a spokesperson for the United States denies that what the Minister said is the case.

Considering that the public revelation of such regrets or an apology is an important means for these Canadians to obtain justice in the U.S. courts, will the Minister tell the House what official of the U.S. State Department, or of the CIA, made the apology?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, the expression of apology or regrets made by the representatives of the United States, or a representative of the United States, took place some years ago. There was an exchange of correspondence by one of my predecessors, the present High Commissioner to the United Kingdom, in which I believe he conveyed to a Member of Parliament the fact that a representative of the United States had expressed regret at this incident in Montreal.

There are other corroborative evidences within the Department by individuals still serving in the Department who recall this particular incident. There is no doubt in my mind that at that time there was an expression of regrets or an apology by the Government of the United States or a representative of the State Department.

Recently that has been denied or reinterpreted by a representative of the United States Embassy in Ottawa. Quite apart from that particular point—and it is an important one—the officials of my Department are under standing instructions to continue to press vigorously the case of those Canadians who, we believe, suffered an injustice in the experimental psychiatry which took place at the Allan Memorial Institute in Montreal.

* * *

PETITION

MR. BLAIKIE—ACCESS TO HEALTH SERVICES

The Acting Speaker (Mr. Herbert): Order, please. I have the honour to inform the House that the petition presented by the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie) on Wednesday, May 23, 1984, meets the requirements of the Standing Orders as to form.

* * *

OFFICIAL REPORT

The Acting Speaker (Mr. Herbert): The attention of the Chair has been drawn to an unparliamentary remark which appears on page 3953 of *Hansard*. The remark is attributed to the Hon. Member for Lethbridge-Foothills (Mr. Thacker). If it is correctly attributed, perhaps he would like to withdraw the unparliamentary remark.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I draw your attention to *Hansard* of May 23, in which I am reported as having called the Hon. Member for Cowichan-Malahat-The Islands (Mr. Manly) a liar. I said: "You're a liar". What I should have said is that he was not telling the truth. In view of the fact that the Hon. Member is a man of the cloth, his remarks so enraged me that I said: "You're a liar". I withdraw that remark.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Hnatyshyn: Mr. Speaker, would the Government House Leader outline for us the proposed business of the House of Commons for next week?

Mr. Pinard: Mr. Speaker, tomorrow we will be dealing with second reading of Bill C-33. On Monday, we will start debating second reading stage of Bill C-25, respecting CDIC. On Tuesday and Wednesday of next week, we will start debating a Bill that will be introduced tomorrow, notice of which has been given on page X of the Order Paper. It is an Act to amend the National Housing Act. This Bill is interrelated to our mortgage protection plan. There is another Bill which is interrelated to the same plan and it will also be introduced tomorrow. It is intituled: "An Act to amend the Interest Act". These two Bills are interrelated to our mortgage interest protection plan. The first one to be dealt with on Tuesday will be the one amending the National Housing Act. Those two Bills will be introduced tomorrow and will be debated on Tuesday and Wednesday of next week.

Finally, next Thursday will be another Opposition Day. Therefore I designate next Thursday as an Opposition Day. This is all subject to change, as usual.

Mr. Deans: Mr. Speaker, I would have normally raised the question I am about to ask at the House Leaders' meeting, but because of the way the business was called, we did not have one today. Is the Government House Leader in a position to tell us what is the Government's intention with regard to Bill C-34?

Last week I raised a question about making provision for fast passage of the Bill. I offered to have the Bill go through second reading with one speaker from this Party, and I hoped to hear from the Conservatives that they too would be prepared to agree to a similar arrangement. I know the Minister of Labour has written to both the Leader of the Official Opposition and to the Leader of the New Democratic Party indicating that he would be willing to have the Bill pass through all stages expeditiously, meaning before the end of June, before the House rises, if we could agree to one speaker per Party at second reading and refer the Bill to committee.

Could the Government House Leader schedule in the next couple of weeks Bill C-34, the changes to the Canada Labour Code, in order that we might be able to have it passed into law before the summer recess?

Mr. Pinard: My hon. colleague will understand that it will be much easier for me to answer his question once the Leader of the Official Opposition replies to the letter sent to him by the Minister responsible for the legislation.

If the Minister has offered to debate the Bill and send it to committee with one speaker per Party, there is no question that the Government will support him. We will be ready to call this Bill within the reasonable delay mentioned, provided we have the agreement of the two Opposition Parties. It is somewhat early because the letter was sent only at the beginning of this week, but we do not know as yet what is the position of the Official Opposition. If there is an understanding among the Parties, certainly we will make it possible for one speaker per Party to be heard within the delay mentioned by the Hon. Member, provided that we have an answer within the next few days.

Mr. Hnatyshyn: Mr. Speaker, this is all very interesting. I gather from the remarks of the Government House Leader that from now on I will negotiate House business with the Minister of Labour. I want to tell the Minister of Labour that as soon as I have an opportunity of seeing his letter, which was addressed to my Leader, I will get back to him and talk about what we will do in the next few weeks in terms of House business.

Mr. Deans: I hope the Hon. House Leader for the Official Opposition will not go away and stamp his foot in the corner. I want to make it clear that from the point of view of this Party, although the Bill is not all we would have wanted to see, it is better than what pertains at the moment. We are prepared to do what must be done in order to see it become law before the House rises for the summer.

Ms. McDonald: Mr. Speaker, I have a question for the Government House Leader concerning Bill C-19. Is it the Government's intention to bring in for debate at second reading the whole Bill, will it withdraw the Bill and bring in those parts for which there is agreement for speedy passage, or what?

Mr. Pinard: Perhaps the Hon. Member would see fit to raise the matter with her House Leader. We have already discussed it in a House Leaders' meeting. I intend to discuss it even further, if need be.

• (1510)

ROUTINE PROCEEDINGS

[*English*]

OFFICIAL LANGUAGES POLICY AND PROGRAMS

PRESENTATION OF FIRST REPORT OF STANDING JOINT COMMITTEE

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Mr. Speaker, I have the honour to present the first report of the Standing Joint Committee of the Senate and House of Commons on Official Languages Policy and Programs.

[*Editors Note: For report referred to above, see today's Votes and Proceedings.*]

* * *

[*Translation*]

NATIONAL REVENUE

TABLING OF FINAL REPORT OF STUDY GROUP ON COMMUNICATIONS

Hon. Pierre Bussières (Minister of National Revenue): Mr. Speaker, pursuant to Standing Order 46(2), I wish to table the final report of the Study Group on Communications of Revenue Canada, Taxation Division.

* * *

[*English*]

PETITIONS

MR. PARENT—WORLD PEACE

Mr. Gilbert Parent (Welland): Mr. Speaker, I have a petition to the Honourable the House of Commons of Canada

in Parliament assembled. The undersigned residents of Canada concerned about world peace humbly sheweth that they are members and well-wishers of the United Nations Association of Canada and are pleased to note that under the Right Hon. Pierre E. Trudeau's able leadership, Canada is attempting to excel in the arts of peace. They applaud the Prime Minister's courage and statesmanship and extend their warmest support in his lofty quest to bring about world peace and harmony. They urge the Prime Minister to persevere in the cause of world peace however great the odds against it might be. If through Canadian efforts the two superpowers are able to reach a meaningful arms control agreement, history may record that this was Canada's finest hour. And as in duty bound your petitioners will ever pray.

MR. COOPER—LORD'S DAY ACT

Mr. Albert Cooper (Peace River): Mr. Speaker, I have the pleasure to present a petition on behalf of a number of people from the Worsley area in my riding concerning the Lord's Day Act and some of their concerns in that particular area.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 403 and 530.

[*Text*]

GULF OF MAINE BOUNDARY DISPUTE

Question No. 403—**Mr. Howie:**

Did the Government incur any legal costs with respect to the Gulf of Maine boundary dispute and, if so, to date what (a) amount (b) is the estimated total cost of completion of the project?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): (a) The legal fees paid by the Government with respect to the Gulf of Maine maritime boundary case amount to $1,006,914.

(b) It is estimated that the total legal fees to the completion of the case will be $2,200,000, that is approximately $1,200,000 additional to the fees already paid.

CMHC—EXECUTIVE AND BOARD OF DIRECTORS

Question No. 530—**Mr. Howie:**

What are the (a) names (b) positions of the persons who occupy positions on the Executive and Board of Directors of the Canada Mortgage and Housing Corporation and, in each case, what amount was he/she paid in respect of that position in the fiscal year ended March 31, 1983?

Hon. Roméo LeBlanc (Minister of Public Works): I am informed by Canada Mortgage and Housing Corporation as follows:

Order Paper Questions

Canada Mortgage and Housing Corporation

Members of the Board of Directors (April 1, 1982 — March 31, 1983)

Name	Board of Directors	Executive Committee	Position	Directors' Fees	Annual Salary Range
Mr. Raymond V. Hession (Apr/82 – June/82)	X	X	President Canada Mortgage and Housing Corporation		$66,800 – $78,800
Mr. Raymond J. Boivin (Apr/82 – June/82)	X	X	Vice-President Canada Mortgage and Housing Corporation		$65,600 – $77,200
Mr. Raymond J. Boivin (July/82 – Mar/83)	X	X	Acting President Canada Mortgage and Housing Corporation		$75,360 – $88,610
Mr. Jean T. Fournier (June/82 – Mar/83)	X		Assistant Deputy Minister Department of Finance	*	
Mr. Timothy E. Reid (Apr/82 – May/82)	X		Assistant Deputy Minister Department of Regional Economic Expansion	*	
Mr. Gérard L. Veilleux	X		Secretary to the Cabinet for Federal/Provincial Relations and Deputy Clerk of the Privy Council	*	
Mr. Frank J. Callaghan	X	X	President, D.B. and J. (1971) Inc. Charlottetown, P.E.I.	$3,021	
Mrs. Christine D. McKee	X		University Ombudsman, University of Manitoba Winnipeg, Manitoba	$1,749	
Mr. R. Jacques Plante	X	X	President, Perspective Travail Inc. Quebec, Quebec	$3,462	
Mrs. Sylvia J. Sutherland	X		TV-Radio Broadcaster CHEX Television Peterborough, Ontario	$2,834	
Mr. Ben Wosk, C.M. Apr/82 – Mar/83)	X		President Wosk's Ltd. Vancouver, B.C.	$1,449	

Vacancy – Chairman of the Board

* Do not receive an honorarium due to their position with the Government. The Directors who are not public servants receive an honorarium of $150 per day for attendance at meeting plus reasonable travelling expenses.

* * *

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 184 could be made an order for return, this return would be tabled immediately.

The Acting Speaker (Mr. Herbert): Is it the pleasure of the House that question No. 184 be made an order for return?

Some Hon. Members: Agreed.

[*Text*]

OUTSIDE CONSULTANTS EMPLOYED BY FORMER DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE

Question No. 184—**Mr. Blenkarn:**

1. In the fiscal year (a) 1981-82 (b) 1982-83 were outside consultants employed by the then Department of Industry, Trade and Commerce and, if so (i) how many (ii) what was the total amount paid?

2. Were any consultants paid more than $20,000 and, if so, in each case what (a) was his/her name (b) was the amount (c) services were provided?

Return tabled.

[*English*]

Mr. McKinnon: Mr. Speaker, I rise on a point of order. I again ask about Question No. 368 which has been on various Order Papers for over three years. I have not yet received a reply. It is inconceivable that the Department of National Defence does not know how much it has increased its expenditures year by year over several years, as asked in the question. I would like an answer so that we can stop the misleading statements, such as the one we heard today from the Minister of National Defence about the expenditures of National Defence over the last few years.

Mr. Evans: Mr. Speaker, it seems that the Hon. Member is proceeding right here and now to say that the Minister of National Defence was misleading the House during Question Period. The Minister responded to a question, perhaps not over the entire time period the Hon. Member is concerned about, but certainly over the time period for the last five years, indicating today that the increase in spending had been 3.5 per cent. If that is not an adequate time period, we will try to get that answer for the Hon. Member. However, the Minister made that statement today. The statement has to be presumed to be correct, as the Standing Orders imply. That should satisfy to a great extent the Hon. Member's question.

Mr. McKenzie: Mr. Speaker, I would like to ask the Parliamentary Secretary about question No. 11. I have raised this matter a number of times. We are having extreme difficulty with Mr. Michael Warren of Canada Post with regard to obtaining information on the operations of Canada Post. I could make no headway with him in committee.

Will the Parliamentary Secretary inquire why I cannot get an answer to question No. 11 which was placed on the Order Paper over a year ago? It is in connection with the salary range of all 26 vice-presidents and regional directors. A year is far too long to answer a question like that. I would like him to find this out for us because Mr. Warren will be back in committee and this information will be very helpful.

I have raised this question also a number of times and perhaps the Parliamentary Secretary can explain what is causing the delay in answering question No. 13, which was originally placed on the Order Paper on November 18, 1981. It is with regard to—

The Acting Speaker (Mr. Herbert): Order, please. It is only necessary to mention the question number in order to get the reply from the Parliamentary Secretary.

Mr. McKenzie: Also question No. 2 asking why the Minister has two private parking stalls at the international airport. There is also the question which I placed on the Order Paper in October last year, question No. 5, a Public Works identity question.

The next one is extremely important to Manitoba. I would appreciate it if the Parliamentary Secretary would check into question No. 6 with regard to Secretary of State grants to multicultural groups in Manitoba. We want to find out who is receiving this funding. Is it just certain select groups?

A very important question was placed on the Order Paper in November last year, question No. 1 with regard to promotional practices in the Department of National Defence. There is considerable confusion. I would appreciate receiving an answer in a reasonable period of time.

I have raised some of these questions half a dozen times or more. We never get any kind of an answer as to what is causing the delay. I would like the commitment that the Parliamentary Secretary will come back with some kind of an answer, say next week, as to what is causing the delay.

The Acting Speaker (Mr. Herbert): It is quite clear that there is no obligation on the part of the Government to reply. The Hon. Member can raise his points. He should mention only the question numbers and not elaborate too much on the questions themselves.

Mr. Evans: Mr. Speaker, the Hon. Member should know that I am not in a position to make any commitment on behalf of Ministers. The questions are submitted to the Ministers and the Departments. The Ministers make every effort to get the replies as they are able. I can but ask that the process be examined and that they speed up the process if possible. I will do that, but I certainly cannot make a commitment on behalf of the Minister to answer a question which, as you have said, Mr. Speaker, there is no obligation to answer in the first place.

Mr. Hawkes: Mr. Speaker, I would like the attention of the Parliamentary Secretary for a second. When I was first elected to this Chamber, before questions were answered we would get notification that our question would be answered. We also received the answers at our desks here in the House of Commons. That system has changed recently. Answers now come to our office some 24 hours later. I wonder whether or not the Parliamentary Secretary, when he does answer a question, could see that we receive the answers in the House as well as receiving notification that the question is about to be answered.

• (1520)

The Acting Speaker (Mr. Herbert): Order, please. That is a procedural matter and the Chair will look into it.

The questions as enumerated by the Hon. Parliamentary Secretary have been answered. Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—NON-CONFIDENCE MOTION—YOUTH EMPLOYMENT OPPORTUNITIES

The House resumed consideration of the motion of Mr. Wise:

That this House condemns the continuing failure of the Government's policies to restore even pre-recession levels of employment opportunities for young people at a time when hundreds of thousands of young Canadians are about to join the labour force from our schools and universities and Canada's unemployment rate for young adults remains the highest of any Western industrial nation.

And of the amendment of Mr. Deans:

That the motion be amended by deleting the period after the word "nation" and adding the following thereafter:

"—and in particular the Government's adoption of the United States interest rate and monetarist policies, thereby reducing employment opportunities for young Canadians."

Mr. Gerry St. Germain (Mission-Port Moody): Mr. Speaker, in continuing the debate on the motion of non-confidence in the Government opposite for its policies dealing with youth unemployment, I have only five minutes left to me and much material to cover.

I will first address the situation of the Ministry of State for Youth. I am glad to see that the Minister of State for Youth (Mrs. Hervieux-Payette) has arrived in the House. Such a Ministry would be an excellent idea if it were allowed to function as a Ministry of State. The Minister's mandate was to raise the public's awareness of the concerns of youth. With all

due respect, Mr. Speaker, one only needs to look around to see that the concern of youth a thousand times over is unemployment.

As well, the Minister has been placed among three other Ministers, the Minister of Employment and Immigration (Mr. Roberts), the Secretary of State (Mr. Joyal) and the Minister of the Environment (Mr. Caccia). The Ministry of State for Youth has no authority and appears to be merely a task force for advising those other Ministers. As far as I can see, the only real jobs that the Minister of State for Youth has created to date are the ones in her own Ministry. Jobs have been created for more bureaucrats.

We need action, Mr. Speaker, not smoke and mirrors. Today we are addressing the subject of the killers of youth employment, which are high interest rates, lack of recognition for research and development by the Government opposite, the devalued dollar, poor management and the buying of elections at the taxpayers' expense. I would like to deal with some of the economic reasons for the lack of youth employment.

Investor confidence in the country has been totally destroyed. That is the reason we have the unemployment rate that we have today. An estimated $50 billion Canadians have left this country in the last six years. Taxation offers no incentive to reinvest. That taxation is created by irresponsible spending by the Government. That is why we opposed Bill C-24 so aggressively, Mr. Speaker. That Bill contained no provision for accountability and that is taking away from the unemployed youth of the country. There are no rewards for risk. Dealing with regional disparity, the special employment initiatives program is a clear-cut example of that.

By their own admission, Liberal Members have pursued social programs and neglected the engine that pulls them. They have neglected the engine of free enterprise, the engine of growth and the engine of small business. FIRA was an overreaction which drove every foreign dollar out of the country. What has been done about that? Liberal Members are now trying to make amendments which would resolve the situation that they have created. That situation is another cause of the massive unemployment in the country. The implementation of the National Energy Program in western Canada was an overreaction. Jobs were lost by the thousands. Liberal Members are now trying to make amends. It goes on and on, Mr. Speaker.

Dealing with Crown corporations, $2 billion has been put into Canadair and de Havilland. In 1982, that money would have saved every small business that went bankrupt and that would have meant jobs for youth in the country. Again, high interest rates and the deficit are the real killers. What are we going to do about them, Mr. Speaker?

The Leader of the Official Opposition (Mr. Mulroney) has indicated what we will do about research and development. He said:

> We're going to:
>
> 1. Double the collective Canadian contribution to this indispensable sector during our first term in office;
>
> 2. Set priorities and develop a co-ordinated approach to government-sponsored research;
>
> 3. Improve the linkage between government labs, universities and the private sector, with special emphasis on small business;
>
> 4. Encourage the production of new technologies and ideas by Canadian industries;
>
> 5. Facilitate the introduction and adaptation of innovative technology developed abroad; and
>
> 6. Encourage the diffusion of modern technology and know-how across the country.
>
> Why?
>
> Because according to the National Research Council, a 1 per cent increase in R and D expenditure (as a percentage of GNP) means creating 800,000 new jobs.

It is a question of good, sound management, Mr. Speaker. I realize that my time is running out. Therefore, when dealing with an issue as important as this one, I would like to finish on a positive note. We must learn to share with our young people and train our young people. Most of all, we must allow them to have a chance to excel and be prepared to take over where we leave off. Young people today are no different than they were 30 years ago. The only difference is that we must now plan for their future so as to allow them a brighter future.

The Acting Speaker (Mr. Guilbault): A ten-minute period is now provided in order to question the Hon. Member about his remarks. Are there any questions? Debate.

[*Translation*]

Hon. Céline Hervieux-Payette (Minister of State (Youth)): Mr. Speaker, during a recent trip across Canada, at meetings with young people, youth organizations, unions and management, I realized how serious the problem was, and I must say this shed an often tragic light on the tremendous difficulties facing Canadian youth, because improved business conditions have not yet had a significant impact on unemployment.

I agree with the Opposition that a situation like this is intolerable. However, I cannot agree with the Opposition motion that refers to the "continuing failure of the Government" to restore pre-recession levels of employment opportunities for young people. I do not agree, because the present Government, through a host of measures and programs and by providing financial assistance, has tried to improve prospects for our young people, and in fact, the last Budget brought down by the Minister of Finance (Mr. Lalonde) earmarked $150 million for this purpose.

Just a few days ago, I announced the allocation of $131.5 million taken from this amount, which is part of the Youth Opportunity Fund created last December to improve co-ordination of federal expenditures for youth. The amount included $30 million more for Summer Canada, bringing the total amount up to $200 million, which should help create more than 81,000 jobs for our young people this summer.

Similarly, Canada Employment Centers for students, which at a cost of $13.6 million provide thousands of young people with jobs and which last year found employment for 333,257

young people, should be increasing that number this year, as a result of the general business recovery and with the co-operation of businessmen and even private citizens across Canada, because no matter how small the job or the employer, they will all be considered because every job counts for these young people.

We have also just added $20 million to the Career Access Program, and there again, I would urge employers not only to give young people practical assistance in entering the labour market but also to take advantage themselves of the financial benefits, and I am referring to the wage subsidy to which they are entitled while training workers to their specifications. Incidentally, Mr. Speaker, this program offers a far more practical approach than the tax rebates suggested by the Opposition, which in any case would not be immediately payable. There are many other programs for young people, programs initiated in co-operation with other federal Departments, including National Defence, Fisheries and Oceans, Indian Affairs and Northern Development, Environment, Secretary of State and other Government agencies.

There are also federal programs such as Canada Works which largely benefit young people. Over all, in 1983-84 the federal Government spent $478.3 million on job creation for 169,400 young people. In 1984-85, the Government will be spending $618.6 million for the benefit of some 185,600 young people.

Mr. Speaker, it is a fact that the federal Government's training programs also largely benefit young people. For 1984-85, total funding exceeds $1.226 million and out of 281,000 participants, 132,100 will be young people. I might also mention that an increasing number of women is taking part in these training and job creation programs, but those who know me also know that I am not satisfied with these results and that I will continue to make every possible effort to improve the record.

Mr. Speaker, although I could provide many other details on federal programs designed to help young people, I am sure subsequent speakers will do so, in any case, and I therefore prefer to expand on other aspects of the problems that concern us all.

First of all, we must realize that for too many young people, getting a job continues to be extremely difficult. The disruption of the world's production apparatus and its repercussions on the Canadian economy have created a very difficult situation for all socio-economic partners. There is no general solution to the problems experienced by workers seeking jobs or by those who want to get ahead and are trying to find a job more in line with their career aspirations and their way of life.

Like their elders, young people see a job not only as a source of income but also as a way to independence and personal development.

At this very moment, more than 20 per cent of young Canadians between 15 and 19 years of age, and nearly 18 per cent of those between 20 and 24, are seeking employment. Again, these figures are of grave concern to governments, the private sector and even more so to young people themselves.

Young Canadian men and women are, for the most part, aware of the main obstacles created by these new labour market conditions. They know that their skills do not always meet the requirements of a rapidly evolving workplace. They also know that many of the obstacles to employment in the eighties are due to structural problems. However, in addition to criticizing, young people are also making some very valid suggestions. We have a lot to learn from the young, and we must have confidence in them. In my many meetings with young people, especially since my appointment as Minister of State for Youth, I have realized more clearly that their interests tend to coincide with those of the country as a whole.

Mr. Speaker, generally, the problems mentioned by young people with respect to their situation are well known. Nevertheless, the way in which they describe these problems and the solutions they propose are, if we take the time to listen and to understand, a great source of inspiration. That can only be the case if we invite them to take part in the discussions held prior to major decisions.

• (1530)

[*English*]

Mr. Hawkes: Order.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Calgary West (Mr. Hawkes) on a point of order.

Mr. Hawkes: Mr. Speaker, I thought we had a rule against all Hon. Members, even Ministers, reading a speech, that the purpose of the chamber was to speak from the heart and from the head with knowledge, and not simply read something which someone else wrote.

Some Hon. Members: Order!

The Acting Speaker (Mr. Guilbault): The question of reading speeches is a bit more complicated than a mere ban on reading prepared text. *Beauchesne* devotes three different citations to this subject. Citation 309 sets out the general rule that a prepared text should not be read in the House. Citation 310 specifies a number of exceptions, one of which is Ministers of the Crown. Therefore, the Hon. Minister is quite in order in reading from a text.

Mrs. Hervieux-Payette: Mr. Speaker, I also write and read with my heart, and the Hon. Member could listen also with his heart.

[*Translation*]

Young people want to establish their identity as full-fledged members of society. They want more responsibility for choices

that concern them specifically and for those that affect society as a whole. They are also prepared to face the consequences of their decisions.

Mr. Speaker, they also have many complaints about the educational system. They say that schools are dehumanizing. They complain about the lack of proper career guidance and course packages that lack flexibility. Young people also want to be given more latitude in their choice of educational institutions, especially those going to university. Many of them feel their schooling does not prepare them fully to join the labour force. On the other hand, most of them are against an overly selective specialization which undermines the basic thrust of education by gearing it exclusively to the requirements of a labour force planned by Governments and the private sector.

In that respect, young Canadians blame employers for failing to provide adequate on-the-job training. That is especially true of the most underprivileged among those who have quit school too early, many of whom unfortunately become drop-outs.

Young people also complain about the lack of information on programs designed to help them and, in that respect, my colleague might give me a hand. A good many feel that those programs do not meet their expectations and they would like to see better coordination in the various programs or Government services, the private sector and youth-oriented agencies.

Young people are also asking for more worker mobility at the national and international levels. They want the kind of work which will help them improve their skill and knowledge. In that sense, they hope that the International Year of Youth in 1985 will give them an exceptional opportunity to participate fully in the review of their personal problems and in the decision-making process that concerns them.

Youth-oriented agencies are also advocating an over-all policy. Those agencies have pointed out that young people feel alienated from the consumer society and that they feel the need for commitments towards social institutions. We have been reminded as well that a good many well motivated and ambitious youths drop out because the future looks very bleak. Even though the search for employment and a guaranteed income are among their priorities, the agencies think that we must take more notice of the young people who are struggling to find a place under the sun and come to grips with their own worries about international political issues. Governments are urged to make every effort to help the most underprivileged youths. Since educational institutions and employers alone cannot solve their many problems, the most underprivileged youths, particularly native Canadians, need special services and more counselling.

Mr. Speaker, spokesmen for employers generally feel that the current economic situation is a barrier between youths and the labour market, and that the situation is not made any better because they lack the skills or training required to be hired. Employers emphasize that low productivity is now one of the most serious problems of the industrial community. In an effort to boost productivity and compete on international markets, most industries now stress high technology, which in its initial stages often leads to lay-offs. Whenever there is an opening, an employer will give priority to a worker who has been laid off, and that does not make it any easier for young people in search of employment.

Employers believe that the key to the problem is related to how people are prepared for the labour market. According to them, young people need better training. They also recommend that school authorities provide a great deal more information on the requirements of the labour market and possible careers.

Businesses also need more specific information on the programs which make it easier to hire and train young people. For instance, it is suggested that the governments set up a consultation network involving employer organizations and school boards to determine the qualifications that are mostly in demand and facilitate the planning of human resources.

The business community is aware that unless the youth employment situation improves, society as a whole will suffer in a short time. However, businessmen are convinced that young people will make few gains on the labour market before there is a general economic recovery. Businessmen ask that the governments be very careful in passing legislation relating to the labour market. The private sector would like the state to interfere less often or, if this is not possible, to show more adaptability to the needs in certain sectors of the industry and certain areas of the country.

As a general rule, finally, employer representatives have agreed to reconsider the issue of how working time should be organized. If we decide on a policy of redistributing working time, they believe that emphasis should be placed on extending the schooling and training period. They suggest in this regard that tax incentives be provided to encourage workers to continue their training or to accept working time arrangements which would bring about a more equitable distribution of the time spent working.

Employers also admit that the situation is not easy for the governments and they recommend that emphasis be put on programs such as Career Access and international exchange programs. These programs and the support given to new businesses enhance our competitiveness and therefore the performance of the Canadian economy.

From the point of view of organized labour, Mr. Speaker, there is a dilemma where the offer and the supply of jobs are concerned. Union leaders wonder whether they must help young people enter the labour market or else protect the workers who are fighting against possible lay-offs as a result of the coming of new technologies. They note that there is now a problem of adults being pitted against young people in the workplace, especially in industries which choose to hire

students or apprentices rather than unionized workers. Like management, the unions believe that a general recovery of the economy will bring a solution to the employment problem of young people. For the time being, union priority is to protect active workers threatened by upheavals on the labour market. Union representatives believe that an industrial strategy centered on heavy industry and housing should result in the creation of a large number of jobs. In their opinion, the redistribution of wealth requires the promotion of early retirement, part-time work and work sharing or self-improvement leave without the participants being penalized by a decrease in their standard of living.

Union leaders also believe generally that we should improve on the work-study alternation programs and the wage subsidization programs which help the students to complete their training without accumulating debts.

The unions favour certain measures to promote the purchase of Canadian products and protect our markets against any excessive foreign competition. They recommend that co-operative endeavours be favoured rather than profit-sharing systems.

Mr. Speaker, it would take too long to list all the suggestions originating from all quarters, as well as the problems encountered by particular groups such as women, natives and handicapped people.

The sorry plight in which our young people now find themselves was not an overnight occurrence, therefore we should not expect these conditions to improve in just one year. However, it gives us, their elders, the opportunity to ask ourselves definite questions about the kind of society we want to live in as well as to question the set of values we believe in. Young people are asking themselves these same questions in a very mature fashion and wonder often if they should base their expectations and lifestyles on the way of life we are offering them.

Mr. Speaker, we should strive to change our approach and involve young people in our decision-making process. As Minister of State for Youth, I feel that one of my main duties is to contribute to a change of attitude toward youth unemployment.

The year 1985 having been designated as the International Youth Year will certainly provide us with the opportunity to challenge our young people into taking part in the debate on our collective evolution. Funds made available for the International Youth Year will be granted as much as possible to local, regional or national youth organizations which are eager to set up activities by and for young people. On the other hand I intend to help the most talented of our young people develop their leadership qualities, initiate projects and take actions that could benefit all our young people. International Youth Year should be a time when our young people between the age of 15 and 19, including our drop-outs, unemployed and academically disadvantaged, should get together, become aware of their identity, learn to act collectively and find their place within society.

Mr. Speaker, I often feel that the struggle waged by a number of youth organizations in an effort to claim their rightful place in our society is similar in many respects to that carried on by the women in search of their identity and recognition of their rights. We should deal responsibly with the pressure these groups are exerting on our institutions; otherwise, our society as a whole will suffer.

• (1540)

[*English*]

The International Youth Year gives us an exceptional opportunity to involve young people fully in the examination of problems of immediate concern to them, while at the same time providing a forum for a broader exchange of ideas at the international level. It is in this context that I intend to discharge my responsibility toward the International Youth Year. As with the other activities in which I am involved as Minister responsible for youth, I shall proceed by making a special effort to meet and listen to young people. It will be my duty to ensure that the efforts of the Canadian Government on behalf of young people yield tangible results, primarily for them but also for society as a whole.

During the fiscal year just ended the Canadian Government wanted to set the tone for the great debate on the place of young people in Canadian society. We have not hesitated to change the Government's priorities in order to make the problem of youth unemployment one of the main concerns in Canada. Federal Government programs and services have therefore been adjusted and in some cases changed completely to enable young people to derive the greatest possible benefit from them.

The appointment of a Minister of State for Youth is above all, I think, a sign of confidence in young people and a recognition of their interests which are in keeping with national interests and those that are defended internationally by the United Nations. The International Youth Year will provide us with an unprecedented opportunity for promoting international co-operation and understanding in the interests of young people.

[*Translation*]

It will also be my responsibility to ensure that the emphasis be placed on the most needy among the young and I am committed, as Minister of State for Youth, to ensure that all our young people privileged, and underprivileged have a full share in our Canadian society.

The Acting Speaker (Mr. Guilbault): A 10-minute period is now provided for questions to the Minister or comments on her speech.

[*English*]

Mr. McGrath: Mr. Speaker, I understood most of the Minister's speech, but I want to ask her a question in her capacity as Minister of State for Youth responsible for one of

the Government's most important programs designed to address the problem of youth unemployment, the Career Access Program, which we support.

My question is prompted by a press release issued yesterday, May 23, by the Minister of Employment and Immigration (Mr. Roberts). I will not read the press release but it announces under the Minister's name that Imperial Oil Limited, which we all know to be a multinational company operating in all parts of Canada, will provide 100 jobs through the Career Access job creation program to recent post-secondary graduates and young inexperienced persons. It goes on to state that placements will take place across Canada from Newfoundland to British Columbia and the Northwest Territories. It will benefit 68 university graduates, 9 technicians and 11 graduates of CGEP, not to mention some from a couple of community colleges. One hundred people, Mr. Speaker, from a major multinational company, which represents about one two hundredth of one per cent of the latest unemployment figures for youth. That means there are still 536,900 young people unemployed. This indicates to me that the program is not going well. If the private sector, especially the small business sector, is going to be the principal motor in getting this program operative, and we see a big company like Imperial Oil providing only 100 places, then I have grave doubts about the success of this program to address the serious problem of youth unemployment.

[*Translation*]

Mrs. Hervieux-Payette: Mr. Speaker, first I would like to take this opportunity to commend the management of Esso Imperial, for helping us give our young people that vital extra training that will allow them to enter the labour maket and get job experience. I would like to point out to the Hon. Member that for 1984-1985, a quarter of a billion, that is $250.6 million, will be provided for the Career Access Program.

[*English*]

That is 85,000 jobs and he was talking about 100. I would like to remind the Hon. Member that there are over half a million small businesses in this country and if they would just take one unemployed youth under Career Access they would all be employed. My goal is to place them in any corporation willing to give them the essential training they need to be in the workplace, a career-related kind of training. I compliment those who are willing to help us complement their formal education in school.

Mr. McGrath: Mr. Speaker, we want the Minister to succeed. We support the Career Access Program. We also recognize, as I am sure she does, that youth unemployment is probably the most serious social problem in the country today. Our concern is that because of high interest rates the small business sector is not able to take advantage of this program because of its 50-50 aspect. If they cannot take advantage of it because of high interest rates, and large multi-nationals like Imperial Oil can only provide 100 jobs, that raises grave doubts about whether this program will succeed unless the Government can get its monetary policy under control. That is the concern I want to express to the Minister.

● (1550)

Mrs. Hervieux-Payette: Mr. Speaker, I would like to remind my hon. colleague that we just added $20 million to the Career Access Program. If the program was not successful and if the business community was not responding well, I have some doubt whether my hon. colleague, the Minister of Employment and Immigration (Mr. Roberts) would add money. As the Hon. Member knows, as the Minister of State (Youth) I am not responsible for the application of that measure. That is within the responsibility of my colleague, the Minister of Employment and Immigration. The program is working well.

I recognize that sometimes small businesses do not have access to this program. However, other programs are available as well. On-the-job training programs and other programs exist. This particular one is for well trained students graduating from colleges and universities throughout the country who are having problems obtaining their first jobs and getting the experience related to their education. It is especially for that kind of student. They are not the less privileged ones in the country. They are those who have a fine education but have a difficulty.

I would also like to remind my hon. colleague that the oil industry is not the most job creative. It is in the small and medium-sized businesses that we are looking for jobs for our young people. The recovery is showing some progress. I am sure that in the coming months small businesses will have access. Actually, the program is going well.

Mr. Malone: Mr. Speaker, I have a question and perhaps one short supplementary question. The Minister has suggested that part of the cause of youth unemployment has been in the area of education. By implication she has indicated that the provinces have not done an adequate job in education. Which provinces have failed in providing appropriate education? In her view, has any province provided adequate education in light of the present conditions of our times?

Mrs. Hervieux-Payette: Mr. Speaker, I welcome this question. As former chairperson of a schoolboard for six years I know quite well what kind of training we are providing in schools in Quebec. I am not placing any blame on any institution in the country. I think there is an over-all responsibility throughout the country in management, business and the education sector to ensure that training is available and that we are filling that gap. I will not put the blame on the curriculum. We have the best educated generation of young people in our country in all our history. It is not education per se that we have to put the blame on.

I am trying to ensure that the unions are talking to the education system as well as the education system talking to management. I think that a concerted approach to youth unemployment is the only solution. It is not by blaming each other, other governments or other socio-economic partners that

we will solve the problem of youth unemployment. They are part of our society. We are part of the solution as well as part of the problem.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Fraser Valley East (Mr. Patterson).

Mr. Malone: A supplementary question, Mr. Speaker.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Fraser Valley East.

Mr. Patterson: Mr. Speaker, I listened with interest to the statement of the Minister. She was saying that we should not be allocating blame. Of course, we all know that the blame rests primarily with the present Government because it failed to recognize the trend which brought us to the point we are today with a drastic unemployment problem among the young as well as older people.

In a question this morning I made reference to a report made by the Fraser Valley College. It set up a task force to investigate the very serious problem there. Dr. Barry Moore, the President of the College, found the report devastating. The second recommendation of the committee was for the establishment of a student placement and job search office at the college in co-operation with the Canada Employment and Immigration Commission.

To what extent are our Manpower offices authorized to respond to community initiatives such as this in their efforts to meet the challenge of youth unemployment?

[*Translation*]

The Acting Speaker (Mr. Guilbault): The Hon. Minister of State (Youth) (Mrs. Hervieux-Payette) for a brief answer to the question.

Mrs. Hervieux-Payette: Yes briefly, Mr. Speaker, I must say that currently in Canada, hundreds of Student Employment Centres already exist on our campuses. I cannot be specific as to that campus, but I know that if there is any possibility of expanding the program that is already in place, certainly my colleague, the Minister of Employment and Immigration (Mr. Roberts), will do it.

As for blaming the Canadian Government, I would remind the Hon. Member that there are eight Conservative provincial governments, one separatist government and a further Creditist one, and I did not blame the lack of youth employment on those governments. What is needed in my view is a co-operative action, friendly efforts from all parties concerned, whether management, labour, education institutions, youth groups or provincial governments. Blaming others will not solve the problem faced by our young people. They are counting on much more positive responses.

The Acting Speaker (Mr. Guilbault): Debate.

[*English*]

Mr. St. Germain: Point of order, Mr. Speaker.

The Acting Speaker (Mr. Guilbault): On a point of order, the Hon. Member for Mission-Port Moody (Mr. St. Germain).

Mr. St. Germain: Mr. Speaker, we get such little opportunity to ask questions on such an important issue, is there a possibility that we could extend the question period for at least one more question to the hon. Minister? I would like to ask her a question, and I am seeking permission of the House, Mr. Speaker.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent for the Hon. Member for Mission-Port Moody to ask an additional question?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Guilbault): Agreed. The Hon. Member for Mission-Port Moody.

Mr. St. Germain: Mr. Speaker, the Minister mentioned that there was no solution to youth employment, the biggest issue facing this country today. She mentioned lack of productivity and training. I believe she possibly advocated protectionism in her speech. As a Minister of the Government, would the Minister please tell the House what if any suggestions she is making to stimulate the economy? She has said that the only way to solve the youth unemployment situation is through small and medium-sized business. Does the Minister have a suggestion? Would she tell the House what it is so that we can start establishing confidence in the country?

Mrs. Hervieux-Payette: Mr. Speaker, perhaps I should address a special clientele, those who have the most difficulty finding a job. They take more than 20 weeks to find a job. This includes about 250,000 young people in our country. These are unskilled, drop-out students in our country. Of the last $130 million which I announced, $30 million will be devoted to develop a special scheme to ensure that they get training on the job. I do not think the education system is the perfect formula for them. I think the private sector can help us in training them. Experiments have been conducted in other countries and I do not think I have time to name all of them, but the British scheme is one which we can look at very carefully.

I am willing, Mr. Speaker, to ask the Minister of Finance (Mr. Lalonde) for $250 million, or $1 billion for those 250,000 who need it, but before I do that, I want to test the formula and make sure that the private sector understands that we are working with them to develop the formula. I hope that by the time of the next Budget speech the Minister of Finance will be convinced that we have the right formula. In that way these unemployed people will have the possibility to get not only training, but jobs.

Mr. St. Germain: We do not want grants, we want a return of confidence.

● (1600)

Mr. Jim Hawkes (Calgary West): Mr. Speaker, the only way to describe the last three-quarters of an hour is bizarre. In her response to the question by the Member for Mission-Port Moody (Mr. St. Germain), the Minister stated that she has been concerned about young people who have been unemployed for 20 weeks or longer. She describes them as the drop-outs and is incorporating a special amount of money in her budget to help that population. She says that she hopes to have better answers eventually, when and if Parliament is still sitting and when and if there will be a Minister of Finance to present a budget.

The Minister has been part of this Parliament for over four years. Ministers she has supported have cut out funding for functionally illiterate members of the workforce. It was well over two years ago when the Liberal Party, the Cabinet and the Minister decided to give no special funding for the drop-outs when they become adults. Canadians can only become confused when they see different parts of the Government acting separately. They have trouble finding where reality lies.

On May 23, the Minister of Employment and Immigration (Mr. Roberts) issued an astounding press release to the National Press Gallery. In this release, the Government of Canada brags that it is providing a wage subsidy to Imperial Oil to employ approximately 100 young people. No member of the Chamber believes that the young people of this country do not need assistance in finding initial job experience and exposure to the workforce to gain a sense of their future. However, this is an attempt by a Minister of the Crown, who is charged with the public responsibility of administering billions of dollars of public expenditures, to create the impression that the Government played an important role in Imperial Oil's decision.

Let us examine whether the proposal outlined in this press release could be important. The press release states that these young people will be paid up to $15 an hour and that they will be employed for 52 weeks. It also states that the maximum subsidy can be $3 an hour. This means that for a maximum subsidy, Imperial Oil gets 20 per cent, or $3 of this $15 an hour. In reality, the subsidy can only last for 26 weeks. Therefore, if the job lasts for 52 weeks, Imperial Oil is contributing 90 per cent of that direct wage while the Government subsidizes 10 per cent.

We know that Imperial Oil is profitable and pays a corporate tax at a rate of 50 per cent. Since the subsidy must come into income, that 50 per cent tax reduces that 10 per cent to 5 per cent. Those are the direct wage costs in the case of a maximum subsidy. This does not include ancillary costs like the use of the personnel department and the issuance of cheques.

It is absurd to believe that Imperial Oil would make the corporate decision to hire an extra 100 young people based on what is a maximum 5 per cent subsidy only on direct costs. The Government is proving its absurdity by issuing such a press release and telling Canadians that this is a major announcement about what it is doing in the country to support youth. It is absolutely incredible. The Government is saying that it is the champion of youth because 100 young people, with a 5 per cent maximum subsidy, have been employed by Imperial Oil. A government which would so rapidly take us toward the theatre of the absurd is incomprehensible.

When the Minister of State for Youth (Mrs. Hervieux-Payette) was appointed, I attempted to ask why that Minister had never been to a meeting of the committee on Labour, Manpower and Immigration. Why did the Prime Minister (Mr. Trudeau) not appoint someone who had been studying youth problems? Why did the Minister of Finance (Mr. Lalonde) or the Minister of Employment and Immigration not take advantage of the parliamentary task force report which was given to them in 1981 after 14 months of hard work, after listening to the youth of this country describe what needed to be done? That task force provided over 200 recommendations for changes in government policy.

It is now 1984 and we see the Minister standing in the House, reading a prepared text and telling us that she is busy studying the problem. She says that she is busy listening to the young people. In the meantime, Imperial Oil will hire an extra 100 young people. Eventually, at some indefinite date, perhaps the fall or 1985, she will make some recommendations to the Minister of Finance and if he is listening and finds room, we will then get a change in policy and the young people in this country will be happy.

The Government would make the young people of this country much happier if it would call an election. Canada's youth have no confidence in the Government, middle aged Canadians have no confidence in the Government and senior citizens have no confidence. Such a climate does not allow for progress or jobs. There is no feeling of the hope, energy or aspiration that once characterized this country.

How did we fall from the second highest standard of living in the world to fourteenth? Our standard of living is still falling. I remember 1976 when Members of Parliament from Alberta warned that jobs would disappear if there was interference in the oil industry. Today I hear the Minister of Youth say in the House that there is not much of a job multiplier effect in the oil industry. The transfer of funds from the western sedimentary basin to Canada Lands has reduced the job content of those amounts four to five times. In other words, the amount spent on Canada Lands to produce one job could have produced five or six jobs if it was spent on the western sedimentary basin. In turn, that would create jobs in Ontario and Quebec. Furthermore, such an expenditure would produce oil and gas and reduce the need to send our hard earned money to Saudi Arabia, Mexico, Iraq and Iran to create jobs there. If the entire purpose of the oil industry is to have Canadian jobs, then Canadians can believe the Minister when she says that this is a sector with no job creation potential because the Liberals' understanding of that sector has made it so. It has created a sector with job loss but very little job creation potential.

• (1610)

I come from a city, Mr. Speaker, that led this country in economic growth two years ago. Young people from Quebec, Newfoundland, Nova Scotia, and Ontario were coming to my riding and to my city in droves to get a career opportunity, to get a job, to get a start in life. They could be starting apprentices, they could be university graduates, young people from right across the spectrum. But if you walk downtown in Calgary today you will find that 25 per cent of the office space is vacant. The biggest building in town, a red brick one, was built by Petro-Canada. It is basically empty. Forty per cent of its space is not occupied. Taxpayers are paying the rent for a building across the street which is completely empty as a result of Petro-Canada.

Jobs are created by economic growth. Canadians are willing to invest their money, their talent, their energy into the creation of that growth and into the creation of those jobs. It is only Government, specifically this federal Government, which has created an economic catastrophe. Bankruptcies, job loss and the lack of an economic growth engine are the results of policies brought into this Chamber by the Government. To avoid those kinds of mistakes, all this Government had to do was to listen to people who knew more than did the Government, who believed in all parts of Canada not just some narrow piece. The Government should have listened to those who really believed and understood. If each and every part of our nation is allowed to flower and develop we would have something greater than the sum of the parts because we have something more magnificent than the sum of the parts.

When we stand in this Chamber today and talk about youth unemployment, we are talking about the future. We are talking about a Government that has robbed a big part of a generation of its potential future. The economic malaise is not hurting people in my age group—some yes, but on average it is not hurting people in my age group in the way it hurts those in my children's age group. They are the ones having to develop a different lifestyle, one that accommodates the notion that they might never have the same kind of income opportunity or the same kind of job opportunity their parents had.

This nation was founded by people who told their children that their opportunities would be greater than their own. It turned out to be true. For most of us who serve in this Chamber that has been true. The opportunity system that we enjoyed as adults and as young people was greater than the opportunity system our parents enjoyed.

But, Mr. Speaker, things are now going the other way, and they do not have to. There is no nation on this earth that has greater per capita potential or greater resources for capital. Ours is a magnificent country with magnificent potential. We can provide the highest standard of living in the world for our people. But we must have public policy that allows it to happen and encourages it to happen and makes it possible for it to happen. What we cannot have in public policy is an ever and ever smaller group of decision makers, further and further removed from reality, making an increasing number of decisions. That is what socialism is all about.

In the four years I have been in this Chamber, almost every piece of legislation brought forward by this Government has created some small group of people appointed in private, paid in private, to make in private decisions that affect the lives of Canadians. In that kind of atmosphere, Mr. Speaker, I have seen investment capital leave this country, skilled human beings with talent energy and drive leave this country to make some other nations in this world a little richer than they might have been. I have seen very few people from other countries—relatively few—bringing their dollars, their talents, and their energy to this country to make this nation a little richer and a little better.

What is required is an about face in public policy. That will flow from the opportunity that Canadians will have to exercise their democratic right. If one really believes in the essence of the motion before this Chamber today, Mr. Speaker, it could put it into action by simply calling an election and letting Canadians decide whether the potential of this country has been well shepherded by this present Government, or whether it is time for a change. I for one say to the young people of this country that their future depends on change. The more rapidly we get it, the more complete it is, the more opportunity system there will be for our youth. Failure to change means continuation of the path on which we are currently treading. That is not good enough, Sir.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments?

Mr. Jack Masters (Thunder Bay-Nipigon): Mr. Speaker, I think all of us in this House share the same concerns about our unemployment problems. We have a special feeling for the many problems caused our youth in not being able to find the kind of employment they want, and want now. I do not think anyone on either side of the House has all the answers, or has a corner on the market of sympathy for our young people, or an understanding of their future. We should be going at this problem with a concerted effort, trying to encourage all sectors of the economy, all levels of Government, and all people to admit we have problem. We have addressed it in a number of ways. But let us find new ways together to solve the problem.

I believe in many respects an honest effort is being made. I believe the Government I support has taken initiatives and a very strong lead in this area. I would like to dwell on these measures in a moment. I cannot resist this opportunity to remind everyone of another part of the equation of the unemployment of youth in this country, namely, the inherent strength and resiliency of Canadian youth to accept the fact that, like many of us, these are difficult times. Maybe they too will do, and are doing their part in helping to get over this horrendous problem and this desperate feeling people have in not being able to find a job.

I feel in a personal way, as I am sure every Member of this House does, the concern and the troubles that youth have. The Hon. Member who just spoke said it is all because of the policies of this Government. If we follow that sort of logic through to its conclusion, then we do not need as many school

teachers now because we do not have as many children in the classroom as we once had. I guess some deliberate governmental interference brought that about, and I am being facetious when I say that.

● (1620)

One sector of the economy in which many youth expected automatically to find careers was the field of teaching. Now they have learned—and I have a son-in-law and a daughter in exactly the same position—that they cannot necessarily follow their careers at the time they want, in the place they would like and at the rate of pay they think they should receive. Therefore they have to look at the available options. The youth of the country in so many ways are examining their options. For example, if they realize that they cannot obtain teaching positions in Thunder Bay, for whatever reason, they know they have to look elsewhere. This is what happened in the case I mentioned. People graduating from an engineering school find that they cannot practise that career at this particular point in time, so they examine the options.

Before dealing with some of the positive measures that have been taken by the Government, let me say that I believe we have all learned a hard lesson through difficult times. Times have changed and situations have changed. We have to find new ways of going about conducting our affairs as Canadians. Canadians today are no different than they were during the days of the great depression when they had to go through all kinds of gyrations just to find a meal. I think Canadians are strong. I think our youth is strong.

As a government we have an obligation to create a climate in which our youth find opportunities as a result of hard work. We require policies which will provide a major expansion of jobs and an opportunity for the private sector to flourish. We require a better understanding between various levels of government—federal, provincial and municipal. Sometimes we as politicians become so involved in the problems of running our own House we forget we have colleagues in other Houses. That works up and down the ladder. We have to find better ways of accomplishing that.

In response to our caucus meetings in Quebec and in Newfoundland the Government created the Ministry of State for Youth. We heard from that Minister just a while ago. The Opposition wants to make light of that decision. It is a positive sign that the Government recognizes that the problem has grown. In fact, we have many Ministers looking after the problem of trying to create employment opportunities in the country. We now know that we will have to do even more on behalf of our youth; our future. The Government has created a strong voice in Cabinet to take initiatives, to help create jobs for youth, to help co-ordinate the efforts of other Ministers who are in positions to create jobs in our economy and to ensure that they take into account the plight of our youth.

In a moment I will be speaking about large sums of money. Unfortunately, sometimes in our dialogue in the House it is almost as though we could make the problem of unemployment go away, whether it be the youth sector or another sector, just by identifying it and providing money. It is not that simple. One would think that $1.38 billion would eradicate the problem. It will do a great deal, but it will not cure all the problems of the unemployed youth. That is what we are trying to do in the creation of the Youth Opportunity Fund announced last December, followed up by initiatives in the Budget of the Minister of Finance (Mr. Lalonde). We are trying to use the funds of the people of Canada through programs such as the Youth Opportunity Fund to provide more opportunities for youth to work directly in enterprises sponsored by government and to assist the private sector, by indicating that we recognize that it makes the same investment in the youth of the nation as the Government and that we should do it together.

As I said, we created the Youth Opportunity Fund last year. Recently $131.5 million was added to that fund, to be used for a mix of new and existing youth employment programs. The Government is criticized for mixing and matching programs, for announcing what has already been announced and so on. The Government is trying to review all programs to ensure that the ones in place work efficiently, to add appropriate measures to make existing programs more effective, and to help create new initiatives.

I suppose when one is in the Opposition it is somewhat like sitting around a coffee table or a bridge table and solving in one hour of discussion in very simplistic terms all the problems of Canada. The Opposition urges the Government to do something concrete, to come up with a master plan. I am sure our Cabinet Ministers, or whatever Cabinet Ministers happen to be in power, are looking to do exactly that, to come up with a genuine idea which in a very simplistic way will cure all the problems of the country. Unfortunately that is not the way life works. We require a variety of ideas. We have to bring them together to maximize the efforts of Canadians to create more jobs. However, I recognize the particular subject we are discussing today is that of youth, so in a sense I will return to where I began.

Despite the fact that the Government has done many things, such as the ones I have already outlined, it has also implemented the Career Access Program which will give some 78,000 young people an opportunity to obtain on-the-job experience. We have some 455 student employment offices across the country which will put some 333,000 young people into jobs. Despite all these facts, we require an attitude which from time to time transcends parochial interests and partisan politics. We must recognize that we all have a responsibility to maintain that which will provide jobs for young people, middle-aged people and older people—the confidence Canadians essentially have in this country. It is there but it becomes eroded when we hear nothing but doom and gloom, when we paint a daily picture in the House that the world is coming to an end tomorrow.

I would not expect opposition Members to say that we are doing a great job, but I expect a few more positive suggestions as to how we can alleviate the problems of the young unemployed people of Canada. Hon. Members opposite certainly do

their best in their individual ridings to acknowledge job-creation programs, such as the Canada Summer Works Program, student employment programs and on-thje-job training programs, because they know they work. I would hope that they would join publicly, as they do privately and as they do in their own ridings in many instances, in saying we have problems, we have places to go, there are programs, yes, and if they were in power they would do them better. They are there, let's make them work. They should recognize that that is overstating the case. They are not joining in from time to time in a positive way, not recognizing they are unconsciously creating a feeling of gloom, a feeling of depression within the country. I do not lay all the blame for that thinking on the Opposition. However, they might want to consider that employing young people in satisfying jobs is the prime goal of all Canadians. We all have a job to do. We in this House have opportunities to speak to employers.

• (1630)

I read a statement the other day to the effect that if every employer in Canada would hire just one person, we would not have a problem. The Opposition might join with us in the larger battle of solving the problem of youth unemployment in this country. They can help us carry the message. We should try and convince Canadian employers that it is in their interest, as well as in the interest of young people, to make a concerted effort to train them, to utilize their talents and young minds, giving them the opportunity to grow.

I come back to the Ministry of State for Youth. The Member previously made light of this. It is interesting to note that the province in which I reside has recently mirrored our action. The Minister there is not called a Minister of State in charge of youth employment, but a commissioner for youth. Statistically it looks like Ontario is really on the go. Even in a wealthy province, which has a lot going for it and a good future, despite all the new jobs created—and we are creating new jobs all the time but creating more people to fill those jobs—we still have a specific and special problem with regard to youth unemployment. The Party in power in the Province of Ontario is not a Party to which I belong. It believes it must help solve a relatively new phenomenon in Canadian society and North American society. The problem is not peculiar to Canada. We have to do something extra special to prevent the degrading situation that exists when so many young people are unemployed.

I could recite the statistics relating to the dollars we are utilizing to create employment for our young people. We have the Skills Growth Program. Universities are being upgraded. Colleges have new equipment to train students better. This has not just occurred since we have had a Minister of State for Youth. We have recognized the problem. Those programs began a few years ago. We know that more has to be done.

I again make the exhortation to Canadians to recognize that it is absolutely essential that we find jobs for our young people. It is essential that we are honest with our young people. Young people are the most honest people that I know. They understand when we say to them: "You have to be prepared to broaden your scope and thinking. You must recognize that if you are trained in this, you may have to try something else for a little while because from point "A" to point "B" may not be a straight line. You may have to make a small detour, but you will get there." Patience, faith, hard work and diligence, all of these so-called old-fashioned qualities that we seem to think have gone are still there. We have to remind young people that they have a part. They are playing that part. They are willing to do that. The different levels of government have to co-operate. After all, the money comes from the same common pot.

The private sector must continue to tell us what we can do to make the job of running an enterprise more profitable so that it can expand and create jobs. We must ask the private sector to join with us in targeting in on youth unemployment. I am a perennial optimist. I know that in our heart of hearts that is the way we feel about things in this country. Canadians, as always, look at diffiult problems and find solutions together.

The Acting Speaker (Mr. Guilbault): Are there any questions?

Mr. Crosby: Mr. Speaker, let me say at the outset that I think all Members are in agreement with the comments of the Hon. Member for Thunder Bay-Nipigon (Mr. Masters) with respect to our desire to create new employment and new employment activity for young Canadians. We have a complete consensus in that aim and goal. Where we come into difficulty and dispute is in the methods and means by which we attempt to achieve the goal.

The Member indicated the efforts made by the Government of Canada with respect to the establishment of some 480 student employment centres across Canada. Their hope is to achieve employment for some 333,000 students and young Canadians. That is a laudable goal. We wish the Government could go further and faster.

There are some problems in those employment centres. We saw evidence and reports of that in the press yesterday and again this morning. This morning I heard an interview with an officer of the Department of Employment and Immigration, one Brian Fuhr. He was being questioned about activities at the student employment centres. I was shocked to hear in the course of that interview, presented by the Canadian Broadcasting Corporation on a local Ottawa station, that the officers of the Department of Employment and Immigration in these employment centres will not post the jobs for which federal funding has been provided. They will not tell the students what jobs are available. In the student employment centre in Ottawa there are 600 federally-funded jobs available. The officers of the Department will not tell the students what those jobs are so that they can make application for them.

At the same time, it was disclosed that the applicants for these available jobs are selected from the filing system. That particular office is two or three weeks behind in placing names in the filing system so that they could be selected for application for the jobs available.

Does the Hon. Member think this is the proper and fair way to conduct a student employment or summer employment program in which there is brief time available to apply for the job, where the employment period is short, to be caught up in that kind of bureaucracy, not being able to see what jobs are there, make direct application to the employer, and not have to go through some bureaucratic maze in order to have an opportunity to be employed for these very important summer months?

Mr. Masters: Mr. Speaker, I consider that an excellent question. I would not argue against the problems of bureaucracy and, why all of us keep coming back, wanting to do more through the private sector. The thinking in that instance might be that there is another process to be followed with regard to Government funded jobs so that there is a more equal opportunity for more people to have access to them.

I will just take a moment to respond to the Hon. Member. To respond to the Hon. Member, I would remind him that the debates are being monitored and I am sure that that is one area which should certainly be reviewed in a way that will possibly cut down on what I agree is a bureaucratic process which keeps the job seekers away from the job opportunities for a longer period of time than necessary. I believe that that is what the Hon. Member has said.

● (1640)

I have spoken of parochialism and I do not wish to be guilty of it myself, but it is also interesting to note that in my constituency, at least one of the local radio stations and perhaps more are co-operating with the Student Employment Centre by advertising to have jobs registered with the group as well as job opportunities. That program seems to be working very well and there has been a very strong response to it from the business community which has recognized the necessity for the program and has recognized that it does help businessmen find the employees that are required for their enterprises.

Returning to the Hon. Member's question, I think that that is a sign that there really is the room and the necessity for dialogue. I think the Hon. Member has made a good point and I would hope that the situation would be thoroughly examined.

Mr. Crosby: Mr. Speaker, I will content myself with the hope that the Hon. Member will use his good offices to pass this message on to the autorities responsible so that they may rectify this serious complaint. I noticed that the Minister is present in the House of Commons and she as well may take this into consideration.

The excuse given for not posting these government-funded jobs was that there were restrictions with respect to them. The first restriction was that the applicant had to live within the federal constituency for which the job was intended and the second was that there might be special restrictions. I do not think that that is any reason for not posting the jobs. I know that in my own area, there is no such requirement of residency in a special federal constituency. Some people are perhaps a little suspicious that there may be something going on behind the scenes by way of pointing certain people in certain directions in order to obtain this employment. If the jobs were posted for everyone to see, we would be more assured of fairness.

I would like to make one further comment and ask another question of the Hon. Member with respect to a remark he made during the course of his speech. He said that we all want to maximize the efforts of Canadians to create more employment. I think that is a goal which we all desire devoutly. I would like to point out to the Hon. Member that independent agencies like the Conference Board of Canada as well as the Minister of Finance (Mr. Lalonde) have said in their economic predictions for the future that unemployment will continue at its current high rates for the next year or two and even longer. There is no indication that the economy will improve to the extent that we can reduce the unemployment rate to a figure less than 10 per cent or 11 per cent.

At the same time as this was being said, the Hon. Member's colleague, the Minister of Justice (Mr. MacGuigan), said in a speech which he made in the Province of British Columbia recently that full employment is possible and that if he became the leader of the Party, he would reduce unemployment dramatically over the next five years and reduce it back to its previous levels of 3 per cent or 4 per cent. Because the Hon. Member has access to information that is not available to Members of the Opposition, I would like to ask him if he knows how the Minister of Justice will reduce the unemployment rate in Canada if he becomes the leader of the Party.

Surely the Minister does not need to wait until he is the leader of the Party to implement a plan he may have to eliminate unemployment in Canada or reduce it to the level of 2 per cent or 3 per cent from its current level of 11 per cent. Surely he should share that plan not only with his colleagues in the Liberal Party but with his colleagues in Parliament. Let us get to work on the war on unemployment.

The Minister of Justice said in his speech that he did not accept the forecast of a 10 per cent unemployment rate for years to come and that he knows how to reduce that figure so that the unemployment rate between 1985 and 1988 will on average be less than the 9 per cent predicted by the current Minister of Finance. Perhaps the Hon. Member would share his thoughts with us and tell us how his colleague, the Minister of Justice, will reduce the unemployment rate to below the levels predicted by his other colleague, the Minister of Finance.

Perhaps the Hon. Member may simply say that there is no such plan, that we are stuck with the unemployment rates that were predicted by the Minister of Finance and that there is nothing that can be done about it. If that is the attitude of the Government with respect to unemployment and if the Government does not agree with the Minister of Justice who says that we can wage a war on unemployment and reduce it very dramatically, then I think the Government should quit and let someone else take over who will try to reduce unemployment.

Mr. Masters: Mr. Speaker, I believe that my time is almost up. I did mention that I am an optimist. All of us must realize when looking at projections that they are only projections and will remain projections unless something else happens. I can recall a time, Mr. Speaker, when I was a sales manager and I predicted in a very—pardon the expression—conservative manner a 10 per cent growth in sales. I found that the growth in sales went to 30 per cent and yet every economic barometer from the beginning of the year on which I based what I thought might be an optimistic prediction indicated that it was gloom and doom time and that we would not do well. These barometers were from early January. By December, because of all of the things that went on in the economy in general, those predictions did not hold true.

I am not sure what my hon. colleague has in mind when he speaks of totally reducing unemployment. I think it is a goal for which we will all continue to strive but I would remind the House that projections are merely that. They are a form of looking into a crystal ball after having been given the best information at a given point in time. We sometimes do not meet the expectations of projections and we sometimes far surpass them. As an optimist, I think we will surpass them in this instance.

The Acting Speaker (Mr. Herbert) Order, please.

* * *

[*Translation*]

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Herbert): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-11, an Act to implement conventions between Canada and the Republic of Tunisia, Canada and the People's Republic of Bangladesh, Canada and the United Republic of Cameroon and Canada and the Democratic Socialist Republic of Sri Lanka, an agreement between Canada and Kenya and conventions between Canada and the Arab Republic of Egypt, Canada and the Republic of the Ivory Coast and Canada and Sweden for the avoidance of double taxation with respect to income tax, to which the concurrence of this House is desired.

* * *

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—NON-CONFIDENCE MOTION—YOUTH EMPLOYMENT OPPORTUNITIES

The House resumed consideration of the motion of Mr. Wise:

That this House condemns the continuing failure of the Government's policies to restore even pre-recession levels of employment opportunities for young people at a time when hundreds of thousands of young Canadians are about to join the labour force from our schools and universities and Canada's unemployment rate for young adults remains the highest of any Western industrial nation.

And the amendment of Mr. Deans:

That the motion be amended by deleting the period after the word "nation" and adding the following thereafter:

"—and in particular the Government's adoption of the United States interest rate and monetarist policies, thereby reducing employment opportunities for young Canadians.

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, I would like to pay tribute to my colleague, the Hon. Member for Elgin (Mr. Wise), for having brought before the House for debate today an issue which the Government is always loathe to raise for debate, to bring into the House or to have examined. Indeed, when the previous speaker, the Hon. Member for Thunder Bay-Nipigon (Mr. Masters), addressed this issue in response to an Opposition Day motion, he glossed it over, if I may say, as if there were no real crisis in the country with regard to youth unemployment. What the Hon. Member does not seem to realize is that one out of every five young persons in this country is unemployed today. That is a national disgrace, sir, in a country like Canada.

The number one issue in this country today is unemployment. The number one issue under this Government a year ago was unemployment. If the Liberal Government were to be in office a year from now the number one issue would still be unemployment. That is the reason why the Canadian people will not accept this kind of government any longer.

Hon. Members who have spoken previously in this debate have said that Canada's employment rate as compared to the other ten western industrialized countries ranks eighth. That is where we stand in comparison to our counterpart countries in the industrialized world. However, when it comes to where we stand as compared to those countries with regard to youth employment, we rank last. Again, I say that that is a tragedy which the Hon. Member for Thunder Bay-Nipigon does not seem to recognize.

To put the statistics on the record again, Mr. Speaker, the rate of unemployment in Canada for those between the ages of 20 and 24 was 18.5 per cent last year. In the United Kingdom, that rate of unemployment was 18.2 per cent, in Australia it was 14.6 per cent, in the United States it was 14.5 per cent, in Sweden it was 7 per cent and in Japan it was an incredibly low 4.1 per cent. That is 4.1 per cent in Japan and 18.5 per cent in Canada.

● (1650)

Even if we were to look at the latest figures available to us for the young people in this category, we would find that in the United States the present rate of unemployment for young people is 12.2 per cent and in Canada the present rate is 17.1 per cent. That is a difference of five percentage points between Canada and the United States.

I suppose one can say that it is easy to rattle off a lot of statistics. They are really a group of words just bunched together. However, what you have to do is stop and analyse what those statistics mean in human terms. That is when one sees that they mean hundreds of thousands of young Canadians between the ages of 18 and 25 who are unable to get jobs

and whose lives are being scarred by a set of circumstances which they did not create. That is what one hears when one talks to young people, when one talks to the one young person out of the five who is unable to get a job in this country.

Often when we hear this tragedy discussed we hear it discussed in terms of the economic costs of unemployment, how much it costs us in employment insurance, in dollar terms. But how seldom do we hear this tragedy discussed in terms of the social costs to the country, and the greatest social cost to this country today is in the 500,000 young people who are out of work, the almost two million people in total who are without jobs in Canada today. We are not only losing their creativity and productivity, their ability to help develop this country, but these young people are also being condemned to a loss of dignity, a loss of self-worth and a loss of the very thing which each of us had on coming into the workforce. We had a feeling that we could do something to contribute to this country, a feeling that Canada needed us. But the young people of today are being condemned to a feeling that somehow or other they are not needed, that there is nothing they can contribute, and that is what brings about the loss of self-worth.

What is worst of all is that these young people are being forced by circumstances which they did not create to now assume the burden of paying for those errors. They are being forced to pay for the mistakes made by the present Liberal Government, particularly in the last four years.

When I mention mistakes, I look back to the economic plans, misguided Budgets and inappropriate policies brought forward by this Government in the last four years, certainly with the 1981 Budget in such sectors as the energy sector. What did those policies do? They caused widespread unemployment right across the country. There are the mistakes not only of introducing these policies, but the mistakes which the Government has made in administering the programs which it says are going to help out.

The Special Employment Initiatives Program, for example; how was that administered? It was administered by padding up Liberal ridings, treating the unemployed in this country, especially the youth unemployed, as if somehow or other a double standard should exist, that if they lived in a riding other than those held by a Liberal Member of Parliament they should not be considered as unemployed.

There has been a mistake made by the Government in not aggressively developing new and comprehensive training and counselling programs which could really prepare our young people for the changing and highly competitive world of new technologies.

I know that those comments may in some sense sound partisan. I believe they are true, but let me go beyond the comments and quote from some of the studies which are being done to show what is really happening to young people in our country today. I will quote from a recent report, Sir, of the Canadian Mental Health Association, entitled "Unemployment: Its Impact on Body and Soul". Chapter 6 in that study is headed, "Are youth the silent victims?" I would like to just quote from page 35 of that study, which says:

> It is cruel irony that while our social institutions promote the importance of economic independence as a measure of maturity, our economic policies have created a situation in which youth are hard-pressed to find employment. They thus remain, by social definition, immature and dependent. This "dependency" can take the form of reliance on parents, on the state, on drugs. Regardless of its form, it is counter-productive to blame young people for their predicament when it is policies and structures that have created the context in which growth is stifled.

That, Sir, is not said by a body which is given to partisan statements. That is said by the Canadian Mental Health Association which has studied the impact of unemployment on young people. When it makes that statement it uses such words as "dependency, reliance, predicament". If I were to emphasize those words, Sir, I would say that they bring home, far more than statistics, what is really happening to people under the age of 25. Those words put the human, tragic face upon numbers and unemployment rates and the seasonally adjusted totals which we hear every time Statistics Canada releases its report on the labour force.

Let there be no mistake, Sir, the figures did not grow so alarmingly, nor remain high, because our young people are unwilling to work. That is not the case. It is not because they do not want to go to work. It is because they cannot find a job, any job at all, and the social consequences are alarming, particularly among those looking for their first jobs rather than continuing on in post-secondary education.

The study I quoted from, which was produced by the Canadian Mental Health Association, points out that unemployed youth are likely to feel bored, with nothing to do, no money to do it with, no clear goals and no sense of purpose. Second, they are likely to flounder in their search for a sense of personal identity; third, to have lower self-esteem than their peers who are employed or in school; fourth, to feel humiliated, and blame themselves for not staying in school or trying harder; fifth, to feel angry at, and resentful of, themselves and their parents, teachers, employers, governments and other institutions; and, finally, to be disillusioned with themselves and their society.

It is interesting to see some of the headlines which appear in the newspapers which collaborate these statements. I have one here which reads, "Jobless Youth: Hope the Major Casualty". And another reads, "Youth Revolt Feared Unless Jobs Available". This is what is happening to young people, and it is documented and clear if the Government would only take a look at what is happening. These are the feelings of young men and women supposedly, Sir, in the prime of their lives. In days past they would normally have been planning their futures. They would have been thinking about getting married, dreaming of being promoted in their jobs, or planning on buying a home or a car. That is the sort of thing they can no longer envisage. They cannot think about it. Instead, at the age of 20 or 21 they are prepared to give up. They have already been looking for a year or two years and they see no real future for themselves. No job, no money and a rapidly diminishing self-respect is the legacy that the Liberal Government has given to these young people.

• (1700)

Let us not be deceived, Sir, into thinking that these symptoms are restricted solely to those who go straight from high school into the labour force. Although statistics show that young people who receive no post-secondary education are less likely to find a job, schooling itself is no longer a guarantee of entry in the labour force. When I was looking at these statistics, Sir, one thing came very clearly to mind. They showed that 73 per cent of those young people who were unemployed have only a high school education or less. That points out the need for a clear remedial and fundamental skill development training. That is what is really needed by these young people. Not just for education's sake, but to give them the skills to enrol in training. Give them the fundamental education so that they can get enrolled in training programs. But what did the Government do two years ago? It cut off funding for literacy and basic training programs.

However, that is for the young people who have a high school education or less. Look at the others who have gone on and put in years of study and preparation, young people who are graduating from university and community colleges and can find no work to go to. No wonder they begin to ask themselves why they bothered to do it in the first place. Why did they bother juggling part-time jobs during the school year and search for and work hard at summer jobs so that they could get enough money to pay for their education? Why did they bother to go so heavily into debt to graduate and then find that they have no means of paying back those loans? That is what the young people of today are asking; to do all that and then find there are no jobs. No wonder they are disillusioned, no wonder they are giving up on the system.

This leads us to other problems and social burdens that unemployment brings about. Just recently there was a study done which shows the linkage between youth unemployment and crime. This comes to light in a book entitled *Economic Opportunity and Crime*. It says that in the case of crimes of violence we can demonstrate a fairly strong relationship between these offences and deteriorating economic conditions mainly reflected by unemployment. We have hypothesized that assaults will increase as a result of frustration of unemployment. I do not need to turn to economic or academic studies to bear this out, Mr. Speaker. I just want to read from a letter written by a widow who is in dire financial straits. She said that her son left home. He was away only one month. He tried hard, he could not find a job and welfare would not help him, so he stole food just so he could live. As a result the boy was put in a correctional centre for what he did, and he was not the only young boy who was there because of that.

Earlier this week in the Standing Committee on Health, Welfare and Social Affairs I asked whether or not we were undertaking in depth studies in Canada to show the correlation between unemployment, particularly youth unemployment, and the social costs that will be with us long after new jobs are created. As yet there has been almost nothing done in this field in Canada, but we need those studies in the same way that we need this Government and this Parliament to address the problem. Not from the point of view, Mr. Speaker, of trying to patch up the problems, not to look for band-aid solutions, but to begin a different kind of approach, one that will see us investing in human resources inthe way we have invested in natural resources in the past.

We have nto had in this country a commitment by the Liberal Government that the development of the human potential in this country is as important and as critical as is the development of equipment or plant or natural resources. That attitude has to be turned around, Sir. Our greatest resource in this country is our people. We have to give the same kind of capital investment to the development of our people as has been done with the other sectors of our economy in the past. That, Sir, is what this Party is committed to. The studies we have done have shown that this is the only way to turn around this situation of youth employment.

Mr. Baker: Mr. Speaker, I have a question for the Hon. Member. At the beginning of her remarks she was very unkind to the Liberal Government. She also mentioned the number of young people who will be seeking employment this summer so that they can return to university and trade schools and so on. I would like to know if, in areas of high unemployment and where there is practically no industry, she supports the Government's summer student employment programs and, generally speaking, whether she supports direct government job creation in those areas I mentioned?

Miss MacDonald: The Hon. Member comes from Newfoundland. He certainly should know something about high unemployment in this country and the tragedy that this Government has not even recognized the problems of Newfoundland in any way, shape or form. He should be up there demanding that the Cabinet Ministers in his Government do something about turning around their attitude toward Newfoundland. It has been a disgrace and he should know it. I want to tell him that for a long time the intensive development of long-term jobs will be most critical. Certainly the summer programs have been supported, but what do they do for the 500,000 young people who will not have access to them? There are many in his riding of Gander-Twillingate who will not be beneficiaries of that program. What, may I ask, is he prepared to say on their behalf, because the Government is saying nothing for them.

• (1710)

The Acting Speaker (Mr. Herbert): Before giving the Hon. Member the floor, I should comment that questions are directed to the person who has made a speech. The person who has made a speech should not be directing comments or questions to the questioner. The Hon. Member for Gander-Twillingate (Mr. Baker).

Mr. Baker: Mr. Speaker, of course there was a reason I asked the question. The Hon. Member who just spoke was part of the Government in 1979 and the first part of 1980. One of the most disgusting things that the Government did at that time, in which the Hon. Member was a key player, was to lay

down the law and say that there would be no direct job-creation programs from the federal Government. It said that perhaps the private sector should create the jobs. That is precisely why I asked the question, Mr. Speaker. That will be a key question in the next federal election. That is a key question in areas of high unemployment where private enterprise does not exist to any great degree at all.

If the Hon. Member is saying that she supports the Summer Student Employment Program and wants more money to go into it and other direct job creation programs, then she is at variance with her Party. That is why I ask the question. Would the Hon. Member reconsider her answer in view of what happened when the Conservative Party took power?

Miss MacDonald: Mr. Speaker, when the Conservative Party was in power the unemployment rate in the country was a lot lower than it is at the present time. He must bear the blame, along with everyone in that Party, for what has happened in the last four years. It is the policies of that Government that have driven the unemployment rate to the extreme height it is at today.

Of course the Hon. Member was not here earlier today when the various points as to what steps would be undertaken were spelled out. However, his constituents will know what they are. I would like him to know, Mr. Speaker, that the people in his riding are going to be asking him what he has done in the last four years to bring down the unemployment rate in Gander-Twillingate and the many other parts of Atlantic Canada which have suffered more than any other part of the country because of the policies of the Liberal Government.

Mr. Pinard: There are Tory Governments in those provinces.

The Acting Speaker (Mr. Herbert): Are there any other questions or comments? Another supplementary question, the Hon. Member for Gander-Twillingate.

Mr. Baker: Mr. Speaker, the Hon. Member has still not answered the question. It is a key question. It is an important question of Government policy. It is an important question of Opposition policy. It is an important question that the Hon. Member is going to have to answer now or when the campaign is on, as will every person running for the Progressive Conservative Party. She still has not answered the question.

Miss MacDonald: Mr. Speaker, I do not quite understand the Member reiterating a question which I have answered two or three times. I realize it takes a little longer to get through to him. I have known that over the years, as have others. However, since he has asked about areas such as his part of the country, I will repeat what was said by the Hon. Member for Elgin earlier this morning.

In several parts of Canada young people face a future of almost permanent unemployment. Wage subsidies and employment tax credits will be of little value in these economically depressed regions. In such regions there ought to be programs of community based entrepreneurial development which would assist individuals and groups wishing to start new businesses to raise money, to cut through red tape, to identify markets, and to train workers. That is what has not been happening and that is what must happen so that people can get permanent jobs.

Mr. Wise: Mr. Speaker, I did not have any intention of posing a question to my colleague, the Hon. Member for Kingston and the Islands (Miss MacDonald). However, in view of the exchange which has taken place, I would like to direct a question to her. Has she had an opportunity to examine the record? I know she is an extremely busy Member. Can she recall that during the nine months when we were in Government we created some 60,000 jobs? That was a creation of 7,000 jobs a month. Would she agree that if we examine the record for the 49 months since this Government was re-elected to office we will see that during that period of time they have lost a total of 300,000 jobs? In the nine months we were in power we created jobs at a rate of 7,000 per month. In the 49 months since this Government has been in office they have lost jobs at a rate of 7,000 a month.

The Acting Speaker (Mr. Herbert): A short response from the Member for Kingston and the Islands.

Miss MacDonald: Mr. Speaker, that is a very good and valid point which should be made. I hope the Member for Gander-Twillingate takes very strong cognizance of these important figures. In the last four years we have seen a major setback to the labour force of the country. We have still not recovered to the point where those in the employment force are at the level they were at in 1981. That is a tragedy. Those people are unemployed and the young people are still the hardest hit.

The Acting Speaker (Mr. Herbert): The period for questions and comments has ended. For continuing debate, the Hon. Member for Burin-St. George's (Mr. Simmons).

Hon. Roger Simmons (Burin-St. George's): Mr. Speaker, I would first like to come to the defence of my good friend and my colleague, the Hon. Member for Gander-Twillingate (Mr. Baker). He has been in the House for 10 years. They have been 10 vigorous years for him. He has fought like a Trojan and the happy result can be seen throughout Gander-Twillingate. I think it is unfortunate that there should be a suggestion that he has been less than an absolutely thoroughly good Member during that period, particularly in the last few months when he, as have all of us around the country, has had to deal with some difficult issues relating to the employment figures.

I thought I saw one of the more touching scenes in this House a few minutes ago when the very magnanimous and gentlemanly Member for Elgin (Mr. Wise) came to the rescue of the lady from Kingston and the Islands.

Miss MacDonald: Member for Kingston and the Islands. Point of order, Mr. Speaker.

The Acting Speaker (Mr. Herbert): The Hon. Member for Kingston and the Islands (Miss MacDonald) on a point of order.

Miss MacDonald: Mr. Speaker, I am in this House under the same set of circumstances as any other Member here. It has been very difficult for me, as a Member of Parliament, to listen to the Prime Minister (Mr. Trudeau) of the country refuse to accord me the same title as any other Member of this Parliament day after day and year after year. Sir, I protest that I am entitled to be addressed as a Member of Parliament. It is on that basis that I was sworn into this Parliament. I insist that that is how we should all be addressed.

Mr. Pinard: Mr. Speaker, I rise on the same point of order. I am sure that the hon. lady would not want us not to respect past practice. Very often it has been accepted in the House that we call a colleague the hon. gentleman from a certain riding. I am pretty sure that the hon. lady is not suggesting that we should not call her a lady. I respect her very much. There is nothing wrong and nothing contrary to parliamentary practice in calling an Hon. Member either an hon. gentleman, if I am addressing Mr. Dick, for example, or an hon. lady, if I am addressing my good colleague, the Hon. Member for Kingston and the Islands (Miss MacDonald).

● (1720)

The Acting Speaker (Mr. Herbert): I did not personally sense any intention to show any lack of respect. It might simplify matters if Hon. Members could restrict themselves to the use of the terminology "Hon. Member".

Mr. Simmons: Mr. Speaker, as always, an excellent ruling. I hope the Opposition will keep that in mind when they sometimes refer to Ministers during Question Period as other than Minister.

The point raised by the lady from Kingston and the Islands—

Miss MacDonald: He just ruled.

Mr. Simmons: The Hon. Member for Kingston and the Islands. You interpret me correctly, Mr. Speaker. Of course, I intended no disrespect. I used it in the same vein that she had, moments earlier, when referring to the Hon. Member for Gander-Twillingate as the gentleman from Gander Twillingate. It is quite common practice. It is far from me to suggest that she is not a lady.

I thought it was touching that the gentleman, the Hon. Member for Elgin came to her rescue so magnificently a few moments ago. At that point she needed rescue because she was impuning the performance of a Trojan in this House, the Member for Gander-Twillingate.

I happen to agree with the Member for Elgin thoroughly when he says that the Tories, during their nine months in office, created 40,000 jobs. I believe, and let the record show that, that they did create 40,000 jobs. Nobody would deny them that. Nobody on this side of the House would deny them that because we know that the reason the programs were in place to create those jobs was that a Liberal government had preceded that Tory government for the preceding 16 years, from 1963 to 1979. Despite the fact that they wiped out every fisheries project in Atlantic Canada during their nine months in office, and despite their stated policy to do away with job creation programs, they were unable to wipe out all the jobs. Therefore, 40,000 jobs were created as a heritage, a leftover from a Liberal government. They were jobs that they could not destroy despite their most destructive efforts.

The gentleman from Elgin is absolutely right, the Hon. Member for Kingston and the Islands—

Miss MacDonald: You are learning.

Mr. Simmons: I agree with the lady from Kingston and the Islands when she says that the attitude of some politicians toward Newfoundland and Labrador is absolutely despicable. She is absolutely right. Again, I remind you and her, Mr. Speaker, that among those politicians who manifest such attitudes are the two gentlemen from Newfoundland who are in the Tory Cabinet and who had such a despicable attitude toward Newfoundland that they were party to wiping out every single fisheries project in all of Newfoundland and Labrador. All of them had been approved, had gone through the Cabinet process during the Liberal years, had gone through the parliamentary process and were on track until the two gentlemen from St. John's got a hold of them. They put them off track very fast. She is right, that is despicable.

Speaking of other politicians, watching the performance these days of the Premier of Newfoundland, a man I know very well, makes one a little unhappy about what some politicians will dare to do. The economy of Newfoundland is not on track to the degree it could be if we had an agreement on the offshore. The reason there is not an agreement on the offshore has nothing to do with a lack of willingness on the part of the Government of Canada. It has nothing to do with a lack of willingness or desire on the part of the Newfoundland community at large. It has very little to do with any lack of willingness in the Government of Newfoundland as a whole. It does concern the attitude of the Premier of the province who fights not to win, but who fights to fight. His objective is to fight some more today and some more tomorrow. Until that attitude changes, I agree with the Member for Kingston and the Islands that we will continually have to lament the approach of some politicians who would put base, partisan politics before the good of the people of Newfoundland and Labrador. I thank her for raising that particular issue because it is an important issue to the gentleman from Gander-Twillingate, and an important one to me.

I also agree with her that the Tories were in power at a time when the unemployment rate was decidedly lower than it is today. Is she suggesting that because a government of whatever political stripe took office that somehow the unemployment rate suddenly shot downwards? Is that what she wants us to believe? The truth is that that unemployment rate was low

at that particular time because of 16 years of Liberal government that had preceded it.

She cannot have it both ways. She cannot on one hand blame the Government totally for the current unemployment rate and at the same time deny it credit for the low unemployment rate which existed when her government took office in June of 1979. It is no accident that she finds herself telling the truth about this subject as well. Of course the unemployment rate was low. She should also expand beyond that and tell the House and the country why the unemployment rate was low. It was low because she and her colleagues inherited an economy that had been managed well in the preceding 16 years by Liberal regimes, first under Mr. Pearson and subsequently under the current Prime Minister (Mr. Trudeau).

I am grateful to Members opposite who participated in this debate today because they have given the people of Canada a warning. It is a warning of what the people of Canada can expect. The motion before us clearly shows us the haze and fog in which the Opposition continues to wander aimlessly day in and day out. It is looking for something with which to tempt what they clearly must see as an unwitting public that is unencumbered by any consideration of the facts. The Opposition critics rise to show the Canadian people how they are prepared to run the country. However, despite the fond hopes of the Opposition, the Canadian public is not that gullible. They know truth from fantasy. They know what is happening and they know that this Government has been a world leader in promoting the cause of youth.

It is interesting to note that while the national Tory Party spends its time trying to imagine what it would be like to be in power, its provincial counterpart in Ontario is wisely following Liberal initiatives. I am referring to the recent announcement by the Ontario Government of the appointment of Mr. Ken Dryden to the position of Youth Commissioner. It occurs to me that now that the hockey season is over the Opposition might want to consider asking Mr. Peter Pocklington if they could borrow Wayne Gretzky. He, at least, would give them some effective opposition. But the decision to appoint someone to focus the concerns of youth, as the Government of Ontario has done, is once again just following a good Liberal lead.

● (1730)

In December last year this Government announced its intention to focus on the concerns of youth by appointing the country's very first Minister of State for Youth (Mrs. Hervieux-Payette). Since that time this Government has worked toward involving young people in planning their own future.

Let us look just a little more closely at the motion before this House. In its wish to deceive, the Opposition has tried to paint a picture of Canada as the worst performer of any western industrial nation. The Opposition says that Canada's unemployment rate for young adults remains the highest of any western industrial nation. That is what the Opposition says, Mr. Speaker. But that is simply not true, as Hon. Members opposite would know if they only took the time to examine the figures.

According to a recently published forecast prepared by the Organization for Economic Co-operation and Development during 1984 youth unemployment rates in Spain, France, the United Kingdom, and Italy were markedly higher than in Canada. In relative terms, Canada has not experienced the highest percentage increase in youth unemployment either. In comparing 1979 actual rates to 1984 forecast rates, Canada's youth unemployment rates will have increased by 42.3 per cent over the five year period. Obviously we on this side are not satisfied with that figure. We are working hard to reduce it, with, I might add, some very encouraging results to which I shall refer in a few moments.

The Opposition is fond of saying, as we see in this motion today, that Government policies are to blame for unemployment in Canada. So let us look at the performance of some other countries, Mr. Speaker, and see how well they have performed over the same period.

The average increase in youth unemployment rates over the same five-year period from 1979 to 1984 for the seven countries surveyed by the OECD, which include the United States, Japan, West Germany, France, the United Kingdom, Italy and Canada, is 53.7 per cent, or 11.5 per cent higher than for Canada alone. Taken individually, our 42.3 per cent is significantly lower than the United Kingdom's 96.6 per cent. That is right; Canada has had a 42.3 per cent increase, and the United Kingdom, under a Tory Government, of course has had a 96.6 per cent increase. And what about West Germany? It had an increase of 291 per cent in youth unemployment in five years.

In fact, the OECD predicts that Canada and the U.S. will be the only countries whose youth unemployment rates will decline during 1984. Apparently, Mr. Speaker, the Government's policies in this area are not nearly as inadequate as Hon. Members opposite would have us believe.

There is no doubt that the past few years have been a difficult time both here and abroad. The recent recession left governments everywhere with little room to manoeuvre. Increases in the cost of money, couple with the entry into the eligible workforce of the baby boom generation meant that already fragile economies were stretched to the breaking point. In addition, our society is undergoing a profound change, largely as a result of new technology. It is only natural that when our society is changing so rapidly there should be a period of uncertainty during which traditional qualifications are unable to keep pace with technical innovations. But here again, through the Government's national training program, we are working at top speed to provide the young people of this country with the skills they will need to meet the rapidly changing demands of the Canadian labour market.

When these events are placed in the context of the proportion of young people in the workforce, the challenge that has been met successfully by the Government of Canada is truly remarkable. Most industrialized nations have seen a decline in youth as a percentage of the total workforce over the past few years. In absolute terms, however, Canada's decline, at 25 per cent in 1982, ranked third highest behind Austrlia and Portugal.

If time permitted I would have gone on and showed again that our performance in Canada fares much better than in the other industrialized countries. But just let me say that the difference here, and on that side of the House, is that our heart is in doing something for the youth unemployed.

Miss MacDonald: Creating it.

Mr. Simmons: The heart of the Opposition is in painting the worst possible picture. The Opposition's heart is in destroying morale. Ours is in lifting it, by providing programs, initiatives, through private enterprise and by reaching out so that the thousands and tens of thousands of youth across this country, who are relatively in better shape than their counterparts in countries I have mentioned, may find jobs. On this side we are not going to quit until we continue to address the problem adequately. We have addressed it fairly adequately but we have not yet done enough. But we are not going to stop, Mr. Speaker, because we have a few naysayers on that side who want doom and gloom. We believe in our youth and that is why we put our money where our mouth is.

The Acting Speaker (Mr. Herbert): There follows a ten minute period for questions or comments.

Mr. Malone: Mr. Speaker, the Hon. Member for Burin-St. George's (Mr. Simmons) said that he puts his money where his mouth is. I want to know how much money he has.

Mr. Simmons: Mr. Speaker, I am delighted to answer that question. I want to draw attention to the concluding remarks I made which are now reinforced by the question and the questioner. While we believe that serious things need to be done on a continuing basis to provide more jobs for youth, the Hon. Member's approach to the problem is to prove that if he is not witty, he is at least half-witty.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, in the first part of the Hon. Member's speech he referred to what the benefit of an agreement on the offshore of Newfoundland would be to the employment picture in Newfoundland. Can the Hon. Member explain to this House why the Government of Newfoundland was unwilling to accept the revenue sharing offer made to the Government of Newfoundland by the Minister of Energy, Mines and Resources (Mr. Chrétien) in the same terms which the Government of Nova Scotia was quite ready and willing to accept? Could he tell us what benefit that would have in terms of jobs to Newfoundland?

Mr. Simmons: I thank my friend from Miramichi for his question. He is right, of course. There was an offer made by the Minister of Energy, Mines and Resources (Mr. Chrétien). He calls to mind the distinction I made in my speech between the Government of Newfoundland as a whole and the Leader of that Government, Mr. Peckford. It is well known because it was documented on the national news that day.

• (1740)

The Minister of Energy, Mines and Resources and Mr. Marshall went before national television cameras to say they were pleased with the outcome of the meeting, that they essentially had an agreement and that they just wanted to take it back to their respective governments. Within a few hours the Premier of Newfoundland was on the radio basically saying, "Not so fast, we don't have an agreement yet". He was scared to death that they might have an agreement. They almost had it, to the credit of Mr. Marshall and the Minister of Energy. They were so near that they went public with their accord; they announced it on national television.

I just want to correct my good friend, the Hon. Member for Northumberland-Miramichi (Mr. Dionne), in one respect. He said that it was a deal somewhat like the one offered to Nova Scotia. He is wrong, only in the sense that it was a deal considerably better than the one offered to Nova Scotia. I mean no offence to Nova Scotians, but we in Newfoundland have learned that if we bargain long and hard enough we will get an even better deal than the other fellows, and that is the deal which the Minister of Energy offered Mr. Marshall.

Mr. Baker: Mr. Speaker, in his opening comments the Hon. Member perceived what was happening when I asked questions of the Hon. Member who spoke prior to him. When the Progressive Conservative Party was in office, it stated as its policy that there would be no direct job-creation programs from the federal Government, that that was the business of private enterprise, and that it would try to help out private enterprise.

I believe the Government of Canada should not only maintain but increase the amount of money going into the Summer Student Employment Program. In doing away with all direct job-creation programs, the Conservatives would see that program go down the drain. There would be no student jobs under it if they were in office again.

Would the Hon. Member explain to the House briefly the importance of that program which the Conservatives do not like and would not have in existence if they were in power? Would he explain to the House the types of accomplishments and the types of people who would work under that program? Could he indicate to the House whether or not they would have summer jobs if this federal Government program did not exist?

Mr. Simmons: Mr. Speaker, the Hon. Member for Gander-Twillingate focused very well on yet another reason; whatever our loyalty to this Party of which we are a part, we have a greater loyalty to the youth of Canada. We have to get out there and do our utmost to ensure that the crowd which would rob them of the few available jobs never get into office. He says it so well that he fires me up even more to get out there and ensure that the people of Canada understand what is a pig in a poke when they are asked to vote Tory.

Concerning his question about the Summer Canada Program, I cannot think of any better job-creation program in existence. When I travel through my riding, I see them helping the aged. I see them repairing roads in small communities which have no vehicular traffic. I see them out with shovels and wheelbarrows. I see them improving slipways and

wharves. I see them doing things which add to the improvement of communities. I see them learning good job skills. I see them earning money so that they can attend university, return to high school or participate in funding the family budget, as meagre as it may be in some of those communities. I believe in that particular program. I shudder when I think of a day that it might be wiped out because of the rhetoric of some people about private enterprise who have no feeling in their guts about the youth of their country who desperately need that money and more of it.

Mr. Crosby: Question.

Mr. Manly: I have a question for the Hon. Member.

[*Translation*]

The Acting Speaker (Mr. Herbert): Order. It being 5.45 p.m., it is my duty—

Some Hon. Members: Oh, oh!

[*English*]

The Acting Speaker (Mr. Herbert): I have used my discretion and decided that we cannot have questions or comments in the remaining 30 seconds.

Some Hon. Members: Oh, oh!

Mr. Manly: Mr. Speaker, I rise on a point of order. In the debate today the New Democratic Party had one speaker. I would have appreciated at least the last 60 seconds in order to place a few comments on the record.

An Hon. Member: Put the question.

The Acting Speaker (Mr. Herbert): Order, please. I intend to put the question. May I just tell the Hon. Member for Cowichan-Malahat-The Islands (Mr. Manly) that if there had been time remaining, he was the next speaker on the list. There was no time remaining. In fact, there were three more minutes, if time had not expired, for questions and comments.

[*Translation*]

Order. It being 5.45 p.m., it is my duty to interrupt proceedings and to put forthwith every question necessary to dispose of the supply proceedings now before the House, under the provisions of Standing Order 62(9).

Therefore, the question is on the following:

[*English*]

The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): All those in favour of the amendment will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion, the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Call in the Members.

The House divided on the amendment (Mr. Deans) which was negatived on the following division:

(Division No. 43)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Blenkarn
Bosley
Broadbent
Clark (Brandon-Souris)
Coates
Cook
Cooper
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
Dick
Domm
Ellis
Fennell
Fraser
Fretz
Friesen
Fulton
Gamble
Gass
Gustafson
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Kempling
King
Knowles
Kristiansen
MacDonald (Miss) (Kingston and the Islands)
Malone
Manly
Mazankowski
McDermid
McGrath
McKenzie
McKinnon
McLean
McMillan
Munro (Esquimalt-Saanich)
Neil
Nickerson
Nielsen
Nystrom
Oberle
Ogle
Parker
Patterson
Robinson (Burnaby)
Roche
St. Germain
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Skelly
Taylor
Thacker
Towers
Vankoughnet
Wenman
Wise—69.

NAYS

Messrs.

Allmand
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Chrétien
Collenette
Comtois
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gimaïel
Gingras
Gourde (Lévis)
Gray
Guilbault
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hudecki
Irwin
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lalonde
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Loiselle
Lumley
MacBain
MacEachen
MacLaren

Messrs.

MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid
(Kenora-Rainy River)
Roberts
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan
Yanakis—128.

Mr. Speaker: I declare the amendment lost.

Mr. Hnatyshyn: Mr. Speaker, I think there might be a disposition to have the same vote apply on the subsequent vote in support of the motion.

Mr. Deans: Mr. Speaker, that is exactly what I was going to say and I think that will be fine.

[*Translation*]

Mr. Pinard: Mr. Speaker, we agree, and if the offer extends to all other non-confidence votes between now and the end of the year, Progressive Conservative Members could stay away altogether.

[*English*]

Mr. Speaker: Before I put the question, are there any Hon. Members who did not vote the first time and wish to be recorded as voting on this occasion? The Hon. Member for Sherbrooke (Mr. Pelletier) on a point of order.

Mr. Pelletier: Mr. Speaker, I was in the House for the vote but I was paired with a Member from the Opposition so I would like to be—

Some Hon. Members: Hear, hear!

Mr. Speaker: Is it agreed that the vote applying to the amendment will also apply to the main motion?

Some Hon. Members: Agreed.

The House divided on the motion (Mr. Wise) which was negatived on the following division:

(*Division No. 44*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Blenkarn
Bosley
Broadbent
Clark
(Brandon-Souris)
Coates
Cook
Cooper
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
Dick
Domm
Ellis
Fennell
Fraser
Fretz
Friesen
Fulton
Gamble
Gass
Gustafson
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Kempling
King
Knowles
Kristiansen
MacDonald (Miss)
(Kingston and the Islands)
Malone
Manly
Mazankowski
McDermid
McGrath
McKenzie
McKinnon
McLean
McMillan
Munro
(Esquimalt-Saanich)
Neil
Nickerson
Nielsen
Nystrom
Oberle
Ogle
Parker
Patterson
Robinson
(Burnaby)
Roche
St. Germain
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Skelly
Taylor
Thacker
Towers
Vankoughnet
Wenman
Wise—69.

NAYS

Messrs.

Allmand
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Bloomfield
Bockstael
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Chrétien
Collenette
Comtois
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gimaïel
Gingras
Gourde
(Lévis)
Gray
Guilbault
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hudecki
Irwin
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lalonde
Landers
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Loiselle
Lumley
MacBain
MacEachen
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid
(Kenora-Rainy River)
Roberts
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan
Yanakis—128.

Mr. Speaker: Order. This House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order.

At 6.14 p.m., the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friday, May 25, 1984

The House met at 11 a.m.

• (1105)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

FISHERIES

CRAB FISHING LICENCES SOUGHT FOR PRINCE EDWARD ISLAND FISHERMEN

Mr. Mel Gass (Malpeque): Mr. Speaker, today I would like to bring to the attention of the House the problem faced by Prince Edward Island fishermen in obtaining crab licences. The crab fishery was established off the coast of Prince Edward Island in the early 1970s, but over the years Island fishermen lost their right to hold licences for crab. The P.E.I. fishermen and the provincial Department of Fisheries have tried, in vain, to obtain crab licences from the federal Department of Fisheries.

One month ago the Department of Fisheries on Prince Edward Island sent a telex to the Minister of Fisheries and Oceans asking whether Prince Edward Island could receive inshore licences for Zone 7 off the coast of eastern P.E.I. should it be closed to the offshore crab fishery. They have not received a reply from the Minister of Fisheries and Oceans, nor have they received an acknowledgement of their telex.

On May 15 the federal Government announced its management plan for the offshore crab fishery in the Gulf of St. Lawrence. Under this plan it did close Zone 7 to the offshore crab fishery. P.E.I. fishermen are hoping that they will now be able to obtain inshore crab licences. It is certainly the right of Island fishermen to have the opportunity to fish crab, as the crab fishery was established on Prince Edward Island.

I urge the Minister of Fisheries and Oceans to realize the frustrations the Island fishermen feel, as fishermen from other provinces fish crab within eyesight of the shores of P.E.I., have good catches, land them on P.E.I. docks, load them onto their trucks, and transport them to other provinces for processing. Mr. Speaker, I insist that the Minister of Fisheries and Oceans award crab licences to Prince Edward Island fishermen.

THE MAGNA CARTA

REFLECTIONS PROMPTED BY HAMILTON EXHIBITION

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the occasion of the first display in Canada, at McMaster University art gallery in Hamilton, of one of the four handwritten copies of the Magna Carta, and the only one with King John's seal, provokes some thoughtful reflections. It was in 1215, almost 770 years ago, that King John signed the document that granted the King's subjects certain liberties, and which restrained the powers of the King himself within well defined limits.

The passage of the Magna Carta was a watershed event in the recognition of human rights. It originated at a time when the land was ruled by a feudal aristocracy. This document has become the most important single document in the development of constitutional and legal freedoms, not only in Britain but in many countries of the Commonwealth, and in the United States.

This great Charter of English liberties, granted under threat of civil war, is a symbol and a battle cry opposing oppression. Each successive generation has, in it, a protection of its own civil liberties. For this reason I would like to express the great honour which all Hamiltonians feel in being entrusted with this historic document for a period of two weeks.

* * *

PENITENTIARIES

INMATES' PRIVILEGES—OPPOSITION TO EXTENSION OF ELECTORAL FRANCHISE

Mr. Gordon Taylor (Bow River): Mr. Speaker, there is a move afoot by the bleeding hearts to amend the Canada Elections Act to permit prisoners in federal correctional institutions to vote.

Right now prisoners have a better life than hundreds of Canadians who are paying taxes. They have better food than those living on welfare, and even more choice than the workers in the below poverty jobs.

They have special trailers for conjugal visits of wives and even common-law wives, and now there is a rumour this will be extended to girl friends.

They have free medical and dental care, and access to guidance counsellors. They enjoy the best of pool tables, gymnasiums, and sports equipment. Scores of taxpayers do not enjoy such facilities and services. However, the bleeding hearts

want more privileges, including the vote. If this keeps up, the old concept of punishment will disappear entirely.

• (1110)

No one wants to go back to bread and water diets, or to breaking rocks, and everyone wants to encourage rehabilitation. However, reform does not come from catering to those who break the law but rather from a desire within the individual to live within the law.

Can you picture prisoners who broke the Elections Act, or who are in for treason, or rape and murder, making demands on the candidates? Would candidates in ridings with an institution population that could sway the vote have to go from cell to cell making promises?

The bleeding hearts had better give this matter much more consideration. After all, our correctional institutions must be places of punishment and not houses of pleasure.

* * *

INDIAN AFFAIRS

CLOSURE OF SCHOOLS ON MANITOBA RESERVES

Mr. Terry Sargeant (Selkirk-Interlake): Mr. Speaker, on May 1 some 2,500 students were kept out of schools on four Manitoba reserves to protest the very sorry state of affairs at those schools. Over 600 of those students have yet to return.

Whether or not one agrees with the tactics, there is no denying that, when compared to provincial schools, reserve schools are seriously underfunded. Unfortunately, the Minister of Indian Affairs and Northern Development (Mr. Munro) has not been giving this issue serious attention despite his nice sounding platitudes.

At the beginning of May the Minister agreed that their complaint was valid and promised to do something about it. He urged the chiefs to be patient and said that he would take their case to Cabinet as soon as possible. Three weeks passed, with no action.

Last Monday in Winnipeg, at a meeting with the four chiefs involved, the Minister gave his word to the chiefs that the submission for funding would go to Treasury Board on Tuesday. As of this morning that submission was still on the Minister's desk awaiting his approval before it could go to Treasury Board.

Indian students cannot wait for the Minister to squeeze their concerns into his leadership campaign schedule. If he cannot find the time to address these concerns he should resign and turn the Ministry over to someone with both the time and inclination to give Indian concerns the urgent attention they need.

NORTH ATLANTIC TREATY ORGANIZATION

ABILITY TO HONOUR CANADIAN COMMITMENT

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, some months ago a Cabinet document prepared by the Department of National Defence came into my possession. This document clearly indicated that, given the state of the equipment available to Canada's Armed Forces and the funding levels projected by the Government, it would soon be, if it is not already, impossible for Canada to fulfill the stated defence policy objectives of the Government including, of course, our obligations under NATO.

It is an unflattering comment on the media in Canada that, when this document was released some weeks ago in Calgary, it attracted very little media attention, but when it was released in Washington, D.C., last Wednesday, it immediately became a matter of significant media attention in Canada. That, however, is an aside to my main point.

Questions based on this Cabinet document were put in the House yesterday by myself and my colleague, the Hon. Member for York-Peel (Mr. Stevens). It was quite evident that the thrust of our concern was that the Government was not honouring our commitment to NATO. One such commitment, for example, is our obligation to provide 20 warships to NATO, ten within 48 hours' notice. The Minister's own document indicates that we will have a 12-ship navy by 1990 and therefore would be unable to fulfill that NATO obligation.

It is hypocrisy to claim that we are fulfilling our obligation when we are not. Hypocrisy is the worst of all alternatives.

Canada is extremely well served by our Armed Forces whose excellence is proven each year through competitions with our NATO Allies. However, in this modern era it is essential that we provide these Forces with the necessary capital equipment to enable them to do the job that needs to be done. I repeat that we are committed to NATO. We are proud of the quality of the Canadian Armed Forces. We are disappointed and angry at the Government's failure to provide our Armed Services personnel with the equipment necessary for them to do the jobs asked of them.

Mr. Speaker: The Hon. Member's time has expired.

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AGRICULTURE

IMPACT OF BEEF IMPORTS

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, on May 16 the federal Government was asked to impose a temporary surtax on imported European beef and to consider a countervailing duty on this heavily subsidized product in order to protect Canadian farmers and meat workers in plants across the country.

The documentation is clear, and it is beyond dispute that the subsidized imports are doing material damage to the beef industry. Yet the Government is laying unreasonable obstacles

in the path of the Canadian beef industry. For example, the manner in which Revenue Canada officials seek to employ the GATT Agreement is retarding expeditious action. Provisions under the Agreement require the beef industry to prove that an export subsidy exists, and they must establish that there is injury to the industry. But the Government is not willing to help collect data on which to base a claim for countervailing duty. The Government is making this industry jump through unreasonable hoops to prove their case, when it is so evident that there is damage being done.

Why does the Government not introduce the appropriate countervailing duty immediately? If we were the Government we would not be dallying and twiddling our thumbs. We would be doing something about our once thriving beef industry in order that it can compete with the European Community.

* * *

NATIONAL FILM BOARD

THREATENED CLOSURE OF SASKATOON OFFICE

Mr. Bob Ogle (Saskatoon East): Mr. Speaker, the people of Saskatoon are very much afraid that the National Film Board office which has been there for the last 25 years or more is in danger of being closed this fall. The National Film Board has given excellent service to the city of Saskatoon as well as to all parts of northern Saskatchewan that are served from that city, including about 500,000 people. This office also serves the University of Saskatchewan, the school boards and senior citizens. A particular program has now been introduced by the National Film Board to help new Canadians become assimilated, to learn the language, and to find out about the country of Canada. It has had excellent success.

• (1115)

About a year ago the same fear arose that the office would close. At that time thousands of Saskatoon citizens by petitions, by letters, and by whatever means a citizen can use, appealed to the Minister to continue the centre. Fortunately the request was accepted and the office was given a one-year extension, but again the same fear is present. Therefore I am asking, in the name of the people of our region of Saskatoon and northern Saskatchewan, that the Minister seriously look at this again and that any extension not be limited but that there be a permanent commitment to have a National Film Board library in Saskatoon.

ORAL QUESTIONS

[*English*]

CANADA SPORTS POOL CORPORATION

ISSUANCE OF ADVERTISING CONTRACTS

Mr. John Bosley (Don Valley West): Mr. Speaker, I have a question for whichever Minister is speaking for the Minister of State for Fitness and Amateur Sport in the House today.

[*Translation*]

Today, the newspaper *La Presse* reported that the Canada Sports Pool Corporation gave advertising contracts to two agencies with very close links to the Liberal Party. MacLaren Advertising in Toronto was awarded the English contract and Planicom PNMD in Montreal or, more specifically, Mr. Jean Prévost, Vice-President of the Liberal Party, was awarded the French contract.

Mr. Speaker, lest we forget, Mr. Prévost is an old friend of the Minister of Finance and is also in charge of campaign advertising for John Turner, who said he was against the sports pool.

Are we supposed to believe this is another coincidence? Is the Government finally going to admit that the Canada Sports Pool Corporation is a hot bed of patronage?

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, I should be glad to take the Hon. Member's questions as notice and submit them to the Minister of State for Fitness and Amateur Sport. However, Mr. Speaker, I do not think we can accept the Hon. Member's suggestion that we are not hiring competent people. Of course, it is competence that attracts orders in the private sector, and in the circumstances, I do not think politics has anything to do with it.

[*English*]

REQUEST THAT GOVERNMENT TABLE LIST OF APPOINTMENTS

Mr. John Bosley (Don Valley West): Mr. Speaker, my supplementary question is for the same Minister who just replied, or for the Prime Minister if he cares to get involved in this important matter. The Government keeps defending its appointments on the basis of competency. May I ask the Government therefore whether it is aware that Mr. John Serres, who has been appointed regional general manager for New Brunswick and Prince Edward Island, was fired by the Atlantic Lottery Corporation for reasons of incompetency—the same gentleman the federal Government has now hired?

I also ask the Government to answer the question we asked yesterday. Will the Government table the entire list of everybody who has been employed to date by the Corporation so that we can see just how deeply this patronage goes.

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, again I will be happy to draw my hon. friend's

question to the attention of the Minister who, I am sure, will give it serious consideration.

Mr. Nielsen: What have you to hide?

Mr. Bosley: Mr. Speaker, I can see that patronage questions do not interest the opposite benches very much.

Mr. Nielsen: They should.

Mr. Bosley: They are so used to them.

REQUEST THAT EMPLOYMENT CONTRACTS BE TABLED

Mr. John Bosley (Don Valley West): Mr. Speaker, I have a final supplementary question, and perhaps I could ask the Prime Minister again whether he would like to get involved. I ask the Government not only to table the list of the appointments that have been made, but also to table immediately the contracts that have been made with those who have been hired, and for this reason, Mr. Speaker. We note that Miss Bastien and Mr. Larsen, who worked in the Prime Minister's office, have been taken on by this Corporation and that their contracts, for some reason, contain severance clauses that would grant them two years' severance pay should somebody in future decide to change the arrangements. These are supposed to be temporary jobs, as we were told yesterday. I think the House is entitled to a full explanation and a full disclosure of the appointments and the contracts. What, in goodness name, does the Government have to hide on this one?

● (1120)

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, again I will be very happy to draw my hon. friend's questions to the attention of the Minister. However, I would be interested in having it confirmed that when the present Leader of the Opposition was campaigning for the leadership of his party he said publicly—and I think it was reported in the press—words to the effect that, if he became Prime Minister, only Conservatives would be appointed to anything and everything, and that Liberals would be considered only after every living, breathing Conservative had been taken care of. I think my recollection is correct. If that is the case, my hon. friend should look at his Party's circumstances and at its own plans, instead of reflecting upon a program which has been approved by the Parliament of Canada and is aimed at supporting important institutions like the Olympics in Calgary.

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NATIONAL REVENUE

REPORT CRITICIZING DEPARTMENT'S POWERS

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, in the absence of the Minister of National Revenue I will direct my question to the Prime Minister. A report has been handed down by the Canadian Bar Association in conjunction with the Canadian Institute of Chartered Accountants. It is a slashing indictment of the operations of Revenue Canada. Among other things the committee, in reporting, pointed out that many of the powers now being exercised by Revenue Canada are in contravention of the provisions of the Charter of Rights.

Will the Prime Minister exercise some direction in terms of Revenue Canada and its relationship with the average Canadian? Will he give instructions to his Minister so that there will be an immediate reduction of the Department's reliance on search and seizure techniques, on fishing expeditions, to bring about a procedural fairness with respect to its activities and interrelationship with the average citizen which the people of Canada should be entitled to expect?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I should like to remind the Hon. Member that in my Budget of February 15 of this year, I proposed a number of amendments to the Income Tax Act and the Excise Act, amendments that were aimed at ensuring that all provisions of the Act would, in all cases, be in accordance with the provisions of the Canadian Charter of Rights and Freedoms. I would urge my hon. friend to read them carefully, and he will realize that many of these measures are the result of consultations I had personally with the Canadian Bar Association and the Canadian Institute of Chartered Accountants. We have been, and are, working together very closely, to ensure that the legal provisions concerning taxation in every way respect the provisions of the Canadian Charter of Rights and Freedoms.

[*English*]

Mr. Hnatyshyn: The Minister of Finance will understand that the Canadian Bar Association and the Canadian Institute of Chartered Accountants share the same view as the majority of Canadians with respect to the Minister's Budget, that it is simply not sufficient nor adequate in the least instance to deal with the outrageous way in which Revenue Canada has been treating the citizens of Canada.

DEPARTMENT'S INTERNAL ORGANIZATION

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, will the Minister not exercise some direction and instruct his colleague, the Minister of National Revenue, who apparently has no control over his Department, to take steps to alleviate the situation to which I referred with respect to search and seizure and fishing expeditions, and particularly to change the situation in Revenue Canada were its assessment people are being interchanged with the appeals branch? There is a relationship of friendship where in the public gets no fairness or equity in the appeals system within the Department. These are things which the Minister could do now. Let us see what he can do to make things better for the country before he leaves politics.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, if there is a fishing expedition, it is the one we have just seen,

and I would say that it is a pretty poor fishing expedition at that.

Mr. Hnatyshyn: I have only got you on the hook. What do you expect?

Mr. Lalonde: Contrary to what the Hon. Member has said, I challenge him. He has not met recently with the Canadian Bar Association and the Canadian Institute of Chartered Accountants jointly. I bet him that he has not met with them. I have met with them.

Mr. Hnatyshyn: Look at our task force.

Mr. Lalonde: I am sorry he has made a statement about their views. I have met with them repeatedly, before and since the Budget. They have endorsed fully the measures contained in the Budget aimed at reforming income tax and excise tax.

Mr. Hnatyshyn: Are you calling those people liars?

Mr. Trudeau: Are you? You're the liar.

Mr. Lalonde: They have endorsed the proposals that were contained in the Budget, so my friend had better acquaint himself with the facts before standing in the House and making such statements.

Some Hon. Members: Hear, hear!

* * *

• (1125)

INDUSTRY

PROPOSED CLOSURE OF MONTREAL PETROCHEMICAL PLANT

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, my question is for the Prime Minister. It deals with the proposed closure of the Petromont petrochemical plant, the loss of approximately 235 jobs in that plant, and the threatening of the downstream jobs, which comes to a total of about 750 jobs in the City of Montreal. This situation appears to have come about because the Government refuses to get involved in incentive pricing for petroleum and natural gas, and refuses to provide adequate assistance to those companies to revamp their plants and assist them with liquid natural gas. Will the Prime Minister, as one of the representatives from that area, indicate his willingness to inquire into this matter and see whether his Government might be prepared to save those jobs?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Government has been examining this issue very carefully over the last several months. The Minister of Regional and Industrial Expansion has received the report of the special task force on this subject. I recently discussed this issue extensively with the Quebec Minister of Finance. Both the Quebec Government and the federal Government are in contact to see what steps will be required in that regard. The Minister of Energy, Mines and Resources is also involved. I assure my hon. friend that the Government is very much on top of this issue. We are working with the Province of Quebec to see what steps would be reasonable and satisfactory at the present time.

GOVERNMENT PLANS

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, it is well known throughout the affected area that the Government task force report is such that the recommendations are going to put the industry under in that area. There is substantial concern in the Sarnia area that Polysar and, in particular, Petrosar, will be in serious difficulty if the Government is not prepared to get involved in incentive pricing.

The task force recommendations are such in terms of financing the conversion to gas liquids that we will probably see that company with continuing losses, cutting back its production, and creating a very difficult situation.

Is the Minister stating to this House that the Government does not have a game plan at this point to save the jobs at Petromont, the roughly 700 jobs affected there, and the 2,000 jobs in the combination of Petrosar and Polysar? Is the Minister stating that at this time the Government does not have an effective mechanism to assist a very viable petrochemical industry in Canada?

Hon. Marc Lalonde (Minister of Finance): Of course not, Mr. Speaker. The best evidence is that some steps have already been taken, or at least have been discussed with the Province of Alberta. The Minister of Energy recently said that there were discussions with the Government of Alberta concerning the possibility of a special incentive price for additional sales of natural gas in Canada. A number of other steps are being examined and considered. We are indeed concerned about the future of the industry both in Sarnia and the Montreal area. We have been meeting with the spokesmen for those industries, repeatedly. As I indicated, I have had discussions with the Minister of Finance of Quebec. I believe that the Minister of Regional Industrial Expansion has also had discussions with the Government of Ontario on this issue.

FINANCIAL ASSISTANCE REQUIRED

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, the question did not deal with Alberta. It did not deal with the Government's rather disjointed incentive program. We are talking about Eastern Canada, the Province of Quebec, and the City of Montreal. We are talking about thousands of jobs, hundreds of millions of dollars in exports, and service to a very large domestic market in Ontario, the eastern-based petrochemical industries, those in danger of going down the drain. It is unfortunate that the Minister has sidestepped this very important situation. The other point is that the Government's task force is letting them sink as well. The Minister knows that.

Is the Government prepared to have this very important industry go down the drain? This is because it is not prepared to give adequate financial assistance to convert to liquid gas

components, and it is not prepared to give incentive pricing on the very small percentage of petroleum products it uses.

• (1130)

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member is extremely misinformed, to say the least. He claims that the Government task force is letting the industry go under. Perhaps I might remind him that the task force included representatives from the industry. In fact, in discussions I have had with representatives of various industries, I have never heard any complaints about the recommendations in the report prepared by the task force.

Perhaps my hon. friend should first find out what the petrochemical industry's attitude really is to the task force report. As I pointed out, we have already taken a number of measures. The Hon. Member is asking whether we are very interested in this sector. I would remind him that as recently as last year, the Government of Quebec and the Government of Canada set aside $50 million for Pétromont. That is a lot of money, considering the fact that it is being spent on only one of many companies that are experiencing a number of problems at the present time.

The Canadian Government has demonstrated its interest in this sector, and we have already taken a number of measures. However, as in other areas, the Hon. Member should realize that there is a limit to the amount of public money that can be allocated to a given sector.

* * *

[*English*]

FARM CREDIT CORPORATION

IMPENDING INTEREST RATE INCREASES

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, my question is also directed to the Minister of Finance. Farmers are reeling from negative indicators this year, including the one mentioned earlier today regarding subsidized beef from the European Community, lower initial prices for prairie grains, and high taxes, including those on farm fuels. Now the Farm Credit Corporation is saying that it will raise its interest rates again in the very near future. Can the Minister state whether or not he is prepared to intervene regarding these extraordinarily high increases in interest rates to 14.5 per cent and 15.5 per cent respectively by a Corporation that is intended to be the farmers' lender of last resort? Can he tell the House why the Government is trying to milk every cent from the farmers' pockets this year?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, first, if there has been an increase in fuel taxes, my friend would have to address that question to the Government of his own province. There has been no increase at all in the federal taxes on farm fuels. As a matter of fact, as the Hon. Member knows, we reduced the tax on natural gas to zero last year, thus cutting down the taxes paid by the Canadian consumer by $800 million. My friend should know that that is what we have done.

As far as the Farm Credit Corporation is concerned, the Hon. Member also knows that the Corporation knew a significant loss last year. The Farm Credit Corporation is supposed at least to break even, and it did not succeed in doing so last year. It may not succeed in doing so this year either. However, the mandate of the Farm Credit Corporation is to try to help the farmers obtain loans by offering them the best possible prices that can be obtained on the market. However, the Farm Credit Corporation must lend money on the basis of the price it pays for the money it borrows, with a very small additional margin to pay for its operating costs. That is helping the farmers, not hurting them.

Mr. Schellenberger: Mr. Speaker, there is also a significant loss created when farmers are forced off their farms.

FARMERS' ABILITY TO REPAY LOANS

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, last year the accounts of the Farm Credit Corporation were in arrears to the tune of 11 per cent, and those arrears are expected to be well over 12 per cent this year. Considering the world commodity price indicators, can the Minister state whether any farmer will have the capacity to pay back the loans that he will be faced with for five years to 20 years, at interest rates of 14.5 per cent to 15.5 per cent? Given these indicators, can the Minister offer these farmers any hope as they face these kinds of escalating interest rates in the near future?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I have indicated repeatedly here in the House, throughout the country, and abroad, that we are very concerned about the increase in interest rates that is taking place in the international markets these days. The Hon. Member knows about our interdependence with the United States in particular, concerning interest rates.

If the Hon. Member has any doubts about the Farm Credit Corporation, the farmers do not seem to share his doubts since the loans made by the Farm Credit Corporation over the past two years have gone from something like $500 million a year to over $800 million a year. Farmers recognize that the Farm Credit Corporation is an institution that is at their service, and they are ready and willing to make use of it because they find that it is in their best interest to do so.

* * *

ENERGY

PRINCE EDWARD ISLAND ENERGY COSTS—GOVERNMENT POLICY

Mr. Tom McMillan (Hillsborough): Mr. Speaker, my question is directed to the Minister of Finance. The Minister

will know that electrical costs in Prince Edward Island are the highest in the country. In fact its electrical costs are twice those of even the neighbouring Provinces of New Brunswick and Nova Scotia.

Last week the Minister of Energy stated that he opposed any federal subsidy to Prince Edward Island to deal with the problem because he was opposed to energy subsidies in principle. Could the Minister of Finance tell the House whether the Minister of Energy, Mines and Resources was speaking for the Government of Canada, or whether he was merely speaking as a Liberal leadership candidate? What is the Government's policy on this important issue?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the policy of the Government in that regard has been made very clear and is well known. One of the reasons why the cost of energy, and particularly electrical energy, is so high in Prince Edward Island is because of the decision made by a Conservative provincial Government of that province to refuse the electricity that was offered by New Brunswick from its Lepreau nuclear plant because it was afraid of getting nuclear electricity out of its light bulbs.

At that time the then Premier of Prince Edward Island campaigned on the basis that he would never accept nuclear generated electricity from New Brunswick. The net result is that the province ended up buying more expensive fuel generated electricity from New Brunswick. That is one of the reasons why the price of electricity in Prince Edward Island today is higher than it should be. It was the decision of the Conservative provincial Government of that province that led to that situation.

If the Hon. Member would like to know what we are doing for Prince Edward Island, I would remind him that the federal Government, through joint agreements under regional expansion programs, is providing subsidies or help to the Province of Prince Edward Island to the tune of $1,200 per capita. That amount is several times higher by far than the amount provided to any other province. We have been doing this consistently over the years. I would invite my hon. friend to look at the portion of the provincial Budget that comes from the federal Government. He will then realize how much support we are giving to the people of Prince Edward Island.

IMPACT OF NATIONAL ENERGY PROGRAM

Mr. Tom McMillan (Hillsborough): Mr. Speaker, my supplementary question is also directed to the irate Minister of Finance. If the federal Government is opposed in principle to any direct energy subsidies to Prince Edward Island except those subsidies relating to the nuclear industry, why is the National Energy Program replete with energy subsidies for other purposes unrelated to nuclear energy, as far as Prince Edward Island is concerned, and as far as any other province is concerned.

For example, the National Energy Program is keeping natural gas prices at 65 per cent of the price of oil, and is subsidizing the extension of natural gas pipelines. Is the Government now proposing to dismantle the National Energy Program in respect to the subsidies I have just mentioned, or does the federal Government have one standard for the rest of Canada and a completely different standard for Prince Edward Island?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I am not irate. I think the Hon. Member is getting funnier and funnier, and more and more irresponsible.

I must remind the Hon. Member that, under the National Energy Program, there are special programs for Prince Edward Island dealing with conservation of energy. For the people of that province, we made special arrangements for programs in that province, as well as in one or two other maritime provinces, that were not made available anywhere else in Canada. The Hon. Member should know that. If he does not know that, I invite him to look up the facts. He will find that in the area of energy we have taken special steps in his particular province because we knew that it would not have access to natural gas as easily as some other provinces would. We have taken steps in that regard so that we might take special care of Prince Edward Island.

I might also remind the Hon. Member again that, if he looked at the federal contribution under the regional economic expansion programs, he would see that no other province in the country has received as much per capita as the Province of Prince Edward Island. I am not talking about a difference of $2 or $3, or even a difference of $20 or $30. I am talking about a difference of hundreds of dollars per capita. We are paying more to P.E.I. than to any other province. My friend should get the facts straight.

* * *

● (1140)

[*Translation*]

SOCIAL WELFARE

YOUNG PEOPLE'S OCCUPATION OF MONTREAL SOCIAL WELFARE OFFICE

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I would like to direct my question to the Prime Minister, since the Minister of National Health and Welfare is not in the House.

In Canada, the unemployment rate among young people is twice as high as for the population in general. At this very moment, a group of young people is occupying the Welfare Office in Montreal. I see the Minister is in the House. As I was saying—

[*English*]

The Minister may need the translation.

An Hon. Member: It's pretty good Spanish.

Some Hon. Members: Oh, oh!

[*Translation*]

Mr. Waddell: At this very moment, a group of young people is occupying the Welfare Office in Montreal. Does the Minister intend to meet this group in order to discuss the role of the federal Government and to help these people?

Hon. Monique Bégin (Minister of National Health and Welfare): Mr. Speaker, I think the Hon. Member, who made a special effort to put the question in French for Quebec listeners, will appreciate my answer.

We do not make a habit of intervening in areas that fall under provincial jurisdiction, especially when a demonstration has just started. Quebecers know perfectly well that although we reimburse 50 cents for every dollar spent on welfare and social services, including local community service centres, the province still decides how much is spent and on which programs. We intervene only to reimburse. That is why people have to go through officials channels to approach us, otherwise we would be meddling in provincial matters.

[*English*]

NATIONAL WELFARE STANDARD SUGGESTED

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, the Minister must be aware that in Quebec you have single unemployable people under 30 on welfare who get about $150 a month, whereas if you are over 30 you get about $400. This is happening in Saskatchewan, British Columbia, and so on. Has the Minister vetted the question of whether this is constitutional, especially after the anti-discrimination parts of the Constitution come into effect next year? In addition, would she agree with me that perhaps we have to look at a national standard which can be applied across the country? We cannot really discriminate against young people like this, especially when they are twice as likely to be unemployed as older people.

[*Translation*]

Hon. Monique Bégin (Minister of National Health and Welfare): Mr. Speaker, I think the Hon. Member is not aware of the situation in Quebec and of what is being done under the Canada Assistance Plan for young people in Quebec. For the Government of Canada, I have approved and put my signature on a pilot project, under the welfare program, for young people on welfare. The project is supposed to help them in a number of areas and in a very specific way. While the basic rule is that the project is not compulsory, they are given an opportunity to receive additional benefits as they upgrade their training and apprenticeship and if they work in various industries or community services.

Therefore, we are very involved. Let us say that whenever a province has a good idea, we help bring it to fruition.

The second part of the Hon. Member's question refers to the level of welfare payments.

[*English*]

The answer to that is, yes, I wish there were national standards discussed and decided by the whole country. Every province has welfare benefits below the poverty line. I think it is crystal clear, and we have said it often. We have made the public as aware as we can of that most unfortunate fact. But, again, I cannot negate the Constitution. It is there to help Canada function, has served us very well, and it is the provinces which must decide on the rates, and then we give them back 50 cents on the dollar.

* * *

STATUS OF WOMEN

CANADIAN MEMBERSHIP IN UNITED NATIONS COMMISSION

Mr. Norman Kelly (Scarborough Centre): Mr. Speaker, my question is addressed to the Minister responsible for the status of women. Next year there will be a world conference to celebrate the end of the United Nations decade for women. Can the Minister tell us if Canada is participating in this conference and what we are doing to prepare for it?

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am delighted that the Hon. Member for Scarborough Centre has brought up this matter today. I am very pleased to say that on May 23, in New York, at the spring session of the Economic and Social Council, Canada was re-elected to the United Nations Status of Women Commission. I might add that we were the only incumbent nation to be re-elected. It is especially important we remain on the Commission because we are deep into preparations for the 1985 Conference in Nairobi. This, of course, ensures that we will have a very real part to play in the Nairobi Conference.

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ENERGY

REMOVAL OF ONTARIO RADIOACTIVE WASTE

Mr. John Gamble (York North): Mr. Speaker, my question is for whatever Minister is responding for the Minister of Energy. On November 3, 1983, the Minister of Energy, on behalf of the Government of Canada, put his signature to a contract with the Government of Ontario for the temporary removal and storage of low level radioactive waste from the Malvern subdivision in Scarborough to an area in Scarborough on Reesor Road, close to the border of York North.

Clause I of that contract indicates that the federal Government assumes responsibility, to use the words of the contract, to remove and permanently dispose of the Malvern waste. Having regard to that clause, why did the federal Government participate in the removal, and temporary storage in what amounts to a large plastic bag, of low level radioactive waste on a two acre site close to the border of York North?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I will inquire as to the exact facts resulting from this particular agreement with the Government of Ontario. If I remember well, there were extensive discussions at that time between all the parties concerned, the municipality, the Government of Ontario and the federal Government. The joint conclusion was that the best site to dispose of the products was the site that was chosen. I will inquire of the Minister of Energy when he returns but, as far as I can recall, the facts of the case are that the decision was taken after extensive consultations with all concerned, and there was a joint agreement that this would be the best solution at the present time.

RESPONSIBILITY FOR PERMANENT STORAGE

Mr. John Gamble (York North): Mr. Speaker, there is no doubt that it was decided to do what is being done. The fact of the matter is that in two places in this contract the Government of Canada acknowledges that it has responsibility for the permanent storage of this radioactive waste. Having regard to the acknowledgement of that responsibility, why does the federal Government not assume that responsibility and store this radioactive waste in a permanent location, rather than in a temporary storage site in a plastic container?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I remember that at that time a site had been found for permanent disposal and there had been very strong lobbying activities by Conservatives in the area. Also, the Leader of the Opposition at that time was involved in that discussion and intervened to prevent a permanent site being found and used for that particular purpose. Because of the agitation by Conservatives in that area in particular, it was concluded, between the Government of Ontario and the Government of Canada, that the best site was the one that was finally chosen. The Hon. Member might ask his friend, the former Leader of the Opposition, to inform him as to what exactly his role was at that time.

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AIRPORTS

OTTAWA AIRPORT—USE OF AREA FOR GENERAL AIRCRAFT PARKING

Mr. J. R. Ellis (Prince Edward-Hastings): Mr. Speaker, my question is directed to whomever is responding for the Minister of Transport. At the Ottawa airport there is an area on the tarmac just west of the Department of Transport hangar that has traditionally been used for general aircraft parking, dropping off passengers, and staying for perhaps two or three hours. We are told now, Mr. Speaker, that that area is much too important for general aircraft and that people who work for the Department of Transport will be allowed to use it for parking. That gives us some idea of how important general aircraft are in the mind of the Government.

• (1150)

I see my good friend, the former Minister of Transport making notes. I assume he is going to answer. Will whoever is answering look into the matter and give me an answer as to whether we could not reasonably use that area for general aircraft?

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I consider that to be the most important thing I have to do today. I assure my hon. friend that he will have his answer, either at four o'clock today or nine o'clock sharp on Monday morning.

Mr. Ellis: Mr. Speaker, it is indeed the most important thing the Minister will have to do. I look forward to the answer.

* * *

LABOUR RELATIONS

PLIGHT OF BRITISH COLUMBIA FORESTRY WORKERS

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, my question is for the Minister of Labour. The Labour Adjustment Benefits Program for laid-off older workers has only designated industries in central and eastern Canada, except for a very narrow designation for forestry workers in Port Alberni, a designation which ignores the well-known mobility of forest workers.

The entire forest industry in British Columbia is going through a very difficult transition stage at the present time. Many long-term workers who have little or no hope of ever finding permanent employment again, are being laid off. Would the Minister designate the entire British Columbia forest industry for benefits under the program?

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, there are a number of criteria for designating, one consideration being the availability of alternative employment in the area itself or an adjacent area. I realize that the industry referred to by the Hon. Member is going through a very difficult time. The Cabinet Committee that will be considering designations of other regions or industries will certainly take the Hon. Member's representation into account but will also have to consider all the factors that come into play when deciding whether a region or industry is to be designated.

[*English*]

EARLY RETIREMENT BENEFITS PROGRAM

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, my supplementary question is for the same Minister. The Minister should be aware that the long-term outlook, or at least the medium-term outlook, for British Columbia and Alberta is not good. The forest industry is going through a very difficult time. In the Cowichan valley alone over 1,000

jobs have been lost. Of 540 jobs that have disappeared from the Chemainus Mill, over 186 were of workers 54 years of age or older.

What plans does the Minister have to ensure that workers in western Canada, and in British Columbia in particular, will not be discriminated against under the terms of the program, but rather will be able to take advantage of a program that is meant for Canadians in all parts of Canada?

Hon. André Ouellet (Minister of Labour): Mr. Speaker, there is no doubt that the Labour Adjustment Program is one program which is applicable all across Canada. It is not a plan that should discriminate against some regions. I want to assure the Hon. Member that this program is a national program and will be used all across Canada, and in particular in British Columbia.

With regard to further designation, I want to assure the Hon. Member that this is a last resort initiative by the Government. Clearly, putting people on pre-retirement is not the ultimate goal of the Government. The Government is more interested in creating good, stable, and permanent jobs. It is only when there is no other alternative that we resort to this last initiative, that is, to allow the labour adjustment benefits to permit someone to leave the labour market at an earlier age.

Through consultations with the Department of Manpower and Immigration we are seeking other alternatives for the workers of British Columbia. I think it is more important to create jobs than to put people on retirement.

* * *

[*Translation*]

FISHERIES

RELATIONS BETWEEN QUEBEC MINISTER AND FISHERMEN

Mr. André Maltais (Manicouagan): Mr. Speaker, my question is directed to the Minister of Fisheries and Oceans.

I have met with the Minister of Fisheries and Oceans a number of times to find out whether it would be possible to settle the dispute between Mr. Garon and the fishermen on the middle and lower North Shore. Last year, the Minister announced that about $10 million would be invested. However, Quebec has always refused to provide land where the fishermen could build their salting sheds or ice machines, on the middle and lower North Shore. I wish to ask the Minister whether he has finally succeeded in finding a way to help the fishermen directly, without affecting the fishing season which will soon be open, and also, when the Department of Fisheries and Oceans intends to get in touch directly with the fishermen to confirm the method to be used, so that the fishermen can at least be satisfied with what this Government is doing and we can then let the province of Quebec do what it likes about the fisheries in Quebec.

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Yes, Mr. Speaker, that was one of the big disappointments last year, after the federal Government had made funds available to our fishermen on the Quebec North Shore so that they could salt their own fish. The funds were approved by Cabinet, and we then asked the fishermen to find suitable sites to build these facilities. Up to now, despite pressure from the fishermen, the Government of Quebec has refused to provide land to build these facilities, which will belong to the fishermen. Because of the Quebec Government's stubborn attitude, all I can do is give the money directly to the fishermen, provided of course they can become owners of the land. We can only hope the Government of Quebec will realize it would be petty to take it out on the fishermen by refusing to give them a piece of land where they could build these facilities.

* * *

[*English*]

ESTIMATES

REQUEST THAT MINISTER OF ENERGY ATTEND COMMITTEE MEETINGS

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, my question is for the Minister of External Relations. Last Friday when he was the Acting Prime Minister he undertook that his colleague, the Minister of Energy, Mines and Resources, would be available this week for committees. That is reported at page 3865 of *Hansard*. As he knows, the Minister never was available for committees, in spite of our many efforts, and has not carried out his duties to defend his Estimates prior to May 31. Can the Minister explain why his undertaking was not lived up to?

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I also read *Hansard* when I happen not to be present, and I saw that the Prime Minister did answer the question. He did take the subject up with the Minister of Energy, Mines and Resources. My information is that the Minister of State for Mines made himself available to meet the committee.

* * *

FISHERIES

CANADA-UNITED STATES WEST COAST TREATY TALKS

Hon. John A. Fraser (Vancouver South): Mr. Speaker, my question is for the Minister of Fisheries. A week ago Members of the House from all Parties, including myself and the Members for Kenora-Rainy River, Skeena and Caribou-Chilcotin, met with four American Senators to discuss the breakdown of talks on the West Coast fishing treaty. It has been reported to the Minister that the consensus at that meeting was that the Senators from Alaska and Washington, and the Members of Parliament, felt that it would be to the advantage of both countries to get the talks started again, and that

Canada should appoint a special official, as the Americans have done, to facilitate those negotiations. Can the Minister report to the House what action he is prepared to take?

• (1200)

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, I was very happy with the report made to me by this delegation that represented all Parties in the House. I have met with the Hon. Member and other Members. I have already had a meeting with the Secretary of State for External Affairs and Deputy Prime Minister. We will certainly appoint a representative also, and hopefully the representatives of Alaska will remove their opposition and allow the treaty that has been negotiated by our two countries to be ratified as quickly as possible by our two Governments.

* * *

FOREIGN INVESTMENT REVIEW AGENCY

COAL DEVELOPMENT PROJECT REJECTION

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, my question would normally be directed to the Minister of Regional Industrial Expansion or the Minister of Energy, Mines and Resources, but I am sure someone will answer for them. It concerns the rejection by FIRA of an application by Petro-Canada to enter into a joint venture agreement with a Japanese firm to develop its northeast coal deposits. I find this situation incredible, particularly in light of the fact that $3 billion of public money, including significant amounts of federal money, have been spent on infrastructure to deliver this coal to world markets. Why has FIRA taken this position, and is the Cabinet prepared to intervene and overturn this decision?

Mr. René Cousineau (Parliamentary Secretary to Minister of Regional Industrial Expansion): Mr. Speaker, I will take note of the question and make sure that the Hon. Member receives an answer in the very near future.

* * *

POINT OF ORDER

MR. HNATYSHYN—UNPARLIAMENTARY LANGUAGE OF MR. TRUDEAU

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I rise at this time with respect to some words uttered by the Prime Minister (Mr. Trudeau), who is now conferring with a member of the NDP. I will not question what they are discussing but it may be that the Member for The Battlefords-Meadow Lake (Mr. Anguish) was unjustly maligned and it was the Member for Vancouver-Kingsway (Mr. Waddell).

The fact of the matter is that it is a very serious point of order in terms of the order of the House. During the course of Question Period—I would like to have the opportunity of checking the "blues", as I am sure you will, Mr. Speaker—I heard the Prime Minister referring to me as a liar. I think that

word is unparliamentary. I know that the Prime Minister, who is the Prime Minister of Canada, would not want to have such ungentlemanly words attributed to him in the course of deliberations on the floor of the House of Commons.

I have had to take him to task on other occasions with respect to blasphemy on the floor of the House. He has done the proper thing on those occasions and withdrawn categorically those words. I hope that if in fact there was any such language the Prime Minister would stand in his place and demonstrate the fact that he appreciates this institution and is a person who understands the importance of Parliament and will withdraw those unparliamentary words.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as on previous occasions, I let my heart speak out in this place when perhaps I should not have. I heard the Hon. Member distinctly shout to the Minister of Finance (Mr. Lalonde) words to the effect that he was saying that accountants and lawyers were liars. I think that is a very unparliamentary statement on the part of the Hon. Member.

Mr. Hnatyshyn: It was telling the truth.

Mr. Trudeau: The Hon. Member says that it is the truth.

Mr. Hnatyshyn: Whereas he was accusing them of untruths.

Mr. Trudeau: And the Hon. Member was saying that he was accusing them of being liars. That is very unparliamentary, to ascribe intentions to the Minister of Finance. I believe if you look at the rules, Mr. Speaker—obviously I do not have to tell you to look at the rules, Sir, because you know them so well—it is unparliamentary for any Member to impute motives to another Member.

As a good example to the Hon. Member, I will withdraw the use of the term "liar" as applied to him. I would like to make it conditional on his righting his own unparliamentary conduct when he imputed motives to the Minister of Finance. My withdrawal is conditional, Mr. Speaker.

Mr. Hnatyshyn: Mr. Speaker, I can clearly say that, as far as anybody on this side of the House is concerned, the Minister of Finance (Mr. Lalonde) has no discernible motives.

I simply say that that is not sufficient. I say that it is unparliamentary language. The Prime Minister has an obligation to this institution, and if it is going to be conditional, I do not think that that is a proper position for the Prime Minister to take.

Mr. Speaker: Order. The Chair did not hear the exchange. The Chair will have to examine the record of *Hansard* and will rule on the matter raised by the Hon. Member for Saskatoon West (Mr. Hnatyshyn) after having examined the "blues".

Introduction of Bills

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Thursday, May 24, 1984, meet the requirements of the Standing Orders as to form.

ROUTINE PROCEEDINGS

[*English*]

PETITION

MR. WENMAN—COURT PROCEEDINGS INVOLVING CHILDREN

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, I have the duty and responsibility to present a petition on behalf of the citizens of my riding of Fraser Valley West. The nature of this petition is to express concern at the number of delays in court proceedings in which children are involved.

In view of the trauma of children as victims of conflict and the additional trauma of long and drawn out court proceedings that could further this trauma, the purpose of the petition is to ask the federal Government to ensure that court proceedings commence within six months of the date of criminal charges being laid and that these proceedings should be completed within a six-month maximum period thereafter.

* * *

PENITENTIARY ACT AND PAROLE ACT

MEASURE TO AMEND

Hon. Bob Kaplan (Solicitor General of Canada) moved for leave to introduce Bill C-35, an Act to amend the Penitentiary Act, the Parole Act and certain other Acts in consequence thereof.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

INTEREST ACT

MEASURE TO AMEND

Hon. Yvon Pinard (for the Minister of State (Finance)) moved for leave to introduce Bill C-36, an Act to amend the Interest Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the house?

Some Hon. Members: Agreed.

* * *

[*Translation*]

NATIONAL HOUSING ACT

MEASURE TO AMEND

Hon. Roméo LeBlanc (Minister of Public Works) moved for leave to introduce Bill C-37, an Act to amend the National Housing Act.

Motion agreed to, Bill read the first time and ordered to be printed.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 610, 631 and 720.

[*Text*]

CIDA—AID TO AFRICAN COUNTRIES

Question No. 610—**Mr. Stewart:**

1. Was any bilateral aid given by the Canadian International Development Agency to each of anglophone and francophone African countries and, if so, in each case what (a) percentage (b) number of countries received such aid?

2. Is the Agency responsible for contracting for provision of goods and services to developing countries in the form of tied-aid, and, if so, what percentage of such contracts were awarded in each Province?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): 1. (a) and (b) Yes. The Canadian International Development Agency, during the period from April 1, 1977 to March 31, 1983, provided bilateral aid to 82 per cent of the Anglophone and 89 per cent of the Francophone countries in Africa, which percentages

include 23 Anglophone countries and 28 Francophone countries.

2. Yes. CIDA—Service contracts—April 1, 1977 to December 31, 1983

% per province:		
3.9		Alberta
9.1		British Columbia
3.0		Manitoba
2.4		New Brunswick
0	($124,977.)	Newfoundland
0.6		Nova Scotia
34.8		Ontario
0	($343,825.)	Prince Edward Island
45.4		Quebec
.8		Saskatchewan

CIDA—Goods contracts—April 1, 1977 to March 31, 1983

% per province:		
6		Alberta
3		British Columbia
2		Manitoba
1		New Brunswick
0	($1.2 M)	Newfoundland
5		Nova Scotia
47		Ontario
0	($30,000.)	Prince Edward Island
34		Quebec
2		Saskatchewan

BEAUFORT SEA COMMUNITY ADVISORY COMMITTEE

Question No. 631—**Mr. Mazankowski:**

1. Is there a Beaufort Sea Community Advisory Committee and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Committee meet and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): The Beaufort Sea Community Advisory Committee was organized in 1976 by Dome Petroleum Limited in order to provide an effective communication link between the industry operator and the affected communities. The communities of Aklavik, Inuvik, Tuktoyaktuk, Paulatuk, Holman, Sacks Harbour, each named two members to the committee. The members of the committee were northerners of wide experience within their communities and knowledgeable about local concerns. During its effective life 1976-1983, the committee was supported by the Dome Petroleum/Canadian Marine group and no government funds were provided for remuneration or travel. The funding provided by the company enabled the group to visit other countries and to investigate industry practices in Alaska, the North Sea, and other areas in order that the Beaufort Sea operations could be better assessed. The committee operated as an independent body setting its own meetings and agendas.

In the fall of 1983, the Beaufort Sea Community Advisory Committee disbanded as other more broadly-based initiatives such as the Development Impact Zone Societies sponsored by the Government of the Northwest Territories seemed to limit the effectiveness of the committee.

Order Paper Questions

EXEMPT STAFF OF SECRETARY OF STATE

Question No. 720—**Mr. Hnatyshyn:**

1. Are any exempt staff employed by the Department of the Secretary of State and, if so, what are their (a) titles (b) positions (c) names?

2. Do any of the staff mentioned in part I receive income, financial assistance or other benefits related to their employment from sources other than the ministerial budget and, if so (a) which members (b) what are the details of the income, financial assistance or other benefits?

Hon. Serge Joyal (Secretary of State): No. The Secretary of State employs exempt staff as follows:

1.	(a) and (b)	(c)
	Executive Assistant	Saint-Onge, Maurice
	Special Assistant	Monast, Madeleine
	Special Assistant	Meilleur, Denise
	Special Assistant	Laporte, François
	Special Assistant	Pilon, Danièle
	Special Assistant	O'Sullivan, John
	Private Secretary	Borsanyi, Francine

2. No.

* * *

[*Translation*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 292 could be made an order for return, that return would be tabled immediately.

[*Text*]

JULY 1 CELEBRATIONS

Question No. 292—**Mr. Munro (Esquimalt-Saanich):**

1. By Province, what public funds from the Consolidated Revenue Fund were allocated for events of one kind or another in celebration of July 1, 1983?

2. What agency of Government made provision in the budget to have these funds made available?

3. Of the amount allocated to British Columbia, what distribution was made, by event and by locality?

4. Who, or what agency, in each locality requested funds to mark each of the events listed in the answer to part 3 and, in the case of an agency, who requested the funds?

5. What procedures are in place to account for the expenditures made under this budgetary item?

Return tabled.

[*Translation*]

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

Mr. Speaker: The questions enumerated by the Parliamentary Secretary have been answered. Shall the remaining questions stand?

Some Hon. Members: Agreed.

• (1210)

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN STABILIZATION ACT

MEASURE TO AMEND

Hon. Jean-Luc Pepin (for the Minister of Transport) moved that Bill C-33, an Act to amend the Western Grain Stabilization Act, be read the second time and referred to the Standing Committee on Agriculture.

He said: Mr. Speaker, last Friday I had the great privilege, honour and pleasure of piloting amendments to the Prairie Grain Advance Payments Act through this House, and I want to thank Members who were kind enough at the time to give the Government second and third readings on a single day.

I am afraid Members will not be as generous today. I do not blame them. The Bill I am about to introduce is a rather complex one. I can easily understand that Members will want to debate it for some time, for a few hours or a few days, in committee. The Bill I am introducing is Bill C-33, an Act to amend the Western Grain Stabilization Act.

I speak on behalf of three Ministers. I have become their Boy Friday! I speak on behalf of the Minister responsible for the Canadian Wheat Board who has primary responsibility for the stabilization policy; for the Minister of Agriculture (Mr. Whelan) whose Department administers the program; and for the Minister of Transport (Mr. Axworthy) who presented this Bill to the House.

Mr. Gustafson: And you who are reading it.

Mr. Ouellet: And myself who will listen to it.

Mr. Pepin: I thank my distinguished audience for being present.

As Members are well aware, the Government in its Throne Speech indicated that:

> Amendments will be introduced to the Western Grain Stabilization Act to make it more responsive to the needs of producers.

That is, the grain producers. As we will see, the major amendment proposed in Bill C-33, amendments which benefit from the experience gained since 1976, which is the date of birth of this Act, will accomplish this objective. The purpose of my speech is to try and demonstrate that.

[*Translation*]

The effect of the amendments in Bill C-33 will be:

First, to incorporate an additional payment trigger mechanism based on net cash flow per unit of eligible marketings—all this will get a little clearer as we go along—to make the program more sensitive to price and cost variations during periods of increasing marketing volumes;

Second, to change the measurement of receipts under the program from a calendar year to a crop year basis, that is, instead of being from January 1 to December 31, it would be from August 1 to July 31 of the following year;

Third, to make spouses eligible for multiple participant status under the Act if they meet the other requirements prescribed for joint holders of permit books. All this will become quite clear as we go along.

Fourth, to give participants, once every ten years, the option of leaving the program. Those are the four amendments I gave in French.

[*English*]

Understandably there has been increasing concern in recent years on the part of prairie grain producers as to whether the Western Grain Stabilization Program was doing the job it was intended to do. For example, I am told the Program was a major item for discussion at farm meetings throughout the Prairies over the past several months. Many producers indicated that they were dissatisfied with the level of support provided by the program. The Government remains committed to the view that the main federal program protecting the incomes of prairie grain farmers is this one, namely, the Western Grain Stabilization Program. It is clear from the very high rate of producer participation—77 per cent, if my memory serves me well—that they too are committed to the program. If one can judge the acceptance of a program by the participation into it, this is one. As we will see in a moment, it is a voluntary participation.

Mr. Gustafson: They all want out.

Mr. Pepin: If that is so, we can stop now and that will make our job rather easier. But it is not so. I do not agree with the comment of the Hon. Member. If 77 per cent of farmers belong to a voluntary program, it must have a great degree of acceptance.

Mr. Gustafson: They are locked in.

Mr. Pepin: We will see shortly that they will be unlocked.

Some Hon. Members: Oh, oh!

Mr. Pepin: The basic concept of the program, the "net cash flow concept"—and more on that later—is sound. However, the changing character of the grains industry has made it necessary to improve the pay-out mechanism in order that the program will provide assistance for prairie grain producers in time of real need.

The business or professional life of the western grain farmer is not an easy one. He, more than almost anyone else in the country, is dependent upon factors outside his control. First, he is dependent on weather conditions. Too little or too much rain, or rain at the wrong time of the year, can be devastating, as I learned in 1969.

Second, the western grain farmer is dependent on world markets for his volumes and for his prices. This is a factor over which he has no control and which reacts primarily to the size of harvests around the world.

Third, the western grain farmer faces constantly high input costs for seed, fertilizer and machinery which he, unlike most people, cannot pass on to his customers.

Finally, the western grain farmer depends on the grain companies, the railways, the dock workers, and the Wheat Board to market and move his product, and problems at any stage of that process can seriously affect his income. He lives dangerously and that is recognized even if he is not the only one; we all live dangerously, but some live more dangerously than others.

Mr. Gustafson: Something like the Liberal Government.

Mr. Pepin: My hon. friend is not in a kind mood today, Mr. Speaker. I have presented the House with some extremely favourable Bills the last two Fridays. My friend should at least be complimentary, gentle and sweet when he gets Bills of this kind, and he should reserve his bilious nature for other circumstances. Be that as it may, the farmers need all the help they can reasonably get. The protection offered by the Western Grain Stabilization Act is very significant to them and on that I am sure we all agree.

• (1220)

The net cash flow concept of stabilization, the concept to which I have already referred, stabilizes the difference between over-all cash receipts from the sale of western grain and over-all related costs of producing it. It was developed in the early 1970s in recognition that prairie grain producers, because of their dependence upon the export market, were subject to very volatile prices and volume changes as well as to cost increases in their production inputs. That concept was considered a major advance from previously proposed programs which would have provided only price support, as is the case in other agricultural stabilization programs. I look at some of my friends on the other side because I know they understand all that extremely well, as well as I do, which is very, very well.

Some Hon. Members: Oh, oh!

Mr. Pepin: It is true. I understand these things very, very well. I paid the price to learn because I was, as everyone knows, the Minister of Industry, Trade and Commerce responsible for the Wheat Board in the late 1960s.

An Hon. Member: You forgot it when you were Minister of Transport.

Mr. Pepin: And I got it double-barrelled when I was Minister of Transport.

An Hon. Member: And then they fired you.

Mr. Pepin: Then they sent me to greener pastures.

Some Hon. Members: Oh, oh!

Mr. Pepin: We do that to the best horses!

In the early 1970s, export volumes had fallen off from the levels reached in the mid-1960s and farmers were faced with large grain stocks. Because of the difficulty in sales, price support alone would not have helped producers at that time. They could not obtain their price on goods which had not been sold. This was the situation in those dreadful years which I remember so well. Price support only helps if they can sell their product. It does not help when sales are weak. The Hon. Otto Lang, a distinguished gentleman if I know one—

Some Hon. Members: Oh, oh!

Mr. Pepin: —recognized this problem and was determined to find a way to help producers through the bad times and try to reduce the historic boom-bust cycle of prairie farmers' incomes.

The existing Western Grain Stabilization Program, after extensive debate and consultation, came into effect on April 1, 1976. The other day when I said that the advance payment came into effect on a certain date, the Official Opposition, also called the Royal Opposition by the Hon. Member for Sherbrooke (Mr. Pelletier), was keen to remind me that this had been done during the Diefenbaker years. I am just "tit-for-tatting" when I say that this was done under a Liberal regime by my friend, Mr. Otto Lang.

The original Bill came into effect on April 1, 1976. I repeat that the principal objective of the program was to protect grain producers in the so-called Canadian Wheat Board area against unexpected declines in net returns due to short-term price fluctuations, reduced marketings and increased production costs. These are the three factors most often at work in these changes.

I should like to remind the House, because it could be useful for later reference, about the main features of the existing program. The amendments will be clear if the public—that crowd up there and down here—knows what the Bill is at this moment. Obviously the amendments are to the present Bill, and I will refer to its main features.

First, the program covers seven major grains and oilseeds grown in the Canadian Wheat Board area, the seven being wheat, barley, oats, rye, flaxseed, canola and mustard seed.

Second, the program runs on the calendar year—from January 1 to December 31. That is the way it runs now; we will see in a moment how that will be changed.

Third, stabilization payments are made to farmers for any calendar year in which the total cash flow—the basic concept—of all grain producers in the Wheat Board area is less than the average cash flow in the previous five years. That is the basis of it all at this point. It is a global concept. We will make a change to that, as the House will see in a moment.

Fourth, participation is voluntary for producers. They may opt out of the program during the first three years after opting in. For the first three years, if producers do not like it, they can get out. If a producer has not opted out during those three years, however, he remains a full participant permanently.

Mr. Malone: They will not.

Mr. Pepin: Yes, sir.

Mr. Malone: They will not stay.

Mr. Pepin: Fifth, since January 1, 1984, participating producers pay a levy of 1.5 per cent of their grain sales proceeds into the Western Grain Stabilization Fund, up to a maximum of $900. Previously the levy rate was 2 per cent. I just want to add that producers have contributed up to March, 1984, $365 million to the fund.

Sixth, the federal Government now contributes 3.5 per cent of grain sales proceeds of participants to the fund. So participants, 1.5 per cent; the Government, 3.5 per cent. Prior to January 1, 1984 that contribution was 4 per cent of grain sales proceeds. Between 1976 and the end of March, 1984 the federal Government contributed about $720 million to the fund. I see Hon. Members opposite making notes. I compliment them on their sense of responsibility.

Mr. Neil: They are all farmers.

Mr. Pepin: The federal Government pays interest on the balance left, after pay-outs, in the Western Grain Stabilization Fund. Between 1976 and the end of March, 1984 the Government paid about $244 million in interest into the fund. Hon. Members will notice the relatively generous federal contribution to this fund.

Mr. Hovdebo: Nine per cent.

Mr. Pepin: I am talking hundreds of millions, not chicken feed.

The Western Grain Stabilization Program paid out substantial amounts in 1977 and 1978. Together they amounted to $365 million. This was primarily because the average value per tonne of sales had fallen in those years from considerably higher levels in 1974, 1975 and 1976. However, grain prices recovered after 1978 and the incomes of grain producers improved. For example, in 1981 gross grain receipts to the prairie grain sector were a record $6.2 billion, with an average value per tonne of sales of $209 on total marketings of 29.6 million tonnes. In those circumstances there was no pay-out from the fund.

Now I should like to deal with the present more dramatic situation. It will justify the amendments about which I will speak. From 1981 to 1983, the average value of the seven grains covered by the program dropped by 20 per cent to $168 per tonne. Hon. Members will recall that in 1981 it was $209 per tonne. On the other hand, the volume of marketings by prairie grain farmers increased by 24 per cent to 36.7 million tonnes in 1983. We see a drop in price and a very great increase in volume. The very desirable increase in marketings of grain, which by the way is evidence of the commendable job which the Canadian Wheat Board and the grain industry in general are doing in selling and moving prairie grain, has had the effect of masking the negative impact of lower prices and of limiting the responsiveness of the Western Grain Stabilization Program to price declines. The fact that we have had a large increase in our exports has been masking or preventing a greater sensitivity of the program.

● (1230)

Similarly, the strong increase in volume helped offset the impact on net cash flow of increases in cost of production experienced in recent years. Consequently, although total receipts and, therefore, total cash flow have been at a high level in the past three years because of the record volume, farmers are nevertheless feeling some financial difficulty because of lower prices and higher costs.

Let me say it again slightly differently. Because the prairie grain sector is receiving more money due to increases in volume of sales, the total net cash flow has not dropped below the previous five-year average and there is, therefore, no justification under the Bill as it is for a pay-out, although there are serious problems in the grain sector due to price declines and cost of production increases. Clear? I was expecting applause, and that is why I paused. The conclusion is that the existing Western Grain Stabilization Program is not as sensitive to the financial situation of farmers as it should be. That is the reason for these changes I announce to-day.

The Government is cognizant of that difficult financial situation and the financial position of many grain producers is being squeezed, as we know, in that money left over after cash costs are met has declined over the last decade both in terms of purchasing power and as a proportion of the total receipts. One indicator of that is the number of farm bankruptcies, which have been increasing. I have all the numbers but I will not include them in my text.

Outstanding farm debt has also increased considerably in recent years. Total farm credit outstanding now exceeds $20 billion, 50 per cent of that in the west. As the Canadian Federation of Agriculture workshop on farm credit in the spring of 1983 noted, it is generally agreed that some 10 to 15 per cent of farmers were "in financial difficulty because of farm debt".

As no stabilization pay-out for the calendar year ending December 31, 1983 would be triggered under the existing program, it was therefore clear to the Government that amendments were required to make the program more responsive to the farmers' financial situation. The Government assessed very carefully the factors that seemed to be limiting the effectiveness and responsiveness of the program.

The major factor limiting the program's responsiveness has been the increasing volume of grain marketing in relation to the changes in selling prices and production costs. Even though prices had declined for two years in a row and are at relatively low levels compared to 1980-81 levels, a pay-out under the Western Grain Stabilization Act was not triggered for 1983. That situation is going to continue unless changes are made. The grain industry has generally accepted an export target of 36 million tonnes of grains and oilseeds by 1990. We have already reached total grain exports of 29.5 million tonnes in 1982-83, and in the current crop year exports are running slightly ahead of last year. This phenomenon of high volume is

most probably, God willing, here to stay. Therefore we have to adjust the stabilization program to this new reality. This implies that grain marketings will continue to increase gradually and this trend in volume of marketings will continue to reduce the sensitivity of the program to price declines and to cost increases.

In light of these changing circumstances, adjustments to the plan are now needed. This is the reason for the major amendment which is being proposed to the program, that is, the incorporation of an additional payment trigger mechanism based on net cash flow per tonne of eligible marketings to make the program more sensitive to price and cost variations during periods of increasing marketing volumes. I say "additional" because the existing payment trigger mechanism based on aggregate net cash flow, taking into account changes in prices, costs and volumes, will be retained as it could still be needed to provide income protection should volumes stabilize or decline. We will have a double mechanism, each adjusted to different circumstances.

There are three other changes being proposed in the program at this time. A second factor which has limited the ability of the Western Grain Stabilization Program to respond quickly is the fact that the Program operated and still operates on a calendar year basis. Under the existing Program, it is not possible to finalize pay-outs until October, ten months after the end of the stabilization year on December 31, since costs are obtained by survey made in June/July, after farmers have completed their previous year's accounts for tax purposes, and more time is required for computation of aggregate costs. Changing to a crop year will have the advantage of reducing the lag between the time when a farmer markets his crop and the time when calculation of whether there will be a stabilization pay-out for a year can be completed and a pay-out issued, if warranted.

Additionally, measurement of gross receipts on a crop-year basis would provide a closer relationship of receipts generated by the sale of a crop to the costs of producing that crop. With the amendment to change measurement of receipts to a crop year, it is expected that stabilization payments would be made within three to four months, that is October/November, after the end of the stabilization year on July 31, as opposed to ten months as has been the case up until now. Presumably computers make some of these improvements possible.

Mr. Gustafson: Also an election.

Mr. Pepin: Possibly a combination of the two.

The third change is necessary because producers have expressed concern that they are, as we just heard from a distinguished Member of the Opposition, locked into the program if they do not withdraw during the first three years. Indeed, although participation in the program is voluntary initially, it becomes compulsory after three years and this feature has limited producers' flexibility to decide whether the program was still meeting their individual needs. The Government has responded to many requests by proposing an amendments that will permit some additional flexibility of participation. Producers will be given an option on the tenth anniversary of the Program—1976, consequently 1986—and each tenth year thereafter.

As a fourth amendment, the Government is also proposing to remove the restriction which prohibited participation by spouses if they were both members of a corporation, partnership or farm co-operative. This change will make the Western Grain Stabilization Program compatible with proposed amendments to other legislation currently before Parliament, one of them last week, the Prairie Grain Advance Payments Act. The net effect of this change will be an increased ability of producers to participate and some increase in producer and Government contributions to the Program. This change recognizes the importance of the family farm and the role played by both partners in a farm family.

● (1240)

It is clear that the Government is responding in a major way to changes in the grain industry and particularly in the financial situation of prairie grain producers. Without the proposed amendments to the program which are contained in Bill C-33, there would be no pay-out under the Western Grain Stabilization Act during 1984 for calendar year 1983. It is expected that a pay-out would have been triggered for the 1984 calendar year but it could be paid only in 1985 under the existing Western Grain Stabilization Act.

The Government has assessed other options for change which have been proposed and none of those other options increased the short-term responsiveness of the program while at the same time representing a significant long-term improvement to the Western Grain Stabilization Program. We must combine the short-term advantage with the long-term advantage. Some of the propositions that have been made offer short-term gains without longer term gains. This Bill purports to introduce a fine combination of the two. The proposed amendment to the additional pay-out triggering mechanism in Bill C-33 will result in total pay-outs over a several years period in an amount that would about double the pay-outs under the existing program over the same period, yet the Western Grain Stabilization Fund will remain actuarially sound with the proposed changes.

The Government has assessed the proposal put forth by the Standing Committee on Agriculture which is to use a three-year average of net cash flow as the support level. The Committee studied the inclusion of additional costs and particularly the costs of interest on machinery. In my notes there follow two or three pages dealing with this subject. I will not impose those pages on my hon. friends who are listening so gently and kindly because this subject would be easier to study with a map and with charts than to express in words.

Those two questions in particular are very, very complex. In both cases a great deal of calculating was done to determine the plan which would be most beneficial to producers. It is our belief that the plan being presented in the Bill is the best one for producers over the short and longer terms. However, I am sure Hon. Members will want to raise some questions regard-

ing some of the other options which have been proposed and I hope that they will do so at committee stage.

Finally, Mr. Speaker, let me clear up some of the confusion unfortunately caused by some Hon. Members of the House regarding the amount of money that producers have received from the Western Grain Stabilization Program relative to the amount of money they have contributed by way of levies. Total pay-outs to producers since the inception of the program have been $368 million, although as of today the fund reached $900 million because of government contributions plus interest, as I already indicated. The total levies paid to producers from 1976 until the end of the first quarter of 1984 have totalled about $365 million. A pay-out of $300 million for 1983-84 under the proposed amendments would mean that producers will be about $300 million ahead in terms of pay-outs relative to levies since the start of the program in 1976. While the fund will still have over $600 million in it, and I hope Hon. Members followed all of those numbers which were quite simple—

Mr. Neil: You did not talk about interest on their money.

Mr. Pepin: Yes, the interest is included. I remember referring to an amount of $224 million. Let me emphasize, as I have said before, that interest is being paid on the producers' levies and on the Government's contributions.

I have an additional announcement to make. My friends are waiting for that one, Mr. Speaker. The Government recognizes the serious cash shortage currently faced by farmers. There is no doubt that the approximately $300 million will be welcomed by producers when it is paid. I have already indicated that under the new system it would be paid some time at the end of fall and perhaps in November. However, we have no doubt that the pay-out will occur, and while several factors like space available, quotas, etc., will affect the ultimate size of that pay-out, we want to get money into the producers' hands as soon as possible. Therefore, at report stage the Minister of Transport will present an amendment providing for an interim payment prior to July 31.

Mr. Neil: Does that mean an early election?

Mr. Pepin: No one knows when the election will take place.

Mr. Malone: You want to bet?

Mr. Pepin: If my hon. friend knows when the election will be, I would gladly receive his confidential information. However, it would be a one-way street because I could not tell him when the election will take place.

Mr. Malone: Right after the pay-out.

Mr. Pepin: There are so many factors involved. Therefore, the Minister of Transport will bring in this amendment at report stage. This will be a one-time provision intended to deal with the fact that no payment has occurred for a number of years and to recognize the producers' immediate need for cash. While I cannot tell Hon. Members the exact amount today, it is anticipated that approximately one-half of the total pay-out will be made this summer.

There it is, Mr. Speaker. The changes which the Government is proposing to the Western Grain Stabilization Act through this Bill will, in my view, make a sound contribution to the efficiency and sensitivity of the program, qualities which were lost to some extent because of changing circumstances. I explained those changing circumstances to my hon. friends in great depth and I am sure they are already quite well aware of those circumstances.

Some Hon. Members: Hear, hear!

Mr. Len Gustafson (Assiniboia): Mr. Speaker, I would like to say that I was pleased to see the Hon. Minister, who is the former Minister of Transport, speaking so passionately on behalf of the farmers and also on behalf of the Minister of State for the Canadian Wheat Board, who cannot be in this place. We did notice the absence of western Members on that side of the House. In fact, I suppose we did notice the absence of Members in general. In addition, the Minister said that he was speaking for the Minister of Agriculture (Mr. Whelan), who is obviously out campaigning for the leadership of the Liberal Party. The expressions in the Minister's speech were well made.

The Acting Speaker (Mr. Herbert): Order, please. It has been mentioned by the Chair previously that no reference should be made to the presence or absence of Hon. Members. The Chair let the general comment go but I would caution of the Hon. Member not to refer to the specific absence or presence of any Member in the House of Commons.

Mr. Bosley: Or general to those who are specifically absent.

Mr. Gustafson: Thank you, Mr. Speaker. I was referring generally to the three Ministers who are not here who are responsible for this Bill and I was complimenting the former Minister of Transport because he has always occupied a sort of soft spot in the hearts of many farmers. This is particularly so, Mr. Speaker, regarding the Minister's work related to transportation. It is too bad that we cannot say the same thing for the present Minister of Transport (Mr. Axworthy), who is not here to introduce this Bill and in fact is out campaigning for the hon. person from Bay Street who was just recently appointed director of the CPR and Seagram's. The farmers have a great deal of concern about whether, should he become the Prime Minister of Canada, he would fight for the best interests of western farmers or not. There is certainly a great deal of concern about that.

• (1250)

Bill C-33 has been of great concern to the Conservative Party. I am pleased to see that the Minister introduced today an interim payment, because the farmers certainly need the money. We called for that and I believe this Bill would not have been brought to the House if it were not for the Conservative Party.

Some Hon. Members: Right on.

Mr. Gustafson: I believe the Liberal Party has been playing politics with this Bill and in fact playing politics with the money which belongs to the farmers. Had it not been for the strong representation of western Members who are farmers, who understand the program and what it has not done, this Bill would not be before the House. We had drafted an amendment to provide for an interim payment. We are grateful for the interim payment. However, we do not like the fact that the Government is playing politics with farmers' money.

As early as last summer, the Conservative Party called for an interim payment and for a western grain stabilization payment for farmers. We have been doing that for over a year. The record will show that on September 16, I called for it in this House. On October 5 the Hon. Member for Crowfoot (Mr. Malone) called for it in the House. Again on October 7 we called for the western grain stabilization payment. On October 25, 1983 we again called for it. On November 17 the Hon. Member for Bow River (Mr. Taylor), who knows farming well, called for it. Yet it was not forthcoming. On December 8 the Hon. Member for Portage-Marquette (Mr. Mayer), who is the agricultural representative for this Party, called for it. The Hon. Member for Kindersley-Lloydminster (Mr. McKnight) called for it on April 17. On April 18 again the Hon. Member for Portage-Marquette called for it. The Hon. Member for Red Deer (Mr. Towers) has called for it, the Hon. Member for Brandon-Souris (Mr. Clark) has called for it, the Hon. Member for Moose Jaw (Mr. Neil) has called for it, and the Hon. Member for Saskatoon West (Mr. Hnatyshyn) has called for it. The list goes on and on. The Conservative Party has been calling for it for over a year. But the Government has played politics with it.

I would like to read part of a news release which appeared in *The Assiniboia Times*. Last summer I said to the reporter: "Watch the Liberals; they will play politics with the farmers' money". He wrote an article on May 2, 1984. I did not request him to write it. It reads:

> I can remember very clearly at about this time last year when Conservative M.P. for Assiniboia Len Gustafson told me there would be "a flood of money" from the stabilization fund just before the next federal election. At that time, his words sounded extremely partisan. Although I never dismissed his prediction as just more politicking for his constituents, I did, however, feel that the federal Liberals would be a little more inventive or subtle in how they gave the farmers back their own money before an election.

That is exactly what has happened. When the program was designed in 1976 to meet the cash flow problems that farmers were facing, it was not designed to be a program for political propaganda. It was not designed to be a program to put the farmers' money into an account that the Government could use for the benefit of its political expendiency. It was meant to help meet the cash flow problems of farmers.

What was this program all about? In 1976 the Hon. Otto Lang introduced the program and said that it was to meet the cash flow problem of farmers. Let us look at the history of what has happened in the farming community and how western Canada has suffered neglect under this Government because of its failure to move. I have heard it said by senior Members who sit on this side that they did not believe the program would work at the time it was introduced. The Right Hon. John Diefenbaker, who we remember so well for his contributions to Canada, said: "If there were two cow pies in the pasture, the Hon. Otto Lang would step in both of them". I would like to say that grain stabilization has been one of them. There is no question about it: the program has not worked and I will show you, Mr. Speaker, how it has not worked.

Farmers have paid into the program since 1979. Members on this side, many of whom are farmers and permit-holders, understand the program well. Farmers initially paid $500 per year. Then it was increased to $900 per year. Then it was increased to $1200 per year. But since 1979, there has not been a payment to farmers. If a farmer began paying into the program in 1979, by now he would have paid the maximum of $5,700 and he has not received any return. The accumulated interest on that $5,700 amounts to over $8,000 of the farmer's own money. Do not let any Member or Minister on the Government side stand in his place and tell the farmers how much money the Government is paying to them. The Government is not returning the money which belongs to the farmers. Again and again the Minister of Agriculture stands in his place and indicates how much money the Government is putting into the program.

Due to the time, Mr. Speaker, I would like to move that we extend the sitting through the lunch hour because of the serious nature of this debate. We have a good deal more to say with respect to the Bill. It is important that it be passed quickly so that farmers can get their money. Therefore I move:

> That in accordance with Standing Order 8(4) (a) this House extend the sitting through the lunch hour for the purpose of considering second reading stage of Bill C-33.

The Acting Speaker (Mr. Herbert): The Hon. Member for Assiniboia has moved the motion, seconded by the Hon. Member for Red Deer (Mr. Towers), that the sitting continue through the lunch hour for the purpose of considering second reading stage of Bill C-33. In accordance with the Standing Orders, it requires that 25 Members rise in their place to object to the motion. Are there any Members who object to the motion?

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): There are no Members rising; therefore, I deem the motion to be carried.

Mr. Ouellet: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Herbert): The Hon. Minister of Labour (Mr. Ouellet) on a point of order.

• (1300)

[*Translation*]

Mr. Ouellet: Mr. Speaker, I would like to comment, on this occasion, that the Government is most willing to co-operate. That is why no one on this side of the House rose to object.

We hope that for other legislation, we shall occasionally have the support and co-operation of the Opposition parties.

The Minister responsible for the Bill has an appointment at one o'clock, but I shall remain in the House to listen to the speeches of our hon. friends.

[*English*]

Mr. Gustafson: Mr. Speaker, I am flattered that the Minister is going to remain in the House and hear about the importance of this Bill to farmers.

I was saying earlier that we wanted to give quick passage to this Bill. I read a list of Members who called for quick passage. In addition to that, our leader, the Hon. Member for Central Nova (Mr. Mulroney), rose in the House on April 4 last and asked the Prime Minister (Mr. Trudeau) if he would give immediate passage to the Bill so that farmers could have their money in their hands for spring seeding. We all know the history and the Prime Minister did exactly what he has been doing for farmers for a number of years. An example of that is 1968, when he told the farmers to sell their own wheat. It is clear that the Liberal Government continues to treat farmers across Canada as second-class citizens. I will back up that statement with many examples of farmers being put on the back burner.

Following the request made by our Leader, the then Opposition House Leader, the Hon. Member for Yukon (Mr. Nielsen), sent a letter to the Government House Leader saying that we were willing to pass the Bill immediately. The Government has been playing politics with this Bill for well over a year, when the farmers could have had the money in their pockets. I want to put that on the record so that the farmers are aware of how they have been treated.

Earlier I was speaking about the amount of money farmers have paid in. The maximum for each farmer is $5,700, which with interest would add up to over $8,000. This is their money and they need it. The Minister talked—about farmers opting out. He mentioned the fact that it was a major topic of discussion on the Prairies. It was, Mr. Speaker, because farmers need the cash now. They should have had it in their pockets before seeding and they were refused. Farmers have faced very serious economic problems. The Minister of Agriculture and his Government have failed to address the problem of interest rates. It is no great service to the farmers to charge them 1 per cent more than they can get from the banks. They talk about priorities. Is that a priority consideration for agriculture? We need a government which will give some consideration to agriculture. We need to call an election to change this Government and give some priority to agriculture. That will stimulate the economy to the extent it needs to be and could be stimulated.

I referred to opting out, Mr. Speaker. A farmer who opts out does so without the return of his contribution. The situation which has existed in this program comes about because of three major factors. Volumes have increased significantly. How did that come about? Because our farmers have been very productive. If you go back into the history of agriculture in North America, you find that in 1905 the farmers made up 95 per cent of the population of Canada. They produced to the best of their ability. Then, because of technological developments and automation, and particularly because of the productive nature of farmers, we have been able, with 4½ per cent of the population, to produce enough food to feed Canada, and the world if it was distributed properly. I am proud to stand in this place and be counted as one of those productive people, but I am sorry to have to tell you that we have seen this Government neglect that kind of productivity. Farmers contribute some $8 billion to this country's balance of payments, money which could be used to stimulate the economy.

I ask you, Mr. Speaker, what would happen if a Conservative Government were elected in this country, a Government with some understanding of agriculture, a Government with some representation in agriculture, a Government with a Leader like ours who would make agriculture a priority? If I had the time I would like to extend that line of thought into other industries such as forestry, mining and manufacturing, fisheries and so on. We have had examples of the Government paying out billions of dollars to subsidize certain areas of the economy, yet it does not give priority to agriculture. The Budget indicates that. It was a $100 billion Budget, Mr. Speaker, and how much of that is going to agriculture? Some 1.2 per cent, or roughly $1.2 billion. Agriculture is on the bottom of the ladder and it should be at the top.

This Western Grain Stabilization Act is an example of how the Government has dealt with this very serious matter. It failed to use the program. Now the Minister says that the Government is addressing the problems, and we are thankful for that. But why is this happening now? It is because there is to be an election. It should have been done two or three years ago. Grain prices dropped two and a half years ago, costs went way up, fuel costs doubled for farmers but this Government did not move. Our Leader, the Hon. Member for Central Nova, who I believe is going to be the next Prime Minister of this country, stood in his place and asked the Government to remove the 9 per cent sales tax. Did the Government remove it? No, it did not. Today we had an outstanding example of how the Government treats us. The Minister of Finance (Mr. Lalonde) stood in his place and, although I would not think knowingly, possibly misled the Canadian people about the price of fuel.

• (1310)

Fuel is crossing the 49th parallel in my own riding at the port of entry of Regway for 78 cents a gallon. You will remember the 18-cent tax. There is no provincial tax in Saskatchewan or Alberta on farm fuel. I sat on the energy comittee when the Minister led that committee and brought in a dreadful national energy policy which hid away several aspects.

When we were defeated on the 18 cents tax we went home to fight an election. In the little town of Macoun fuel cost 98 cents a gallon. Today it is close to $1.90 a gallon. The Minister tells the Canadian people that he does not know where this

money is coming from when fuel is crossing the border at 78 cents a gallon. It is coming right out of the co-operative refineries at Regina and as many as 15 truckloads a day are crossing the border.

I would like to have the record set straight as to how farmers and the rest of the people of Canada are being dealt with by the Government. We have had Liberal promise after Liberal promise. In the area of agriculture the Liberal Government has given us this kind of promise again and again. I fought in two elections in the Assiniboia riding. Long before I got actively involved in running for office the Liberals promised that they were going to remove the capital gains tax. They do a little here and a little there but it never comes about for farmers.

There was a clear indication by the Government that there was to be $16 billion spent on the development and upgrading of transportation. What are we getting? In my riding we just received a letter saying that another rail line will be abandoned from Big Beaver to Coronach. We hear reports that people working on the railroads are being laid off. The amount of money which was to be spent from 1976 to 1992 has been cut back by the Government from $16 billion to $12 billion. The Government continues to promise the people that it is going to double-track and rebuild.

You will hear all kinds of these promises in the next few months, Mr. Speaker. They will be making promises about the capital gains tax. I ask the people of Canada and the Members of the House to reconsider and to think about the 18-cent tax on fuel when they hear some of the promises that will be made. It is clear that promises which deal with agriculture or farmers are never meant to be kept. All one has to do is look at the slate of leadership candidates and the direction they have taken. How can a leader of the country fight for the best interests of farmers when his directives come from a different area and a different perspective?

I do not want to take a great deal more time, Mr. Speaker, because there are other western Members who would like very much to speak on this Bill to amend the Western Grain Stabilization Act. However, one most important area is left out of this Bill. We agree with this Bill and certainly want quick passage of it. We are happy that the farmers will get some money, even if it is at the expense of playing politics. However, the area which is left out is the level of payment. For months we have been asking for a retroactive payment to be made to farmers. That would increase the level of payment.

Yesterday I had farmers from Alberta and Saskatchewan in my office. They told me that they are going through bankruptcies. They told me that they are facing the most severe financial cash flow problems that have been faced in the Prairies in their lifetimes. It is reminiscent of the 1930s when farmers lost their farms through bankruptcies. They lost their farms because they could not meet their financial obligations. A program was put in place to address this problem and we failed to use it when it was needed most. That is serious neglect on the part of the Government. The level of payment should be increased significantly. The money is there and the Government has been using it.

If the Government makes a pay-out on the basis it says it will, it will be returning only a portion of what the farmers have paid in. That will include no major government contribution whatsoever. There should be a government contribution to that fund at this time. The Minister of Agriculture stands in his place and says that it is $2 for $1. That is another Liberal promise. The farmers' money is barely being returned. On paper it indicates that the Government should pay $2 for every $1 contributed by the farmers. That is not so, Mr. Speaker. That is not happening.

In concluding my remarks, Mr. Speaker, I ask what the alternative is to this kind of handling of a program which could have been a good program if the Government had put the priority where it should be. Quite clearly, Mr. Speaker, there is only one alternative. We have a tired Government on our hands. Someone indicated to me that giving the Liberal Party a new leader is not the solution. He said that you can paint and repaint an old car, but unless you change the motor and the transmission and clean up the situation, nothing is going to change. I am suggesting that in the best interests of agriculture, those concerned about grain and farmers across the country, the country needs a Progressive Conservative Government with representation in agriculture and a leader who is sensitive to the needs of the farmers and the economic development of the country. Then you will see a Canada that will be built with the help of the farmers in the best interests of all Canadians.

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, I am pleased to be able to speak on the western grain stabilization Bill today. I am pleased also that the Minister, who is absent at the moment, did suggest an amendment which may make it possible to have an immediate pay-out under the western stabilization plan.

• (1320)

However, I want to deal with the purpose of the Western Grain Stabilization Act, what it does and does not do. I would like to begin by comparing the rigidity of the Western Grain Stabilization Act to the much more flexible Agricultural Stabilization Act. I can do this by citing three examples of how the flexible Agricultural Stabilization Act has enabled farmer to receive help when they needed it much more quickly than provided for by the Western Grain Stabilization Act, which has not given a pay-out for the last five years.

On December 21, 1981 there was a payment under the Agricultural Stabilization Act of $66.8 million for eight commodities. With respect to winter wheat in Ontario, which comes under the Agricultural Stabilization Act, a change was made to that Act within a few weeks because of the vomitoxin emergency. As a result of that vomitoxin situation, the payments were increased from the 90 per cent which the Act allows to 100 per cent in a very short time. We are unable to get a pay-out at all in the case of western stabilization plan, let alone a significant increase.

My second example relates to a period during the late months of 1982 when there was an announcement under the Agricultural Stabilization Plan that there would be no payment for corn during that particular year. However, on Febraury 1, 1982 that decision was changed with the announcement that there would be a payment of $4.48 per tonne for corn. The reason given for that change was that the Stabilization Board received new statistics from Statistics Canada and the recalculation allowed a new payment. This example shows the flexibility of this stabilization plan compared to the Western Grain Stabilization Plan, which has no flexibility at all and no mechanism through which a minister or a government can make a payment at any time.

The third example of the flexibility of the Agricultural Stabilization Plan concerns the payment to apple growers in eastern Canada last year who suffered frost damage. Frost damage on grains in particular areas of western Canada is a common and almost yearly occurrence. However, we have never been able to convince any government that it constitutes a disaster for which a payment should be made.

One would think that when the Government decided to amend this Act, it would do so on a broad basis. In fact, the Government has its own report on this which, for the record, is the *Canada Grains Council Report: A Strategy for Expanding Grain Production in Western Canada*. It was published in Winnipeg in April, 1983. This government agency report deals with grain generally. However, Chapter IV deals with the income stability of grain farmers. That chapter points out a number of very interesting facts. For instance, financial instability is characteristic of agriculture. This fact has been recognized for many years by most people who work in agriculture. This report suggests that solutions should be found to this financial instability since it constantly destabilizes the agricultural industry as a whole and its production sector in particular.

It also points out that this financial instability is detrimental to the latecomers in agriculture who have the least equity in their operation because they cannot tolerate a drop in their cash flow in order to pay bills that are immediately due. I was pleased that the Minister recognized the fact that those who have high debt loads in agriculture are faced with a situation which prevents them from having a viable operation. The Western Grain Stabilization Act was established to counter the variation in cash flow to some extent. Obviously, any business will be unstable if it cannot predict its cash flow.

I must commend the Canada Grains Council for this report. It shows that there is a need for a means of providing income stability as far as farmers are concerned. At least some agencies of the Government recognize this need. In light of this recognition, the Canada Grains Council reviewed the Western Grain Stabilization Act and suggested changes to it. It suggested a number of reasons why this Act is inadequate. Let me put some of those reasons on the record. I repeat that this is a government agency document.

The first shortcoming pointed out of the Western Grain Stabilization Act is that it is not producer-specific. The individual financial situation of a particular farmer cannot be affected by the total Western Grain Stabilization Program. Therefore, the new farmer or one who has accrued a lot of debt in order to begin operations cannot be targeted as a receiver of funds under the Western Grain Stabilization Program. However, one would think that this particular group would be a target for this program. It is this group which is most in need of the money and a stable cash flow, but that is not recognized in the Act that is before us. It is not being addressed by the amendments that are being put before the House today.

Second, it is not region-specific. A poor financial or market condition can affect one area of the production region with which we are concerned but not affect another. For example, a couple of years ago the whole area of southern Manitoba did not have a crop at all because of floods from heavy spring rains. Although those producers needed a stabilization payment that year, they did not receive it because the remainder of the region, Saskatchewan and Alberta, had a bumper crop with high quality wheat and high prices. Therefore, since the production of the other two prairie provinces was balanced against Manitoba, it prevented a pay-out. Consequently Manitoba farmers at that time did not get a pay-out when they needed it. We do not have the regional coverage. This is not in the new Bill nor in the amendments.

• (1330)

I know every farmer who hears this debate can tell us about a particular area that is affected. For instance, the Peace River country of British Columbia and northern Alberta quite often gets caught in a situation of not having a crop when the rest of the Prairies has. In the last couple of years Hudson Bay, in the northeast part of Saskatchewan, has had three successive crop failures. This area should have received some help from the stabilization plant but could not because of the structure of the plan.

The third shortcoming which this document points out is that the Bill is not grain-specific. There are many farmers in the west who are very specialized. They produce flax, canola, or one particular grain. If the bottom falls out of the flax market, then all flax producers get a very small return. If the weather is bad in a particular year, the flax crop is affected and the same thing happens. There is no provision in this Bill or in the amendments which would allow those farmers to collect under the Western Grain Stabilization Act. This shortcoming was recognized by the Canada Grains Council.

Fourth, the program only operates with respect to cash income. It makes no provision for the appropriateness of actual returns, the operator's labour, management, or fixed investment. Producers who face restricted delivery opportunities may benefit from the stabilization payment, but this will relate to the small, inadequate volume of deliveries. In other words, there are many other factors that will stop the stabilization payment. But the fact that a farmer is unable to pay some of the input costs is not really affected by the stabilization plan.

Fifth, the maximum coverage available under the plan limits its usefulness to medium and large-scale grain producers. If you are a small operator, the chances are even, if there is a pay-out under the Western Grain Stabilization Plan, that it will not pay a small operator proportionately as much as the large operator. One of the factors we should be looking at in all stabilization plans is to keep as many farmers on the land as possible. All three Parties in this House espouse a position of support for the family farm. The family farm is a farm where the people within the family are involved in production. Quite often it is a very small farm, but because of the structure of the Western Stabilization Plan, the small farm will not get a proportional payment even if a payment is made relative to what the small farm paid in. There is a maximum payment into the plan. If you are a large farmer you can pay only so much in, but that large farmer can get money out in greater proportion. If you sell over $60,000 worth of product, the chances are you will get twice as much out as what you paid in than the fellow who paid in less than $60,000. That is a figure I have taken from the report of the Canada Grains Council.

I am not going to spend much more time on this issue, but I do want to put on the record some factors which were brought before the Government by an agency of the Government which were not taken into consideration when the amendments were made to this Bill.

There are two more shortcomings to the Western Grain Stabilization Act on which the Grains Council commented. Sixth, since the pay-out from this program is after the fact, the farmer does not get the money when he really needs it. The Hon. Member for Assiniboia (Mr. Gustafson) took up this factor and other Members have taken it up over the last few months in our discussion about western grain stabilization. When the farmer needs money the most, it is not available to him. He has to prove that he needs the money before he can get it. Quite often it is obvious that during a particularly productive period he is going to get it and he should be able to get it. This situation is not going to be helped a great deal. It is helped a little by the change from the calendar year to the crop year, but not as much as it could be. Even the suggestion made by the Minister that the Government this year will put in a once only interim payment proposition does not significantly affect the idea that the money should be paid as quickly as possible to the farmer in those years when he needs money. As you can see, Mr. Speaker, the Grains Council has done a very thorough job.

Seventh, the way the current program is constructed, pay-outs are based on producer contributions under the program. Again, a small farmer will not get back what he needs at the time of a crop failure or a bad market, whereas the larger farmer might get the return.

Those are positions the Government had available to it when it drafted these amendments, but the Government ignored them. None of the deficiencies which were articulated by the Grains Council were taken into consideration when the Government drafted the amendments before us today. It would seem that a government responsible for the planning and the viability of a total industry like agriculture, especially when dealing with the part of it which earns probably 70 per cent of our foreign exchange, would be sure, having identified the shortcomings, to take those shortcomings and make them part of the restructuring of the Bill.

It is not as if the agricultural community does not know what is going on. I have here a telegram from the Saskatchewan Wheat Pool. At the Saskatchewan Wheat Pool's 1983 annual meeting a resolution was passed. Before I read it into the record, let me digress for a moment. In the agricultural community we have known that the Western Grain Stabilization Plan has not been working and does not work. We have known that for a good number of years. In 1981 approaches were made to suggest that perhaps we should look at the grain stabilization triggering mechanism. Payments were made in 1977 and 1978. In 1979 we experienced the lowest operating margin ever. In that year there was no triggering of the payments. We knew a year after the last payment that the mechanism in the Act did not work. We have brought that to the attention of the Government many times.

• (1340)

However, the Saskatchewan Wheat Pool indicated the following:

> That the federal Government undertake serious examination and review of the Western Grain Stabilization Plan which would consider the following: indexing previous year's income and expenses, indexing for changed volumes of grain sold, inclusion of depreciation and all interest expenses, pay-out on a regional basis, provision for an opting out clause, reducing the averaging period from five years to three years, changing the year-end of the plan from calendar to crop year, and allowing producers to pay a levy on farm fed grain. Such examination to consider the actuarial soundness of the plan and its responsiveness to producers' needs.

That was passed at the 1983 annual meeting of the Pool. The proposed amendments take into consideration a number of these proposals; however, the Wheat Pool went on to indicate:

> The proposed amendments while a step in the right direction fall short of meeting our organization's policy objectives, particularly with respect to the inclusion of depreciation and all interest expenses and allowing producers to pay a levy on farm feed grain. We would urge serious consideration of these provisions in the comprehensive review of grain stabilization policy for the prairie region.
>
> The board of directors also stress that upon early passage of legislation there is a need for an immediate interim payment to provide critically needed cash flow to producers.

This communication was signed by J. O. Wright, Corporate Secretary, Saskatchewan Wheat Pool.

Farm organizations have a very clear understanding of the need for income security and how it would be possible. It cannot be accomplished by price controls; it has to be done in a method which is relative to costs of operation. Before resuming my seat, I want to spend a few minutes dealing with the suggestions of the New Democratic Party as part of the whole process of stabilization for farmers, especially grain growers and particularly in terms of the Bill with which we are dealing today.

The premise upon which the agricultural industry operates is that over a long period of time average returns from the

market should be sufficient to cover the cost of operations. In some years they make a little more money; in others they make a little less. However, on average they should receive a sufficient return from the market to pay their operating costs and to make a living. That is the basis of the whole idea of income stabilization.

Since we are confined to the grain area of farming in this particular Bill, we suggest that a number of the recommendations of the Canada Grains Council which have been put before the Government should be included in the Bill at this time while it is open and before us. I am sure Hon. Members of the Official Opposition would go along with the idea of bringing in a number of other amendments which could be discussed during the committee process.

The Minister suggested that he was willing to bring in an amendment concerning the interim payment at report stage. This bothers me somewhat because I would rather see it introduced at the committee stage, which has been the case with other Bills. There seems to be a certain amount of blackmail in that procedure. If it is brought in at committee stage, we can discuss it and improve upon it. However, the Minister has indicated that it will be brought in at report stage and that we should get the Bill out of committee and into report stage. I abhor that kind of blackmail. We should try to convince the Minister to bring in all his amendments as quickly as possible so that we can deal with them in committee.

We in the NDP suggest that some regionalization must be established because it is very important to the viability of the grain producing area of the west. I gave a good example of the Hudson Bay area of Saskatchewan which has experienced three consecutive crop failures. If we look at the *Western Producer*, we find a couple of hundred advertisements for the sale of land in that particular area. As well, many farmers are ready to rent their land at rock-bottom prices. The crop failures for three years have almost eliminated farmers who were dependent upon cash flow. they have no cash flow and they are being eliminated by that fact. They could have been saved by a regional payment from the stabilization plan.

Also we feel that the triggering mechanism should be looked at, not on the basis of whether it will pay out $250 million right now or as quickly as possible, but upon the basis of what is best for farmers over a long period of time. Instead of sitting in a back room calculating what formula will pay out $250 million this year, we should be looking in committee stage at the formula and asking whether it will be effective from now on. We should ask whether it will have the same impact or effect we want it to have over the next few years.

We would also suggest some sort of averaging factor. The idea of moving from five years to three years is an improvement, but it still leaves the basis of the payments of income up to the volume of sales. There should be an averaging factor which would allow for the cost of production. Of course, that varies each year as well. We must take into consideration what happens to a particular farmer in a particular area.

Another averaging factor could be used in the case of crop failure in an area for more than one year. There should be a recognition of the fact that the need for stabilization payments in that event is greater.

I have tried to suggest that there is a need for more flexibility, that we need to take a look at the shortcomings of the plan and improve upon them now rather than trying to improve them next year or the year after. We should do the best we can now.

• (1350)

If you look back at the debates in 1978, Mr. Speaker, you find that at that time both Opposition Parties put before the Government very good suggestions which, had they been accepted at that time, would not have us in the situation we are today. We would not need this Bill. We are improving the Act, but not as much as we could.

I put before the House the NDP position on what we think should be the over-all approach to income stabilization for the grain farmer in Canada. I have one further point I want to make because the Minister made so much of it when speaking today. He suggested that the return to the farmer has been the amount of money he has put in. In 1977-78, the farmers were paid $368 million. It must be recognized that the deal that was made was that that $368 million was to be made up of $123 million from the farmer and $246 million from the Government. That was the deal when we passed the Bill in 1976. You have to start then and look at the $900 million that is now there and recognize that one-third of that money is the farmers'. It is there either because the farmers put it in directly or because the money was there and collected interest; but one-third of the money is farmers' money. Any suggestion that we are getting more back from the $900 million than what was put in by the farmers is wrong.

I hope that what I have been able to do is put before the Government the kind of approach we should be putting before it and which the Government should be taking to change the whole idea of income security for agriculture. Agriculture is our most important industry. If we do not keep the farmers viable, we will suffer for it, as will the rest of the world.

Mr. Doug Neil (Moose Jaw): Mr. Speaker, at the outset I would like to say how pleased I am that the Minister for External Relations (Mr. Pepin) is piloting this Bill through the House. I believe the Minister has more credibility among the farming population in western Canada than any other member of the Cabinet. I am pleased that he is here today and is participating because he has an understanding. He gained that understanding when he was involved in the Crow Bill. Unfortunately there was a change of Ministers during the process of the Crow Bill because he had a feeling for the farmers. He was sympathetic. I think he still has that same feeling for the western farm producers.

Last night I re-read in *Hansard* the speech of the then Minister of Justice, the Hon. Otto Lang, when he spoke at second reading on the original western grain stabilization Bill

on April 28, 1975. I wish to quote briefly from his remarks in that debate. At page 5272 of *Hansard* he said:

> We recognized that the income of the farmer was our fundamental objective in dealing with the problem in the grain industry.

At page 5273 he said:

> As the pattern of past income levels has shown, these amounts will be paid out to the prairie farmer in such a way that he will receive the money he needs in the years he needs it most.

I would emphasize the last phrase "in the years he needs it most". He further said:

> In this bill we have introduced the protection of the prairie region grain farmers on the basis of net cash flow. Net cash flow is the cash remaining when the gross receipts for grain have had substracted from them the cash costs of producing grain in that year. This means that the plan will be sensitive to changes in the cost of production as well as changes in receipts where based on volume.

Finally, at page 5274 he said:

> We have in this program, and in the others to which I referred earlier, added forms of assistance to those farmers, to help assure them that their incomes may be adequate. We have done this as part of the Government's over-all policy of attempting to make sure that farm incomes are adequate. We want to ensure that the farmer obtains a reasonable return for his labour in agriculture from two sources, from the marketplace, and from the Treasury where required, because we are convinced that our agricultural production is important at home and abroad.

To summarize what the Minister said, this Bill is based on income being the fundamental objective, pay-out in the years when it was needed most, and that the farmer would receive a reasonable return for his labour.

This program has been in place for some nine years. It has not served the purpose for which it was set up. Despite the pay-out in 1978-79, producers, and I think the majority of them, have been unhappy. As I talked to the producers in my constituency, I would say that the vast majority of them, if given the opportunity, would opt out.

Why are the producers unhappy? I would suggest it is because this Act has not served the purpose for which it was designed. At the present time grain producers in western Canada are in very serious trouble. Grain prices are depressed, have been for two or three years, and there is no relief in sight. Input costs, whether it is for interest, farm fuel, fertilizer or farm machinery, have increased to such an extent that the farmer has little, if any, money in his pocket.

No payment has been triggered under this Act since 1979. The argument made by the Government, and by the two Ministers who presumably are responsible for this Bill, is that the formula in the Act has been such that it would not trigger a payment. There is no question about that. That is correct, because there is a formula that is used and the formula has not triggered a payment. The Government and the Minister responsible have known this for several years.

We on this side of the House have been telling the Minister and the Government, week after week, month after month, year after year, that changes have to be made in the formula. But our pleas have fallen on deaf ears. The Government was too busy spending its time developing legislation to get rid of the Crow rate, increasing further the input costs of the farmers. Government Members were busy dealing with the national energy policy that caused massive increases in the price of farm fuel and fertilizer. Of course, Mr. Speaker, few if any Members on the Government side understand or appreciate prairie agriculture.

● (1400)

I suppose that in the back of the minds of the Cabinet Ministers was the following: "We do not have any seats from the Prairies, they have not voted for us; therefore we will punish those people on the Prairies. We will not change the Act". Over the last two or three years many of my constituents have asked me when I thought that a payment would be made under the Western Grain Stabilization Act. I answered them by saying: "You tell me when there will be an election and I will tell you when there will be a payment," and that is precisely what has happened. An election is in the offing and the Government has said to itself: "We have dealt badly with those people in western Canada over the years but if we put some money in their pockets now, they might forget what we have done in the past and suddenly vote for us". That, Mr. Speaker, will not happen. They cannot pull the wool over the eyes of the western grain producers.

The Hon. Member for Assiniboia (Mr. Gustafson) recited at length the questions that have been put to the Minister over the past couple of years regarding changes to the Western Grain Stabilization Act. It was interesting to hear that recital because, despite the pressure that was put on Government Members, it was not until the Speech from the Throne which was given on December 7, 1983 that the Government made any mention of making any amendments to the Bill. What the Speech from the Throne said was this, and I shall read briefly:

> The maximum for advance payments for grain will be increased. Amendments will be introduced to the Western Grain Stabilization Act to make it more responsive to the needs of the producers.

That was merely a teaser, Mr. Speaker. Nothing happened. Amendments to the Act were mentioned in the Speech from the Throne but the election was not quite close enough. Members on this side of the House continued to prod the Government. We got another teaser on April 25 of this year when the Minister of Agriculture (Mr. Whelan) and the Minister of State for the Wheat Board from the other place held a joint press conference in Winnipeg. They said that they were going to bring in amendments to the Western Grain Stabilization Act to do certain things, one of which was to ensure that there would be a payment to the prairie farmers this year.

Mr. Schellenberger: We asked them to bring on the Bill but where was the Bill?

Mr. Neil: As my hon. friend said, we asked them to bring on the Bill. They said they had those amendments so the Bill must have been ready. We did not see the Bill at that time and it was not until May 11 that we finally saw first reading of the Bill, and it is not until today, May 25, that we are seeing second reading. In the meantime the Government said: "We have a lot of other Bills that we want passed and we want

those Bills passed without debate. If you will not pass those Bills without debate, we will not deal with the Western Grain Stabilization Act." That is an absolute blackmail of the farmers and producers of western Canada. Therefore, we agreed to limited debate because we were concerned for the western grain producers who needed the money.

I will not read from the press release put out in Winnipeg by the two Ministers as I have intended because the Hon. Minister who introduced the Bill has indicated that it is now the Government's intention to make an interim payment shortly after July 31. That is something for which we on this side of the House have been asking for months, because the farmer needs the money now. We welcome the statement of the Minister that a payment will be made.

While looking at the press release to which I referred and listening to the Minister who introduced the Bill, it was interesting to note that the Government is talking about a payment totalling approximately $300 million or, as is indicated on page 3 of the press release, a payment of more than $5,000 to a participating producer who has contributed the maximum levies in the past three years. However, it was also said that there would be an average amount paid of about $2,500.

There is almost $1 billion in the fund, Mr. Speaker. The maximum contribution of the producers over the past number of years has amounted to $1,200 a year. As the Hon. Member for Assiniboia pointed out, if a producer took the contributions of $1,200 a year that he has made to the fund since the last pay-out in 1979, added them all together and worked out the bank interest, the producer would find that if he had put that money into a bank account, he would now have close to $8,000. What is the Government proposing? It is proposing a pay-out of approximately $5,000. The producer is not even receving back what he himself contributed.

It is a little unusual that this is so because the program under the Western Grain Stabilization Act is one of the few that is contributory. The producer contributes to the fund. Most programs are paid for by the Government only. For example, the Agricultural Stabilization Act which refers to products other than those handled by the Wheat Board has a very simple formula for payment out. There is no contribution to that fund by the producer; the payments come from the Treasury. The Agricultural Stabilization Act results in an annual pay-out to the dairy, fruit and vegetable industries in eastern Canada of over $350 million. There are no contributions to the fund by the producers.

The farmer in western Canada is happy to contribute to a plan if that plan is one which will pay him money at a time when he needs it. He needs that money now because he is putting in his crop and he has expenses for fuel, fertilizer, seed and repairs. We cannot expect the merchants in the small towns to finance the producers when they put in their crops because the small businessmen who supply fuel and fertilizer to the producers are just as strapped as the farmers. Those businessmen must borrow money from the bank at interest rates of 15 per cent, 16 per cent or maybe even 20 per cent.

As I have said, the pay-out is needed now. While I am pleased to hear the Minister say that there will be a pay-out by around the end of July, I feel that that is a little bit late for the producer and the small businessman. We on this side of the House asked that that payment be made, as did all of the farm organizations and farm leaders across the country. Although we welcome this amendment, it is unfortunate that the payment was not made a month ago.

• (1410)

When the Bill was originally brought in by the Hon. Otto Lang, he said that it was a Bill which would trigger a payment early in the spring before the producer put in his crop. That did not happen. I could give you the reasons why that did not happen; however, my time is running out.

We on this side of the House support the Bill, but we may have one or two amendments which we would like to put forward. The whole question of stabilization should be examined. It should be discussed co-operatively with the farm organizations and the producers. The producers want and need a stabilization program. I would suggest that they do not want hand-outs. They would prefer a program which is actuarially sound. Unless such a program is developed, I can visualize that by 1986, with the opting out provisions, many of the farmers today who are participants in the plan will opt out. There will be very few farmers left in the plan.

However, there is one bright light in the future—an election is imminent. This, I suggest, will result in a change of government. It will be a government which will be sensitive to the needs and problems of the agricultural community. It will be a government that will co-operate with producers and farm organizations and will develop a program that will effectively deal with the serious problems in agriculture.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for question and comments. Are Members rising to put questions? If not, for continuing debate, the Hon. Member for Red Deer (Mr. Towers).

Mr. Gordon Towers (Red Deer): Mr. Speaker, one of the first things which I would like to say is that I appreciate the efforts of the Minister for External Relations (Mr. Pepin) who has sat in this House for the second Friday in a row attempting to pass Bills through the House which will be of some assistance to prairie grain producers. When the Minister mentioned that he was standing in for the Minister responsible for the Canadian Wheat Board as well as for the Minister responsible for Agriculture, I am glad that he did not say that he was standing in for a responsible Minister, because neither one of them is responsible to prairie farmers. They have proven beyond reasonable doubt that this Government, with its succession of Ministers who have represented western agriculture, has not fulfilled the commission which is required.

We appreciate the Minister for External Relations and the efforts that he has gone to in attempting to assist western grain growers. He said earlier that he understands their problems and I believe he does. Certainly he did an excellent job during

the Crow debate until he was derailed by the Prime Minister (Mr. Trudeau) from his position. He told us at that time that he would have gone with the consensus in western Canada if a consensus could have been worked out. If the Prime Minister had left the Minister for External Relations in his position as Minister of Transport in charge of the Canadian Wheat Board, a consensus could have been reached. He would have gone out to western Canada and spoken to the various groups that were deeply involved in that process. The producers, while they may have different ideas as to how the system should work, are all very, very intelligent people. They know what is required and they also recognize that their fellow being has to survive in an economic environment that will be of benefit to all concerned. I think it has been one of the greatest disasters, as far as the Liberal Government is concerned, in having the Minister taken—as I said "derailed"—from that position.

The Government then brought in the present Minister of Transport (Mr. Axworthy). What did he do? He made promises. He promised western farmers, Members in the House and members of the committee that there would be $16 billion going to western Canada to provide a facility that would be of benefit to all western Canadians—in fact, to all of Canada. Any of the income which is derived from the use of that rail is usually as a result of export products that help defray our deficit balance of trade payments. Outside of lumber, the grain industry is one of the major components that assists Canada in establishing a favourable balance of trade on the world market.

The Minister said that western Canada would get $16 billion and 375,000 jobs. He is now saying that western Canada will only receive $12 billion. That represents a 25 per cent cut. There is a consensus among some people in western Canada who feel that if that figure is being allocated as a result of a lesser cost factor in what has to be done, they could accept that. But they cannot accept the fact that the job allocation will be cut from 375,000 jobs to 155,000 jobs. That is a misleading statement on the part of the Minister of Transport.

The Minister for External Relations played a fair and honest role. He was recognized for his honesty in western Canada. But the present Minister of Transport, in misleading western Canadians as he has, will never be trusted. That is probably one of the reasons he will not return to the House of Commons. The same thing will happen to him that happened to the Hon. Otto Lang. He made promises in western Canada which were not fulfilled and he is not in the House of Commons today. You cannot promise something to western Canadians and then not fulfil that promise. If you do that, you create your own demise.

It is unfortunate that western Canadians are caught in the dilemma of receiving a payment once every five years. We must have an election in order to get a payment. There was a payment in 1979 just prior to the election, but in all the intervening years when the situation gradually became worse and worse as the months went by, was there any suggestion of a pay-out? No, not once. Even the Minister of Agriculture (Mr. Whelan) told us that the earliest a payment could be made without breaking the law was in October. What do we hear today? The Minister of Transport, of all people, will bring in an amendment and have a pay-out by the end of July. That means—

Mr. Gustafson: —an August election.

Mr. Towers: As my colleague from Assiniboia says, it means an August election.

• (1420)

Who is the Minister of Transport? He is the western organizer for the Hon. John Turner. If there is anything that western Canada detests, it is the manipulation of a system by politicians. It is detestable that they would even think of doing that because they are playing with the well-being of their fellow westerners. It is not acceptable and they will discover the consequences.

We told the Minister of Transport, the Hon. Otto Lang, when he brought this Bill in, that it would not work. But he would not listen. Now, eight years later, other members of the governing Party have decided that it cannot and will not work. They are taking action to correct some of the problems we tried to tell the Minister and the Government about at the time the Bill was proposed eight years ago. It is terribly frustrating to take eight years to correct a problem. When you can recognize it in the making. It is totally frustrating and makes all of us on this side of the House awfully angry.

Today I made some glowing comments about the Minister of State for External Relations. I meant them, but he is misleading the House somewhat when he says that after this year there will be $600 million still left in the fund. What the Minister has forgotten to consider are the payments that producers are now making and will continue to make this crop year, with the result that the fund will grow by approximately $150 million. Instead of having a fund of $600 million at the end of the year, it will be $750 million. My colleagues have pointed out that the money that the Government is paying out is farmers' own money. Big deal! The farmers are just getting back what they have paid in.

Let me impress upon this House one fact that seems to have been missed by a considerable number of Members. The Government is trying to make a big thing about having paid interest on the money in this fund. But are the farmers not entitled to a return on their investment? Certainly the return does not measure up to what the farmers could have made had they invested that money in their own way. On top of that, we must not overlook the fact that a lot of this money had to be replaced through borrowing. The Government spent the money and I was flabbergasted when I found out this money was going to find its way into the general revenues of the Government. The Government has spent it and now it has to be requisitioned through the estimates in order to pay it back. Had the money been invested at the high rates of interest we have recently experienced, then the fund would be greater. Instead the money was put into the general revenues of the

Government and in return the farmers have received federal Government interest rates. You and I know, Mr. Speaker, that during these past several years farmers have been paying up to 20 per cent and 22 per cent interest on their money. In turn they were probably getting about 10 per cent or 11 per cent from the Government. It is not a very fair way of treating farmers.

Another thing I would remind you of, Mr. Speaker, is that when the Minister of Transport brought this Bill in, the Government was obligated to put in $2 for every $1 that the producer put in. But what happened? The Government did not put the money in. It was just a paper figure. The Minister once more broke faith with the western Canadian producers. Well, you can only do that for so long. No matter what you do now, you are not going ever to redeem yourself in the eyes of the western Canadian farmer. They will not accept it. Therefore, Government Members should understand why there are not going to be any Liberal Members from western Canada after the next election. Regardless of the promises John Turner makes, regardless of what will happen, the voters will not be dissuaded from what they are about to do. They are just not interested, especially now with this $650 million going into the coffers of the railroad. That is just a great gift for the railroad.

Mr. Pepin: It is not a gift; it moves grain.

Mr. Towers: A great thing for the latest director appointed to Canadian Pacific. Just a great gift. The shares of CP went up and why wouldn't they? How many shares do directors have given to them because of this gift? The Canadian taxpayer picks up the tab as well as the western grain producer. The producers are losing on both ends. Not only is it costing them more to move grain—

Mr. Pepin: Because of volume.

Mr. Towers: —a 50 per cent increase by August 1 in the price of moving grain, but at the same time the price of grain is coming down. I realize the Minister for External Relations, however great a guy he is, when he listens to some of his colleagues does get some wrong figures. It was not a personal criticism of him when I said that some of those figures were misleading.

Mr. Pepin: Which ones?

Mr. Towers: You were not here when I mentioned that.

The Acting Speaker (Mr. Herbert): Order, please. I must insist that remarks be addressed to the Chair.

Mr. Towers: Mr. Speaker, I apologize because I do not want to insult either you or the Minister. He is too nice a guy. Nevertheless, it is going to be about $750 million at the end of the year. I mentioned this earlier and the Minister was not around to hear it; that is why I reiterated that statement.

The real problem, Mr. Speaker, is that the federal Government is trying to take too much out of the system, especially as far as western agriculture is concerned. Consider that about 69 cents on every gallon of fuel the western farmer uses in the production of grain goes right into federal coffers. If the Government were to cut that tax, then I could understand it being well received in western Canada. They would love that.

• (1430)

Why can we not cut our cost of production in Canada? That is one area in which no other country, including the United States, can criticize us. The fact is that we are cutting our cost of production and it can never be construed as a subsidy. We have tried to tell the Government of ways and means to correct the economic problems of western Canadians, especially the grain producers. If no one is listening, nothing will happen.

The Acting Speaker (Mr. Herbert): There will follow a 10 minute period for questions or comments. If there are no questions, the Hon. Member for Wetaskiwin (Mr. Schellenberger) continuing debate.

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, I very much enjoy following the Hon. Member for Red Deer (Mr. Towers) in this debate. It is a difficult thing to do because he is so precise that he almost steals all of one's thunder. I do not want to repeat the excellent messages that he and my colleagues from Moose Jaw and Assiniboia have given the House.

I would like to begin by saying that we offered the Government the opportunity to have this Bill passed quickly. We even offered to pass a number of Budget Bills very quickly in order to have this Bill passed. Of course, the Bill was not ready. We caught them off guard. It took from April until the middle of May to produce the Bill. The press conference in Winnipeg was really a bit of a façade. However, both of the individuals at the press conference were considering running for the leadership and they needed a bit of visibility in the Prairies. Therefore, I can understand the timing of the press conference.

When we offered to pass this Bill quickly the Government decided that perhaps it was not such a bad idea to have one day of debate at second reading stage and then go to committee. That seemed odd at the time. I could not understand that, Mr. Speaker. Today, however, it becomes clear. It is because of the pressure that the farm groups in western Canada, supported by the Members of the Progressive Party, were putting on the Government to come forward with an interim payment which is so essential at this time. The western grain stabilization pool is really the only pool of capital that western farmers can draw upon, and they desperately need the money now to pay their costs. Today the Minister stood in his place and said that they have now seen the light and are producing the amendments. Of course the only time an amendment can be passed, Mr. Speaker, is at committee or report stage. Therefore we are now going to see the amendment brought forward to offer the Canadian farmer an interim payment from this fund. There is no argument about that. We accept that and are happy that our logic, lobbying and pressure have been successful. The only thing I lament is that they did not accept that pressure sooner. The crops are being put in the ground now. The farm retail operators who sell fertilizer and

fuel would appreciate those funds now rather than at the end of July. Farmers are going to have to pay interest on that money until this payment is received by them.

The changes to the Act will allow it to perform much better. When the situation changed regarding the volumes of grain that we were shipping, we were very pleased. When the inflation rate increased much more rapidly than we had anticipated in 1975 and 1976, it became obvious to us that the Bill which was passed by the House at that time was not performing according to the basis upon which it was passed. It was meant to stabilize the cash flow of the Prairie economy. When the cash flow decreased stabilization payments were to be made in order to allow the Prairie economy to perform more adequately. That happened. It began in 1981 with rapid inflation and high costs of production as a result and world prices of commodities stabilizing and decreasing. It continued through 1982 and 1983 and into this year.

Yet, because of the complex formula which was put in place to trigger this Bill, stabilization payments were not being made. Farmers were asking their Members of Parliament why they were not receiving payments when they had contributed to this fund with the good faith that it would assist them when financial difficulties were being experienced in the Prairies. We told them why. We also told them that it could only be changed through legislation. It was the law of the land that the formula which was in place in the Bill in 1976 was still in place. It had to be followed until it was changed by the House of Commons. Until today we could not persuade the Government to bring forward this Bill. That is why we had meetings on the Prairies. That is why we exerted pressure in the House to have the Bill brought forward.

I looked back at the speeches that were made in 1976, and I even found one that I had made at that time. I enjoyed reading them. I also noted the points that were made by the Member for Moose Jaw (Mr. Neil) and the Member for Red Deer. They have both already spoken on this Bill. At that time they were looking into the future as they do so well. They were seeing that these difficulties were possible. They were concerned about them. They said that maybe we should amend this Bill to make it closer to a kind of insurance stabilization Act so that the whole Prairies would not be affected. If there was a drought in southern Saskatchewan and the rest of the Prairies had a bumper crop, they wanted the Act to be applied. That seemed like a reasonable suggestion. They asked that the Committee travel to learn the experiences of farmers. That was accepted. They also asked that the legislation be placed under the control of the Minister of Agriculture (Mr. Whelan). That has never been accepted. It seems that the growing of wheat and the sale of that wheat is being placed in the hands of the Minister of Transport (Mr. Axworthy). That is why we had the interesting Crow legislation brought into the House by the Minister of Transport.

What happens now that the grain farmers recognize the complexities of this Bill? They are recognizing that the cost of transportation of grain will be a great addition to their cost of production this year. The one thing which Prairie farmers knew was a constant in the production of grain was the cost of transportation. It remained the same. They could count on that. Today that constant has been removed. As of this August the cost of moving grain on the Prairies will be 58 per cent higher than last August. Yet when the Minister of Transport pushed this Bill through the House he said that we have a safety net. He said that we would protect the Prairie farmers from large increases in freight costs. It is 10 per cent of the cost of transportation. In small print it was suggested that that was the average of six grains, and it was based on the volume of the shipment of those grains. It is now evident that as freight rates increase 58 per cent for the price of moving the grains that do not bring as much money as canola, for example, they can pay 58 per cent more than last year and the safety net does not even come into effect. That is a lot of protection for the farmers of western Canada.

• (1440)

As I said at the beginning of my speech, the pressure is on Members of all Parties in the House to pass this Bill. The reason is that as farmers scramble to find cash to stay alive in the difficult economic times, the only pool of money available to them is that money which they have contributed to the Western Grain Stabilization Fund. When they look to another source, the indicators are not very good.

We talked about farm fuels as one of those negative indicators, as noted by the Hon. Member for Red Deer. There is an increase of some 50 cents to 68 cents per gallon in the cost of farm fuels that is taken by the federal Government. We have called for the removal of that for well over two years to assist farmers and to put a positive indicator before them instead of a negative one. That would assist in the production of grains which brings so much capital to this country.

Today in Question Period I pointed out that the Farm Credit Corporation is again increasing the interest rates for loans to farmers. That increase is at least one per cent to 1.5 per cent above what farmers can obtain from chartered banks. The Farm Credit Corporation is supposed to be the lending institution to which farmers can go as a last resort to obtain loans to continue farming or expand their operations. Again, this is another negative indicator from the Government.

Members of the House have introduced Private Members' Bills in an attempt to alleviate the situation, by promoting the removal of the sales tax on farm fuels and the use of agri-bonds to help in lowering interest rates for farmers. These attempts were stalled in committee by the Government because it is not prepared to deal with these issues. It is finally starting to move ahead slowly, but the Finance committee is smothered with budget bills.

In western Canada Wheat Board sells the farmers' grain and is responsible, with the assistance of the Minister responsible for the Wheat Board, for establishing the initial price which farmers will receive when they deliver their grain to the elevator. There is no encouragement from the federal Government here.

The Minister does not say that the Government will support the farmer this time by not lowering the initial price below what it was last year because the cost of production has gone up. He will not say that the federal treasury will stand behind the Wheat Board if necessary because grain prices do not increase in the international market. Again, there is nothing from the federal Government. In fact, there was a lowering of initial prices to the farmers. Many farmers are beginning to wonder how they can continue to produce as they continue to get negative indicators from the international community and their own national government.

In addition to all of this, there is an increase in the freight rate which they must pay to get their commodity to the market. This increase which they must pay to the railways, because there are very few options, will increase by 35 per cent to August 1, and 58 per cent after that all in this one year. The Government will allow the addition of $25 million to that freight bill as the cost of shipping higher volumes of grain than forecast from August 1, 1983, to December 1, 1983. This cost will not be borne by the Government—the Bill was not even passed until the end of the year—but will be added to the freight rate costs.

Furthermore, the railroads have made a submission to the Canadian Transportation Commission asking for revisions to the cost of capital formula. They were offered $100 million as the cost of capital for moving grain. Now that the Bill is passed and they have the $651 million in their possession, they are going before the Transport Commission asking to boost that cost of capital to $250 million. I hope the CTC does not allow that because, if it does, that will add an additional cost to the transporting of grain of $3 a metric tonne.

I recently read an interview with Mr. Lawless of the CNR which appeared in the *Western Producer*. I could hardly believe what I read. He was lamenting the fact that there were no incentives to the railroad to improve service to the farmers. He said that this money just meets their cost of production and that there is no incentive to change the system at the ports to put a looping in the tracks so that cars could continuously unload, or to install unit trains which would assist farmers in the Prairies. He said that there was no incentive to do that. The complaint was that the railways must load the grain from all of these prairie elevators and that there is no money there to somehow assist supporting the tracks to those Prairie elevators.

As I read that interview, it seemed that the President of the CNR was saying that after the Crow Bill was passed, giving the railroads the costs for moving grain, there was still no incentive to increase their efficiency in moving the farmers' grain. I want to say to him that if $300 million is not sufficient to provide the efficiencies that are needed on the Prairies and to keep the costs to the farmers down, then I do not know what is.

I am only sorry that the Minister who is bringing this Bill to the House today, who was the Minister of Transport at that time, was not allowed to remain in that portfolio. I am convinced that western farmers would have received a better deal if he had been allowed to stay. I am convinced that he understood what the commissioner who was appointed at that time was saying about what was needed on the Prairies to move grain. I am convinced that he would have fought, with our support, for at least a partial payment to the producers to keep the railroads efficient. I am convinced that the Agricultural Stabilization Fund of $204 million, which he put in that Bill, would have been in place now to assist farmers with the extra transportation costs.

He was being very kind today when he said that they put the good animals out to greener pastures. I had hoped that the Government would keep him on and let him pilot this Bill through, because I think we would have had a better deal. However, we have a Minister from Western Canada, and what do we have? There is a great deal for the railroads; and we can see why because we know who he is supporting.

I want to conclude by saying that we are prepared to do everything possible to pass this Bill. We want to allow the Government to make the interim payment which we indicated was essential. The amendments to this Bill will receive our quick scrutiny in committee. We hope that this Bill will pass and allow western farmers some money to put their crops in the ground; that nature will assist those farmers and world prices will not be depressed so that they can look to a bright future. They are the basis upon which the western economy grows.

• (1450)

The Acting Speaker (Mr. Herbert): There follows a ten minute period for questions or comments. Continuing debate. The Hon. Member for the Battlefords-Meadow Lake.

Mr. Doug Anguish (The Battlefords-Meadow Lake): Mr. Speaker, I have a few comments for the record on second reading of Bill C-33, an Act to amend the Western Grain Stabilization Act. It is with some interest that I noticed the introduction of the debate today by the Minister for External Relations (Mr. Pepin) who was Minister of Transport when the abolition of the statutory Crow rate took place. I must say that in the Minsiter's speech today he portrayed a great deal of understanding about the plight of the western Canadian grain farmers and the desperate situation in which some of them find themselves today. I only wish he had shown that kind of understanding and empathy for the western Canadian grain farmer when he pushed the abolition of the statutory Crow rate through the House of Commons, one of the last few subsidies our grain farmers had.

Beyond that, it is even more surprising to me that many speeches delivered by Conservative Members have criticized the Liberal Government for allowing the Crow rate to be dismantled. I remind them that if we had had the adequate support we called for from all Opposition Members of the House I do not think the Liberals would have been able to put through Bill C-155 which changed the statutory Crow rate and which has put farmers in an ever worsening economic situation in western Canada.

The Western Grain Stabilization plan was introduced in 1976. At that time the New Democratic Party, from their speeches I have looked at, warned that there were several factors which would not allow the plan to meet farmers' expectations, mainly because the formula was based on market price rather than cost of production. It included the entire Prairie area. It also used the calendar year rather than the crop year, and it ignored the greater grain volumes on gross incomes. The plan failed to make a pay-out when needed. That is basically the bottom line.

Many farmers in my area were quite enthusiastic about the Western Grain Stabilization Plan when it was first introduced. As the Minister of the day said, it would be designed so that if there were a bad crop year, payments would be made in the spring to assist farmers with spring operations, seeding and the associated higher costs at that time of the year. For almost five years there have been no pay-outs made under the Act, even when large numbers of farmers have been in dire straits.

Economic conditions are not looking that good for Western farmers. This is the same for people right across Canada, but I am more familiar with the situation of grain farmers in areas like The Battlefords-Meadow Lake. Part of the reason is that the cost of grain production has gone up dramatically. Just take a look at fuel costs, interest rates, machinery prices, fertilizer costs and chemical costs, Mr. Speaker. Then there is the cost of harvesting. All of these costs have gone up astronomically over the past number of years, while at the same time the average price of all grains over the past few years has gone down continually. On many occasions farmers are caught in a situation whre they do not get back even their cost of production because of the economics of grain farming. That does not take into account the possibility of not having rain at the proper time, a too early frost, or too wet a spring. These are the difficult situations faced by grain farmers.

Because many places have been producing more, many parts of the Prairies have felt that the Western Grain Stabilization fund should have triggered a pay-out. Their net income has not increased; in fact it is dropping. But because of increased production,—more sales I suppose is a more accurate way of putting it—a payment under this program has not been triggered and that is unfortunate, Mr. Speaker. Farmers are being penalized under this program for their efficiency in growing greater volumes of grain. They see their work is not being rewarded because they do not get the economic return they deserve.

In the four or five years during which there has been no payment from the fund, the fund has continued to increase. Every farmer that is registered, and that is about 75 per cent of the grain producers in western Canada, pays a percentage of all grain sales into the fund. That payment used to be, I believe, 2 per cent. For the last year it has been 1.5 per cent. For every dollar generated by this checkoff the Government has a responsibility under the present Western Grain Stabilization Act of putting $2 of public revenue into the fund. Farmers have contributed a little over $300 million. This means the Government has put in over $600 million, and there is now a net amount in the fund of between $900 million and $1 billion. That is a lot of money, Mr. Speaker. Farmers have a hard time understanding, now that they are in bad economic straits, why they cannot get money out of the program.

We are very happy in the New Democratic Party to see this Bill in the House to change the Western Grain Stabilization Act. We think the Bill has some pitfalls. We feel there should be some further action taken now that the Bill is before the House. Our intention is to see the Bill move rapidly into committee where we can make amendments in addition to those which the Government has already indicated it is willing to accept to change the Bill. I believe there is one further amendment which the Minister spoke of when he introduced the Bill this morning.

Farmers do not just need the money now; they needed that money a couple of months ago. Opposition members pushed the Government very hard to bring in the Bill. I do not know whether the Bill was not drafted, or whether there was not enough room on the Order Paper, but farmers needed that money before, not sometime in the future.

Mr. Pepin: Everything is either too early or too late. It is never right.

Mr. Anguish: Nevertheless we are happy to see the Bill in the House now. We want to see an immediate payment go out to the western Canadian grain farmers. There are some amendments we feel should be made to this Bill. I hope they will receive the support of the Official Opposition as well as the support of the Government. First, we would like to see payments retroactive to 1983. Second, we would like to see an interim pay-out for the 1983 crop year. I think the Minister said in his introduction this morning that the Government had in mind an amendment for the 1983-84 year. I hope that comes to pass. Third, we would like to see some recognition of the regional discrepancies within the Western Grain Stabilization plan. We have been calling for recognition of crop discrepancies as well as regional discrepancies. Finally, there should be some recognition of the net incomes of farmers in the pay-out under the Western Grain Stabilization Program. We feel, as we felt back in 1976 when the plan was introduced, that there should be a tie-in with the cost of production. There should be recognition of the fact that the cost of production is a major factor in any stabilization program. Also we are recommending that there be immediate pay-out guarantees.

• (1500)

Hopefully we will get the Bill through the House today and into committee, and hopefully there will be some debate in good faith on the amendments to which we would like to obtain the agreement of the Government and the Official Opposition. If we cannot accomplish that, so be it. I think we have put forth the true feelings of grain farmers in western Canada. If the other Parties will not go for it, at least we in the NDP know that we have made adequate representations on behalf of western grain farmers.

In the Bill the time period over which averages are taken has been reduced from five years to three years. This is something for which Hon. Members, such as the Hon. Member for Humboldt-Lake Centre (Mr. Althouse) and the Hon. Member for Prince Albert (Mr. Hovdebo), have pushed many times during debates in the House of Commons. They have pushed for changes to the Western Grain Stabilization Act.

Some three months ago the New Democratic Party released a policy paper on agriculture which contained what we consider to be alternate proposals for grain income stabilization. We agree with the Canada Grains Council that a plan amalgamated with crop insurance should be tailored to individual needs, sensitive to individual income fluctuations and to regional discrepancies. That is the best way to proceed. We still feel that is the best way after much discussion within our own caucus and with farming people across the country. Unfortunately the Government does not agree. I hope it will give consideration to some of the amendments we will put forth in committee and that we have speedy passage of this Bill.

In terms of an income insurance plan, we would like it to be actuarially sound, voluntary and attractive. It should be attractive so that all farmers, whether big or small, involved in co-operative or partnership farming, or whatever, become involved and see it as a benefit. If we opened up the Western Grain Stabilization Program and allowed people to leave it, I am sure there would be a mass exodus, unless some of the changes we have recommended in the House of Commons today and in previous debates are implemented. Although I recognize that the changes of the Government are an improvement, they are certainly not tailored to the needs of western Canadian grain farmers. There would be an exodus of people from that plan unless it is tailored to meet their needs.

Another feature of the program could be participation by producers, the federal and provincial Governments. The income insurance plan would be as integrated as possible with the existing crop insurance program to avoid duplication in the recordkeeping and administrative services necessary to carry out an adequate program of this magnitude, especially in terms of its impact upon the western economy and upon the Canadian economy in general.

The federal contribution would be in the form of reduced premiums that people would have to pay for the program. The provincial contribution would be primarily to expand the crop insurance administrative capability to meet the requirements of an income insurance plan. It would generate a greater volume of work for those who administer the plan at the present time. I would like to see the federal Government talking with the provincial governments about crop insurance programs to see if they would be willing to take on a greater responsibility to meet the needs of farmers within their respective provinces.

Finally, we recommend that farmers be able to insure for both volumes shipped and market price. A variety of insured price levels would be offered with appropriate premium levels to reflect the wide variation in production costs.

Those are a few examples of what we in the New Democratic Party think should be in place as an alternative to the Western Grain Stabilization Program. In fact, we would be very happy if Hon. Members of the Government and of the Official Opposition would at least debate and consider in committee the value of our suggestions, and our policy on agriculture as it pertains to the Western Grain Stabilization Act. If these suggestions were accepted, we would have a program much better tailored to the needs of western Canadian grain farmers than what we have had in the past.

In closing, I appreciate the opportunity to participate in this debate today. I hope government Members will take note of our suggestions, given as constructive criticism to improve the program and meet the needs of a sector of the economy about which we are very concerned. Hopefully Bill C-33 will move out of the House and into committee at the end of the debate today. Then we can look at some of the changes and, hopefully, give it speedy passage, so that farmers who need money to continue their operations will receive it as soon as is viably possible.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments relating to the Hon. Member's remarks? Debate.

Mr. Arnold Malone (Crowfoot): Mr. Speaker, I must say at the outset that the Bill before us is both important and serious. However, the chance of giving a false impression with respect to it is dangerous. It is easy to conscience people who are following this debate on television, or will be reading it in Hansard or perhaps Members of the House of Commons, that we are debating a Bill which is aimed primarily or solely at western Canada. Although the primary emphasis of the Western Grain Stabilization Program is to feed money back to Canadian farm producers on the Prairies, this Bill will have an impact upon all Canadians—food consumers as well as industrialists who purchase western Canadian products. It must be seen in the light of its importance as a national Bill.

Bill C-33 gives too little too late; it is too pompous and too political. It is too little because it is less than the investment of farmers in the stabilization plan. It is too late because it comes considerably after the period of sowing crops, when cash flow was needed prior to seeding. It is too pompous because the Government stood on its pedestal and released a nine-page press release to the nation. It is too political because it comes on the eve of an election.

With nearly $1 billion in the Western Grain Stabilization Fund, farmers do not even get back their own money. They have contributed almost one-third of the investment in the fund today, but what will be given back to them will be in the neighbourhood of only $300 million.

Today different people have referred to the Minister as the Minister for External Relations or as the Minister for external affairs. I hope the Minister knows the difference between affairs and relations.

Mr. Pepin: It is more of the same.

• (1510)

Mr. Malone: I say to the Minister in all seriousness that it would have been better had the farmer taken his money and invested it elsewhere, even in bank savings. Had the farmers taken that amount of money they could have accumulated since 1979 somewhere in the neighbourhood of $8,000, had they invested it other than in the Western Grain Stabilization Fund. On the basis of that investment, they are being short-changed by this Government. This Government would try to convince farmers that if they pulled their teeth without anaesthetic it would be good for them. This Bill is like building a three-wire fence to keep birds out. It does not offer the farmers the protection they believed they were buying in 1976.

It is important to talk about the philosophy of the Western Grain Stabilization Plan and the reason such stabilization is necessary today. Canadians know that farm producers have existed in this country since the very first person arrived on the North American continent. What is significantly different in the last half of this country's existence are the changes in the economic dynamics of agriculture, such that farmers today can no longer afford to have a crop loss.

As a Member of Parliament who was born and raised on a farm, and had some experience with the great depression years, I find it interesting that at that time, as in all previous times in history of the world up until the recent past, depressed times do not drive people off farms. In fact, the depression drove people to the farms. The pictures of people riding the boxcars in the thirties do not show people flooding to the cities. Those were city dwellers riding the boxcars back to the farm. On the farm their brother, uncle or some other relative had a cow, a chicken and a pig. Bessie gave milk, the chicken gave eggs, and the pig provided pork. They had a vegetable garden. Once the farmland was paid for, you could not starve them off it.

The nature of agriculture has significantly changed. We are into specialized industries, single commodity production. Input costs have risen so dramatically that agriculture today simply cannot afford a crop failure. We are still in the same cycle of boom and bust. We should not interfere with that cycle. It is the natural market forces at work. The farmers expected that the Western Grain Stabilization Plan would be a system of equalization so that in boom years they could put money aside and in the bust years they could draw upon that account and have some stability in their industry.

What do we have in 1983 and 1984? We have the absolute epitome of bust. What do we get from this Government? We get a year of delay in bringing about a system of payment. The Government has the cock-eyed notion that somehow the formula could not be changed sooner, even though it knew it had the support of the Opposition Parties. It would have been a simple one-day procedure to make that change. Instead, they bring it out on election eve for political gain. What a sinister fact to put before western grain farmers. As I said before, this is not just a farm issue. There is not a single person in this country who does not eat daily. Farming today is not a lifestyle. These are business people in the business of food production.

We need to readdress the whole concept of agriculture. Looking at the world facts, there is no industry as important as farming. Four-fifths of the world population suffers from malnutrition, 70 million per year suffer permanent and irreversible brain damage from lack of protein and 40,000 children a day die of starvation. That was 40,000 children yesterday, 40,000 today and 40,000 tomorrow.

Against that background, there is not one nation in the world that gives top priority to agriculture. In this country, as in many other countries, ranking along the lowest priorities are agriculture, fisheries and forestry. This world will one day wake up to the fact that it is not the industrial centres that make this country tick.

I know why we are in this kind of situation. Most farmers in Canada know why this is the case. In Canada there are more Members of Parliament from Montreal and Toronto than there are from Manitoba, Saskatchewan, Alberta, Northwest Territories, Yukon and British Columbia, excepting the Fraser Valley and City of Vancouver, combined. The people in two cities have more voting power as to how this country is run than those in 70 per cent of our land mass. They are nice people in Montreal and Toronto. You, Mr. Speaker, might be from that area.

Mr. Cosgrove: Your leader comes from there.

Mr. Malone: My Leader does come from there, but he is advantaged. One-third of his caucus comes from the Prairies and represent western farming. There are 21 Members of Parliament from Alberta. The Liberal Party of Canada has 21 Members in eight provinces and two territories. The balance are from Quebec and Ontario.

The Member says that my Leader comes from Montreal. However, he has the influence of Prairie people who feed people in Montreal and Toronto. He has respect for the Western Grain Stabilization Plan. That is why he stood in this House of Commons to raise the issue with the Prime Minister (Mr. Trudeau). It became a national issue. It was only then that we got action on the Western Grain Stabilization Plan. The Hon. Member says that is right. My Leader has a sensitivity for the issue. Now it is being resolved, unfortunately a year and a half too late.

Farmers all across this country, not just in the west, are receiving commodity prices equal to those of 1973, but their input costs have increased since that time by 150 per cent. Agriculture Canada tells us that by 1988, just four years from now, they will go up another 110 per cent. What a devastating set of conditions. My friends to my far left, the NDP, would not allow any labour group to fall so far behind. However, the food producers who feed this whole country—and we should bear in mind there are only two sources of food, soil and water—have fallen behind with input costs increasing 150 per cent, and another 110 per cent projected by 1988, with virtually every commodity price falling. That is the devastating

background upon which this Government rests its case for agriculture.

There should be no interim payment. An interim payment is indicated for July. There should not be one. Full payment should have been made many months ago. Rather than an interim payment in July the whole payment should be made. All one need do is look at the accounts of the Farm Credit Corporation which show that farm bankruptcies are up well over 100 per cent from those of just a year ago when farm bankruptcies had greatly increased over the year preceding that. Those figures do not at all take into account those farmers who, out of pride, managed to get out of the farming business before they had to register for bankruptcy. They, Sir, comprise the larger number of persons. I tell you, Mr. Speaker, that the agricultural industry must be seen for what it is.

• (1520)

Canadair has received $3 billion and de Havilland has received $270 million. If that kind of money were given to the agricultural industry it would yield returns to the nation of somewhere in the neighbourhood of $9 billion to $10 billion. The multiplier factor in relation to agricultural dollars is 3.5, because we know for sure that farmers do not keep their money, they spend it. As soon as a farmer is finished buying his machinery, he buys a refrigerator. That is the reason this is an issue which affects all of Canada.

When a farmer buys a combine, a tractor or any farm implement, it is in all likelihood made in central Canada. If a farmer decides to buy a new car, and it is a Canadian car, it is in all likelihood made in central Canada. If he buys a new refrigerator for his wife's kitchen, it is in all likelihood made in central Canada. The agricultural dollar has the greatest multiplier effect of any dollar in any industry in the entire country. That dollar use will multiply 3.5 times. If some of the money that was spent for the protection of de Havilland and Canadair had been given to the farmers, I submit that this country would be better off.

Lest I be misinterpreted, I am not saying that those industries to which I have referred are not industries that ought to be supported. That is not the case I am laying before you, Mr. Speaker. The case I am laying before you, Mr. Speaker, is that we cannot justify such enormous support for industrial sectors while blindly eating food every day in the belief that we will forever more have cheap food on our tables, unless we as a nation give greater support to the agricultural industry. That support may take the form of higher prices or, alternatively, of lower input costs.

Farmers today require the ability to manage without having decade-old cash receipts along with input costs that are increasing by 150 per cent. I beg this nation to recognize that there is no country in the world, not even the United States of America, that enjoys less costly food than Canada. We spend less of our disposable income on food than any other nation in the world. The last time I studied that question, and I concede at the outset that that was a year or two ago, I found that Canadians were then spending 18 per cent of their disposable income on food. I do know that Canadians spend less of their average take-home pay on food than Americans. That simply will not continue to be the case, and urban people will have to face the fact that they will have to pay more unless they recognize the agriculture is an industry and the farmer is a businessman who is in the business of food production.

The farmers paid into the Western Grain Stabilization Plan in order to even off boom and bust years. After procrastinating, and being prodded by the Opposition Parties for a year and a half, the Government has finally come through in its dying hour, just before Parliament is about to prorogue for an election, giving the farmers less than they invested, without giving back any of what the Government had contracted to give them. I tell you, Sir, that record is despicable. It is despicable to treat agriculture in such a devastating way.

The truth of the matter is that urban people as well as farmers need to know that the bill before us is one that affects all Canadians. Based upon that, Sir, I as a western Canadian find it both humorous and sad that every single candidate in the Liberal leadership race has shown up in western Canada saying that they will put a new face on western issues. They have all said: "We are out here to tell you that we will take into consideration your aspirations, your wants and your needs." We have heard that before, Mr. Speaker. We heard that during the 1968 leadership convention.

Whenever there is a Liberal leadership race, the candidates run all over every acre of our land telling us that we are wonderful people and that they need us. They do not need to tell us that, Sir. We know that they need us because they eat food every day and they need food products. However, we hate to be treated in the manner in which we are being treated. The farmers are paying into a fund which has accumulated nearly $1 billion while the Government procrastinates through years and years of bust. Then finally in the dying hours of the Government, right before the election, farmers are told that they will receive a portion of their money back. If anyone thinks for one moment that a farmer will walk over to a Liberal leadership candidate, kiss his ring and say: "Thank you, Sir, you have saved my farm," he is wrong, because that farmer has a tool out in his barnyard with three times that will express very well exactly what he thinks of such Liberal leadership candidates. Those candidates will become a part of the legacy of the great Otto Lang. I notice that there is a picture of Otto Lang's skull at the entrance to the Parliamentary Restaurant. There is a picture of all of the Liberals in western Canada there as well. There are pictures of them in the museum which is in the riding of the Hon. Member for Bow River (Mr. Taylor). They are called the dinosaur species and they are dinosaurs; not because they have cruel hearts but because the country has paid attention to the affairs of urban Canada without concern for the regions and without the realization that food is an industry the same as manufacturing is an industry. Those dinosaurs believed that food would always be there and that food would always be cheap.

The Western Grain Stabilization Plan must be made more sensitive on a continuing basis. It must make its pay-out now

because the need for it is now. There is no reason for the delay. I see that you are signalling that my time is up, Mr. Speaker. The issue is certainly not dead.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments?

Mr. Waddell: Mr. Speaker, I have a question for the Hon. Member who sits right beside me, although he is a member of the other Party.

Mr. Malone: Thank goodness.

Mr. Pepin: So close yet so far.

Mr. Waddell: I would like to say on the record that it is not true that I have had discussions about joining the Conservative Party. I know that the Hon. Member for Saskatoon West (Mr. Hnatyshyn) has been leaking this news all over the country, but it is not true.

The Hon. Member who last spoke is a thoughtful and philosophical Member in spite of the fact that he is a member of the Conservative Party. It used to be that 40 per cent, 50 per cent or even 60 per cent of the people in the workforce were farmers. Now, after the great industrial revolution and continued technological change, I believe that 3 per cent, 2 per cent or even 1 per cent of the people are employed on the farms.

Mr. Pepin: Five per cent.

Mr. Waddell: It is 5 per cent. A small percentage of the workers are working on the farm. The Hon. Member was complaining as I sometimes do about the influence of these bad easterners over here with all of their power who put it to the poor western farmers. I would like to ask the Hon. Member how he sees the western farmers having more power or even adequate power to take care of their own interests when they seem to comprise a declining percentage of the workforce in Canada.

• (1530)

Mr. Malone: Mr. Speaker, I only got as far as page 2 of my notes, and I had about 12 pages I wanted to present. It is very simple. What we need is an elected Senate with equal representation from every province in the country. I am not saying that the Senate should have absolute legal power over the House of Commons. I recognize the principle of one person one vote. But the truth of the matter is that it is equally wrong today to have a situation in which Toronto and Montreal can out-vote 70 per cent of Canada's land mass.

If we had a magical chain-saw and could cut Toronto out and throw it away, the hinterland resources are such that within a decade we would build a new Toronto. If we cut the hinterland out—with its forestry, mineral rock, agricultural lands and fresh water—and threw it away, Toronto would be dead within a year. We need to bring into balance and perspective the management that takes place in our nation between the fewer people in the resource-based areas and those who utilize the resources of the urban centres. An urban person does nothing except help manage resources. That is what the banks, the insurance companies and all the rest of the institutions are there for. It all relates back in some way or other to the resource base. If that was not there, the urban centres would not be there.

The prejudice and bias against farmers is there because of provincial governments. They will charge urban people $5, $6, or $7 for a private telephone line, while farmers who have to buy $100,000 combines have to share their telephone lines with four of their neighbours. This is evident in the postal system. Urban people can go out in their pyjamas on Sunday morning, reach around the corner and get their newspaper and letters. They can do that any day of the week. Farmers have the privilege of renting a postal box for $10 a year. This pertains to in communications and other areas.

I would simply say to my hon. friend from Vancouver-Kingsway that this country needs an elected Senate so that we can start to do as the American people do; to talk about "us" and "we" instead of being Canadians talking about "I" and "them". I would submit that there is more difference between a person from Texas and a person from Boston than there is between one from Toronto and one from Edmonton. Yet, the divisions of our country exist there because we have never brought the regions into balance. In answer to my hon. friend's question, we must bring some regional balance into the political system.

Mr. Cosgrove: Mr. Speaker, I must take this occasion to rise on a question of privilege as I have been accused of being from Toronto by the Hon. Member for Crowfoot (Mr. Malone). I must point out that there are farmers in my constituency.

Second, I must ask whether the Hon. Member was speaking with tongue in cheek when he said there were no cities in western Canada and no people in cities in western Canada, or that the people who are in cities are nothings. Doe he mean that the people who live in Vancouver, Calgary, Edmonton, Winnipeg, and Saskatoon are nothings? Surely he has speaking with tongue in cheek when he said that.

Finally, did the Hon. Member seriously put forth the proposotion that those Ministers who have represented western Canada—Minister Olson, Minister Argue and the Minister of Agriculture (Mr. Whelan) who is recognized for his reputation as being sensitive to farming interests—are not sensitive to western needs?

Mr. Malone: Mr. Speaker, if I had suggested that the Hon. Member for York-Scarborough (Mr. Crosgrove) was a Torontonian, I truly apologize to him. I did not mean in any way to do that to him.

On the other hand, with respect to the suggestion that I said that people in cities were nothings, I do not know if I said that. I cannot remember saying that. I will read *Hansard*. If I did say that, that was certainly not my intention. Every human being everywhere is important, is an important resource of the country. All people are somebodies. That is what we want to have in this country; people who are somebodies.

With respect to the Ministers the Hon. Member claims are great Ministers, who are protecting western Canada—and he singled out as one example the Minister of Agriculture (Mr. Whelan)—he asked if I might have been submitting that thought tongue in cheek. If I was trying to suggest that the Minister of Agriculture was indeed protecting western Canada, my tongue would have been right through my cheek and half a dozen other cheeks. He is the person who wants market supply management for our beef industry. Even good old NDP Manitoba voted 80 per cent against that concept. I could tell the House about all the protection that has been provided to western Canada, but my time is used up and I cannot go on with this speech any longer. I will tell you flat out, Mr. Speaker, they would not stand a chance, with the philosophies they have about agriculture, of getting elected anywhere in any constituency west of the Manitoba-Ontario border by a group of farmers. Not a single one of them.

The Acting Speaker (Mr. Guilbault): On debate, the Hon. Member for Gander-Twillingate (Mr. Baker).

Mr. George Baker (Gander-Twillingate): Mr. Speaker, I will be very brief in order to give Members opposite a chance to speak on this Bill. I would like to say a few words, however, as I was a member of the agriculture committee in the mid-seventies and travelled throughout western Canada.

I think that this Bill, which has been agreed to by all Parties, is indeed a good Bill. The amendments to the Bill are attempting to enforce what the original Bill intended. I think that is a fair statement. I will not go through all of the positive features of the Bill, although perhaps I should. Members opposite have not addressed their remarks entirely to the Bill, but have stayed somewhat to the intent of the Government in introducing the Bill. I agree with Members opposite that it should not take such a long time to bring in a Bill such as this. The previous speaker said that it should only take a day. Certainly, it should not take two months as one opposition Member suggested. If it took four months, it would be outrageous. If it took six months it would be more than outrageous. It should certainly not take eight months. But I am wondering what happened when the Conservative Party was in power for eight months. Why was something not done then if it could have been done in one day? That is point number one; to even out this argument about timing. No matter what is brought in by the Government—even if it is good legislation—the Opposition say there is something politically bad about it, and speeches are delivered in the House which take away from the general thrust and intent of the legislation.

There were three or four Members opposite who referred to other costs that primary producers have. Primary producers are the most important people in this country today. They are the people who keep the country alive and on a sound footing—the fishermen, farmers, people who work in the forests and people who work in the mines. But, whenever the subject is brought up it becomes entirely political.

For example, when Members discussed the costs to Canadians, one Member said that the people of Canada were led astray with the 18-cent increase in the price of gasoline that the Opposition wanted to bring in and, of course, the dollar that they claimed the Liberals brought in. As a matter of record, the only difference between both major Parties in this country is that the Liberal Party was preaching 75 percent world prices and the Progressive Conservative Party was preaching 100 per cent. That is the only difference. For someone to say that such and such a person pays an extra 50 cents or 60 cents, directly or indirectly, in fuel taxes is not the question. The question is the total amount of money they pay for oil and gas in this country. I agree that the present taxes on oil and gas for primary producers should be eliminated. That is both provincial and federal taxes, and they vary from province to province.

• (1540)

At the same time let us recognize that it would be very strange to hear a Member from western Canada say that we should have lower oil and gas prices right across Canada. Go speak to the Premier of Alberta and ask him whether he agrees with that. For that matter, go to the Premier of my province, the poorest province in Canada, and ask him if he agrees with that. Every time the price of oil and gas rises $1, equalization payments from the federal Government shoot up $100 million. Therefore, when you talk about prices being paid by Canadians for oil and gas, it should be looked at in its totality and the Canadian people should not be mislead.

Mr. Hnatyshyn: What Bill are we talking about, Mr. Speaker? There should be relevancy on both sides, not just this side.

Mr. Baker: The other argument is that the timing is wrong. They say that the Liberal Government is bringing it in just prior to a federal election. There is not a farmer in western Canada, Mr. Speaker, who would say no, do not bring it in because there is an election coming up. He does not care if there is an election or not. What he wants is this Bill brought into the House. I could go on about that but I will not.

Another point of condemnation of the Minister of Transport (Mr. Axworthy) and members opposite seemed to be somewhat irate, was that the Minister is bringing in an amendment at committee stage to give the farmers a payment now. As I said, I do not know as much as I should know about farmers in this country, but on checking I understand that the Minister is not only bringing in this amendment, he is also attempting to have these payments made the first week in June, not the last of July as was mentioned in the Chamber. The Minister is bringing in this amendment, which Members opposite as well as farmers wanted and asked for, and he should be praised by Members opposite for doing so. Whether or not there is an election is totally immaterial. It will be absolutely ludicrous to follow that line of reasoning because, if you did, you would not bring in any good legislation at all prior to an anticipated election.

Mr. Hnatyshyn: Wait until I make my fish speech, then you will be really impressed.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments?

Mr. Hnatyshyn: Are you kidding? It is not worthy of questions.

The Acting Speaker (Mr. Guilbault): Debate. The Hon. Member for Bow River (Mr. Taylor).

Mr. Gordon Taylor (Bow River): Mr. Speaker, the only comment I have about the remarks of the Hon. Member for Gander-Twillingate (Mr. Baker) is that they are just a year and a half late. It took a year and a half for them to get it into their heads that the farmer needed money. Look how many farmers went bankrupt in 1983. They could have been on the land today had the Minister of Agriculture (Mr. Whelan) and the Government listened to the Hon. Member for Assiniboia (Mr. Gustafson) and our leader. They begged and entreated the Government to do something to save the farms of the West. But the Government took a year and a half to do it. Sometimes I think we should do a little more research on birds so that we could cross a homing pigeon with a woodpecker. We could use them here to send a message over to them and it could be pounded into their heads. They would not have to take a year and a half to do something while 400 farmers are going bankrupt.

This Government has stacked the cards against western Canada for years.

Mr. Pepin: Come on.

Mr. Taylor: Yes, you have. I will give you a couple of instances. The farmers know it. You are not going to fool anyone out there. At least I do not think you are going to fool very many, if any, by giving them a payment of their own money just before the election.

Mr. Pepin: We are not trying to do that at all.

Mr. Taylor: That is exactly what you have in mind. If there was not an election coming we would have to wait another year and another 400 farmers could go bankrupt. That is how much the Government cares about western Canada. We get the dirty end of the stick all the time. For years we have had the dirty end of the stick.

In this Bill the Minister says we are now going to let them opt out. I thought we had freedom of choice in this country. That is what the Charter says. Now the Government is going to give us permission to opt out every ten years. What is more, there is no provision to pay the money back when the farmer opts out. The Government is going to keep his money. Talk about Moscow! This Government is worse than Moscow. At least over there you know you are not going to get it back, but here you expect the Government to be democratic and pay it back when you opt out. What nonsense. How naive do you think farmers in western Canada are? They have paid $5,000 to $8,000 into this fund and they are just going to drop out and leave it in the pockets of the federal Government to spend in extravagant ways? Our farmers are not naive. They are well educated people and when they want to opt out they want their money back, every red cent of it, and the interest it earned. If this Government has any morality at all—

Mr. Pepin: Louder.

Mr. Taylor: —any morality at all—

Mr. Pepin: Louder!

Mr. Taylor: The Minister says they have not. I believe that, but if there is any morality at all they will make an amendment and pay back the farmer the money the Government has taken from him.

Some Hon. Members: Hear, hear!

Mr. Taylor: If you pay something and you do not get the goods, the money is refunded. But here the Government has a new idea. It will keep the money. Let them opt out but they will not get their money back. It is getting worse and worse, Mr. Speaker. Talk about stacking the cards against the people of the West! The Government did it in the capital cost allowance. Look at what the budgets have done to western Canada.

Not only has the capital cost allowance provision put thousands of people out of work, it has forced farmers to keep their old antiquated equipment. One dealer alone had to cancel seven combines because the Government said it will not let the farmer have his capital cost allowance in the first year because be buys the machine in August. Who in the world is going to buy a combine in January when you do not use it until August or November? That is how the Government looks on western Canada. I wish some of the unemployed and some of the farm machinery companies in the East would wake up and know what is going on. This Government is responsible for a great number of them being unemployed through its policies, and the capital cost allowance is only one.

Talk about western Canada getting the dirty end of the stick. Look at the capital gains tax. The only pension a farmer has is his farm. Then the Government brings in the capital gains tax and taxes the farmer on half of the gain. He will no longer be able to go and buy a home in the city. If they could do that additional housing would be required. People would have to build houses and that would create employment.

• (1550)

We wonder why there are two million unemployed in the country. It is because of Government policy. How many people has the Government put out of work in these two instances alone? The capital gains tax is the only pension that farmers have. We make them stay on the farm when they would like to sell the farm. We even tax them on the inflated value of the farm. Of course the Government made a change for bond holders. The bond holder does not have to pay capital gains tax on the inflated value of his bonds. However, the poor farmer who lives in western Canada has to pay on the inflated value of his farm. That is money he has never had. This is another case,

Mr. Speaker, in which we are getting the dirty end of the stick. There are many such cases we could deal with today.

At the end of his speech today the Minister gave us a wonderful message. He said he is going to do what Progressive Conservative Members and the Leader of our Party have been asking him to do from the beginning. He is going to pay out the money so that it can be used for spring seeding. The money was needed for spring seeding. Some farmers have not seeded yet because they have run out of credit at the banks. They have no more land to put up for another loan. They are either getting their friends to seed it or are not seeding at all. In May he says he is going to make an interim payment before the end of July. Do Hon. Members on that side of the House realize that crops have to be seeded in May if they are going to be harvested before the frost in the fall? You cannot wait until the first of August to plant your crops because you will then have the money to do it. That is absolute nonsense.

They are not even going to bring this change in at committee. They are going to blackball the committee and bring it in at report stage so that it cannot be debated. There will be no people there to say what they think about it. That is a wonderful, smart idea. I wonder who stayed up all night to dream that up. Mr. Speaker? There is no reason why that change should not be made in committee where it can be debated so that we can get the payment as fast as possible, rather than after a tremendous delay.

The calendar year is going to help, Mr. Speaker, but it is not going to make a great deal of difference in the triggering of pay-outs. It is going to make some difference and we thank you for that little crumb.

Why were the other things we suggested not brought in, such as the cost of machinery and production? Why is every cost of production not considered rather than only the ones set out in the Act? Some of the biggest costs of production, such as inflation and interests, are not included. They say they are going to change the Act by using the calendar year. That is another crumb. This money belongs to the farmers, Mr. Speaker. They are not getting back even the amount they paid in. Do not try to kid the troops. We know what is going on. One-third of the total amount of $900 billion belongs to the farmers.

Mr. Pepin: Indeed, one-third. You said it.

Mr. Taylor: Their interest is in that too. The total payment in 1978 was only $369 million. In those days the Government did have some honour. It said that $123 million came out of the farmers' pockets and they gave it back. The Government said it contributed $246 million and it would not give that amount back. The total was $369 million and they told the farmers that they were going to get $123 million plus the Government's share, including the interest they earned. Once it is put into that fund it is no longer government money. It belongs to the Western Grain Stabilization Fund which belongs to the farmers of western Canada. Do not try to kid the troops and tell us we are getting back more than we put into the fund. If you say that in western Canada you will be driven out of the hall and tarred and feathered. The farmers will just not go for that kind of nonsense. Now the Government says the farmers may get $350 million out of the $900 million—almost $1 billion. That is not even one-third of the total amount, and we may not even get that.

It is no wonder that only one of a mast number of farmers who came to a meeting in Strathmore a few weeks ago would not opt out. The rest of the farmers wanted to opt out immediately, but they want their money back. They are not going to make a gift of their money to the Government. They should be getting their money back.

In closing, Mr. Speaker, I will say that if the Government does not have the morality to pay money back to a farmer when he opts out, then we have left democracy behind us and are at the bottom of the garbage pail. It is no wonder that the whole group of farmers at Strathmore wanted out. Now the Government is going to be very nice. It will let them out in 1986 but will not return their money. I hope that some of the reasonable minds on that side of the House will awaken and pay back the money when a farmer opts out, or change the Act so that it will do what it is supposed to do, stabilize the incomes of western Canada.

The Acting Speaker (Mr. Guilbault): Questions or comments? The Hon. Member for Saskatoon West (Mr. Hnatyshyn) on debate.

Mr. Hnatyshyn: Mr. Speaker, I am looking at the clock and I see that only a very short period of time remains. I have had informal discussions with the Government House Leader. We had hoped to hear from a few speakers today, and we intend to have this Bill pass second reading today. I was wondering whether there could be a disposition to not see four o'clock, which would give me a few minutes to make a few concluding comments on behalf of my Party with respect to this particular legislation. If that were acceptable to everyone in the House, I would like to say a few words since this affects my district very seriously.

Mr. Pinard: Mr. Speaker, I would agree to that provided that the House will adjourn at five o'clock in any case. Consequently, that will shorten the Private Member's Hour by the time required by the Hon. Member. If the private Member whose motion is to be discussed today is in agreement, that is fine. However, the decision would depend on that Member.

Mr. Waddell: Mr. Speaker, I rise on a point of order. On behalf of the NDP I can say that we are prepared to agree. We trust that the Hon. Member will not be open-ended. We know he is loquacious and feels strongly about this matter. However, I hope he could finish in 10 minutes at the outside.

Mr. Pinard: It is very clear that it will only be matter of about 10 minutes. Provided the Hon. Member does not impute motives to the Minister of Finance (Mr. Lalonde), we are in agreement.

The Acting Speaker (Mr. Guilbault): Order, please. As good as this agreement seems to be, I will have to ask for

unanimous consent. Is there unanimous consent for the proposal?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Guilbault): Agreed. The Hon. Member for Saskatoon West (Mr. Hnatyshyn).

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I appreciate that. On Friday afternoon there is a sense of camaraderie and co-operation in this place which should possibly be observed more often. However, after I conclude my remarks that feeling of camaraderie may well leave the Chamber.

I would simply like to conclude by saying how disappointed we in this Party are that once again, with regard to legislation which deals with western Canada and the western producers in particular, the Minister of Transport (Mr. Axworthy) has failed in his responsibility to be present in order to guide this legislation through the House. As the one elected Cabinet Minister representing western Canada, we had hoped that he would show some interest in western Canadian producers by at least staying in Ottawa and attending here.

• (1600)

Mr. Pepin: What is wrong with me?

Mr. Hnatyshyn: We appreciate the fact that the Minister of State for External Relations (Mr. Pepin) has taken the opportunity of guiding us through. However, I suggest that when the Minister of Transport refuses to appear when we are discussing the Prairie Grain Advance Payments Act amendments on this Friday, we in western Canada must wonder where his interests and duties lie.

I want to point out that in terms of this legislation, as pointed out by my colleagues, western Canadian producers are in a very serious financial position. There is a crisis in agriculture in western Canada. Production costs have risen dramatically. We have the prospect of increases in the cost of implements, fertilizers, pesticides and herbicides. There has been a steady increase over the course of the year in the cost of these important commodities for the western producer. At the same time we have seen prices for the seven grains that are covered under this particular Act drop some 20 per cent between 1981 and 1983.

Furthermore, the Government has introduced other legislation affecting the West with respect to the Crowsnest Pass rates. As far as western grain producers are concerned at the present time, from August 1 last year there has been an increase of 58 per cent in rates up to August 1, 1984. The railways are now applying to the Canadian Transportation Commission for a recalculation of the cost of capital in terms of the rates they charge to the western grain producer. If they are successful it will mean approximately another 30 per cent increase in terms of grain transportation costs to the farmer. Under present prospects, there is the possible situation where the amount of grain that will be delivered for export will probably exceed the cap levels shown in the Crowsnest Pass legislation by 1.5 million tonnes. All of this excess grain will travel at the full freight rate.

One can ask what are the Liberal Party's motives in terms of this legislation? They only brought it in because the Leader of our Party (Mr. Mulroney), the Member for Assiniboia (Mr. Gustafson), the Member for Moose Jaw (Mr. Neil), the Member for Bow River (Mr. Taylor), the Member for Wetaskiwin (Mr. Schellenberger) and other members of our Party forced the Government to take action. It would not have taken action had it not been for the persistent efforts on the part of the Progressive Conservative Party, bringing pressure to bear that the Government could not resist. Even the Minister of Transport, who does not have the political sagacity to be in the House when western issues are raised for which he is responsible, could not resist the pressure.

Where is the Minister? I suppose that he is out, in terms of his responsibility, trying to justify the imposition of these increased rates for the transportation of grain to export points. I can say that the western Canadian farmers understand the great imposition—

Mr. Ouellet: Mr. Speaker, I rise on a point of order. I wish to indicate to the Hon. Member that the Minister of Transport (Mr. Axworthy) is in western Canada today because of a previous engagement. He was unable to change that engagement. The Hon. Member should not reflect on the activities and responsibilities of the Minister of Transport.

The Acting Speaker (Mr. Guilbault): The Chair would just like to say that it is difficult to rule on such a point of order.

Mr. Hnatyshyn: Mr. Speaker, I can understand your difficulty. We have difficulty with that Government every day of the year. I simply want to make a point that the Minister of Transport is probably out in western Canada trying to scrape up votes for his candidate, Mr. John Turner, who has is own advice to western Canadians when he tries to woo them for the Liberal Party. He has his campaign manager, the Minister of Transport, who tells us that he will not increase the maximum level of grain under which the calculations are made on the Crowsnest Pass legislation. He tells us that he will not lower the safety net.

He is the campaign manager of John Turner who is promising everything. He says, "If I am Prime Minister, everything that the Minister of Transport has done I will rectify. I do not care how crazy the Minister of Transport has been in the past, I will rectify it because this man knows not of which he does." That is what Mr. Turner is saying about his campaign manager. If I were you I would get him back from western Canada, because he will have to answer for.

Mr. Ouellet: You are getting nervous.

Mr. Hnatyshyn: There is no nervousness because we know in western Canada that any candidate the Minister of Labour (Mr. Ouellet) supports has serious difficulty with respect to credibility. If I had the Minister of Labour supporting me in any political contest I would be trembling in my boots. I would

be concerned because this leadership candidate for the Liberal Party, who I understand now has the support of a majority of the present Cabinet and who is trying to distance himself from the policies of the current administration, will have a hard time explaining why he has the majority of the current Cabinet on his side. I suggest that is the kind of inconsistency that people across Canada will understand.

I am very interested that this Bill has received such attention, and I wish to say in conclusion that I wondered why the Government was insisting that we give it quick disposition. The Progressive Conservative Party indicated that it did not like the Bill, and specified its objections to it. We want an immediate payment, and to have it retroactive. We thought that the level was not sufficient. However, we said that we are prepared to do everything to pass this legislation, imperfect as it is, in the course of one day. We would even agree that it not go to committee. My colleague, the Member for Assiniboia, consulted with the heads of various farm organizations across western Canada who said that they did not necessarily want to appear before the committee.

Therefore, I had to ask why the Government was anxious to have this matter go before committee? Now it comes out that it wants to bring it before committee because it realizes how vulnerable the Government is to the demands that have been made by our Party with respect to the whole question of interim payment. It wants to introduce an amendment which it says requires a royal address. It now wants to make amendments to its own legislation which it announced with such fanfare on April 25 of this year.

The Government had the member from the other place who is responsible for the Wheat Board, sitting, cheek by jowl, with the Minister of Agriculture (Mr. Whelan). Their picture was spread across the entire page of every newspaper because of the width of the people involved. I realize now that we are getting involved in a pre-election scenario. What the Liberal Party has in mind is not the interests of western farmers, but putting themselves in a posture of having the farmers' own money released to them at a pre-election time. I can say with some knowledge of the way western Canadians think in terms of political activity, that this age-old Liberal ruse will not work. This is not a question of beneficence from above, it is a question of equity. This is the farmers' money which they are entitled to get back. They made an investment and all they are asking now is to get some fair treatment from the Government.

I appreciate the fact that we have been able to force the Government to make this move and bring forth this legislation. Even with its defects, we will allow this matter to go through second reading, under the protest that there are some deficiencies in it. We will make our position known during the course of the committee hearings.

I can tell the Minister of State for External Relations that, although I appreciate very much his interest and that he stayed here during the course of this afternoon, the Minister of Transport has much to answer to western Canadian producers for taking no interest in legislation in his name. He is never here to pilot measures through, or to address them in Parliament. He will discover the consequences for his inactivity in the next election.

The Acting Speaker (Mr. Guilbault): Questions or comments?

Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Guilbault): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and referred to the Standing Committee on Agriculture.

• (1610)

The Acting Speaker (Mr. Guilbault): Pursuant to an Order of the House adopted earlier this day, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper, provided that the House will adjourn at five o'clock today.

PRIVATE MEMBERS' BUSINESS—PUBLIC BILLS

[*English*]

The Acting Speaker (Mr. Guilbault): Shall all orders and items preceding No. 40 stand by unanimous consent?

Some Hon. Members: Agreed.

* * *

NUCLEAR WEAPONS FREE ZONE ACT

MEASURE TO ESTABLISH

The House resumed, from Tuesday, January 17, consideration of the motion of Mr. Anguish, that Bill C-203, an Act to declare Canada a Nuclear Weapons Free Zone, be read the second time and referred to the Standing Committee on External Affairs and National Defence.

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, I am particularly happy to rise today to speak in favour of Bill C-203, an Act to declare Canada a Nuclear Weapons Free Zone, not only because I fully support both the principle and the letter of the Bill before us, but also because my constituency of Kootenay-West has had on a number of occasions over the past year and a half the highest percentage totals on disarmament referenda within Canada, one of those votes for disarmament being as high as 99.7 per cent in one of our component electoral districts. Also, some half dozen cities and villages within Kootenay West's boundaries have declared themselves as nuclear free zones either by resolution or by

by-law. I am also particularly pleased to speak on this Bill because it is authored by my colleague, the Hon. Member for The Battlefords-Meadow Lake (Mr. Anguish) from the Province of Saskatchewan. In addition, we share many strong common feelings on the Bill before us and on many other matters. It may be folksy to recollect, but my mother used to toboggan the hill down the coulee into his grandmother's backyard in Saskatchewan, and thus there is a personal connection, though not a direct one, that makes me happy to share this moment with him and to share his feelings and support for this proposition.

On previous occasions when Bills of a similar nature, whether presented by my colleague or by other Members of my Party, the NDP, numerous Members from other Parties have expressed particular misgivings about certain sections, most often because they stated that it would impinge on certain civilian uses of nuclear energy or medical uses of nuclear energy. I want to assure my colleagues that, having read this Bill, all pains have been taken to ensure that those kinds of misgivings may not legitimately be expressed with any degree of legitimacy upon the Bill before us. When Members of the Conservative Party or the Liberal Party rise to speak, for a change they will have to address the substance and the principle rather than finding nitpicking excuses, which I would not suggest is what they would do, but some people in this country from time to time are wont to do.

The Bill before us is short enough, and I intend to read it into the record, if the Speaker will consent. I will not read the penalty provisions because I do not think they are particularly germane to the matter under debate. Let me now read the Bill into the record.

1. This Act may be cited as the Nuclear Weapons Free Zone Act.

2. The sovereign nation of Canada, including the territorial coastal waters, inland bodies of water and airspace over which Canada has jurisdiction, is hereby declared to be a nuclear weapons free zone.

3. (1) No person, corporation, government agency or association of any nature whatsoever shall develop, test, manufacture, import, transport or store any nuclear weapon, nuclear weapons system, nuclear weapons support system, or any components therefor, within Canada, its territorial coastal waters, its inland bodies of water or its airspace over which Canada has jurisdiction for any reason whatsoever, including the defence of Canada or any ally thereof.

The rest of the Bill gets into the penalty provisions and I will not read them at this time.

I think the intent of the Bill is crystal clear. The wording is crystal clear. There is no room for fudging and there is no room for misunderstanding. I hope the debate will have the same degree of clarity as does the Bill.

One of the impacts which such legislation, if it were to become law, would have, would be the cessation not only of the testing of the cruise missile within Canada but also preventing the manufacture of the guidance system or portions of it within Canada as well. In thinking about that subject, I cannot help but digress a little to think of the many times that Members of the Government, including the Prime Minister (Mr. Trudeau), the Secretary of State for External Affairs (Mr. MacEachen), the Minister of National Defence (Mr. Blais) and the former Minister of National Defence have, in this House and elsewhere across this land, consistently gone on and on to say that we are testing the cruise missile in Canada because it is a commitment to NATO. They have said that on innumerable occasions and in innumerable ways. That is false. They know that assertion to be false because one or two of them have said on public occasions, I am not sure whether or not in this House, when cross-examined by reporters from the media, that the impression given by those statements was false. I think one can reach no other conclusion other than they have known what they have said. They have since said it repeatedly both in this Chamber and across the land, on television, on radio, at public meetings, and at seminars. It is regrettable that they have never admitted the facts. They know it to be true.

The basic reason we are testing the Cruise missile in Canada, other than for some kind of loyalty oath in a broad sense to the incumbent President of the United States, whatever that happens to be worth, and we all have our own feelings on that, is because this country wants a larger share of defence production in Canada. We are in it for the money. Tommy Douglas used to say—and it is one of the truest things the hon. gentleman ever said—that "Whenever they say it's not the money, it's the principle of the thing, you can always be sure it's the money". That is what cruise testing in Canada is about. Liberal Members know it, Conservative Members know it, and we know it. It is encumbent upon us if we want to disagree to have the intestinal fortitude to tell the public what the debate is about. If we think risking our credibility as a peace-seeking nation with fairly clean credentials is worth a few jobs and a few bucks that will accrue, particularly to Litton Industries, but perhaps to other companies as well, in defence sharing agreements with the United States and perhaps with some of our European allies, then that is a debate we can properly have. Let us debate the issue for what it is. Let us get the issue clear.

I found it galling, to come to more recent events, to watch the Minister of National Defence at a meeting of NATO ministers in Europe just a week ago, particularly considering some of the debate and circumstances which have come to light in this House in the last few days about Canada's willingness or ability to honour its own commitments whether or not we agree with them. He had the unmitigated gall to attend a NATO Ministers' meeting in Europe and blame one of our NATO allies, the Netherlands, for "betraying the NATO Alliance", because it has not yet agreed and it is still undecided,—it has not yet agreed to station U.S. Pershing and U.S. Cruise missiles on its soil. Talk about the pot calling the kettle black!

• (1620)

As I said, we may or may not agree on certain commitments that we have, but I think any Canadian who is a person of honour would say that if we have made a firm commitment, at least we ought to do our best to keep it. It ill behooves anyone who pretends or wants to be called honourable to pursue the kind of shameful course which the Minister of National Defence (Mr. Blais) pursued in Europe just last week.

They must be killing themselves laughing over there. The Russians will think that they have conquered Europe, and that everybody will be dead, they will have been laughing so hard. It really makes us wonder where their heads are at over there, in the government, not to mention their sense of honour.

The House of Representatives of the United States has gone on record favouring a nuclear freeze as a first step. Are they anti-American? The Prime Minister and the Minister of National Defence love to cast inuendoes over here from time to time suggesting that we are anti-American. Is the U.S. House of Representatives anti-American? No. That is always the answer of someone who has a weak case. All they can do is cast those kinds of insults across the way. It does not hold water any more because the world is slowing growing up and Canadians are growing up to the reality that they should rather not listen to what politicians say, when it is on the record here, on television, on the radio and in the newspapers, for them to see what politicians do.

The previous votes of politicians which have taken place in this House of Commons on the issues of a nuclear freeze, a disarmament referendum and on the testing of Cruise missiles in Canada are on the record. The record shows that 98 per cent of Liberal and Conservative Members have continuously said: "ready-aye-ready", to go along with whatever President Reagan, in his wildest flights of fancy, decides to call upon us to do out of some sheer blind loyalty. Sometimes he comes down to earth, but he has some really wierd flights at times too. And, I am not anti-American because I agree with the majority of the Members of the House of Representatives to the South of us.

I agree with many other institutions and organizations throughout the United States which know that in a world like ours we must be able to guarantee a future to our children and our children's children, so that they can decide for themselves what options they will take, whether to live or die, or whether to have a planet left in which to live.

It is beyond the kind of petty politics we have seen here. The Prime Minister, the Secretary of State for External Affairs, the Minister of National Defence and the former Minister of National Defence have lied to this House and they have lied to this nation continuously. They have deliberately misled this House. They have deliberately misled the Canadian people. They have been called "liars" by my colleagues both inside and outside the House of Commons, but they have not yet had the guts to stand up and admit it.

Let us debate the real issues. Let us debate whether or not risking our credibility and risking our lives is worth the few bucks and the few jobs which Litton Industries will provide. Let us debate that, because that is the issue. Let us make it clear to the Canadian people that the Cruise missile, which is being tested in Canada, with its kind of guidance system, is not for NATO use. It is not the same Cruise missile which will be deployed in Europe. It has nothing to do with it. Basically it is the same weapon, but its guidance system and the purposes for which it is intended are entirely different. The missile and guidance system which we are building and testing in Canada are to be used directly—and it is being tested along a track which includes part of its testing field in the constituency of the Hon. Member for The Battlefords-Meadow Lake (Mr. Anguish)—so that an air-launched Cruise missile can fly from the Arctic Ocean and follow the tundra track to the industrial heartland of the Soviet Union. That guidance system or that kind of terrain has nothing to do with the method by which Cruise missiles currently being deployed in Europe are to be used or tested. It is a different weapon. We have been receiving false and phoney arguments. The Government does not want the public to know that the Prime Minister has lied, that the Secretary of State for External Affairs has lied, that the Minister of National Defence has lied and that the former Minister of National Defence has lied in this House, and people who lie are liars.

The Acting Speaker (Mr. Guilbault): Order, please. The Chair presumes that the Hon. Member has gone slightly beyond his thoughts by implying that Members of the House have lied. Perhaps the Hon. Member would like to reword what he just said.

Mr. Kristiansen: I regret, on this occasion the evidence is so absolutely overwhelming and has been repeated so often that under no conditions, absolutely no condition, will I withdraw that allegation.

Mr. Evans: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Guilbault): Order, please. The Chair has no choice but to ask the Hon. Member to withdraw. To call a Member a liar is definitely an unparliamentary expression. For the second time the Chair would like to ask the Hon. Member to withdraw the offensive word.

Mr. Kristiansen: With all respect to yourself, and your office, Sir, there is no way I could honourably do so, and I regret to say that.

Mr. Waddell: A point of order, Mr. Speaker.

The Acting Speaker (Mr. Guilbault): Would the Hon. Member for Vancouver-Kingsway (Mr. Waddell) please resume his seat? I think the Chair will first deal with the question before us.

Mr. Waddell: I have a point of order. Perhaps I could help the Chair.

The Acting Speaker (Mr. Guilbault): I do not think the Chair needs any advice. The difficulty before us is that an Hon. Member has used unparliamentary language and must withdraw. For the third time the Chair will ask the Hon. Member to withdraw.

Mr. Kristiansen: Excuse me, Sir, I will have to ask you to repeat the question as my colleague and I were having a discussion.

The Acting Speaker (Mr. Guilbault): I believe the Hon. Member knows perfectly well that if he does not withdraw the

offensive expression, the Chair will have no choice but to name him.

Mr. Kristiansen: Mr. Speaker, I am quite aware of that, but I do not think there is any way I could honourably do other than what I have done or say other than what I have said. I could change the words, but they would have exactly the same meaning. Whether it is deliberately misled or lied, the meaning is exactly the same; they are equally unparliamentary. However, the conduct of the Prime Minister, the Secretary of State for External Affairs and both the past and present Minister of National Defence gives me no other alternative but so to do.

The Acting Speaker (Mr. Guilbault): Then the Chair will name Mr. Kristiansen.

Mr. Kristiansen: Does it matter which door I go out?

And Mr. Kristiansen having withdrawn:

The Acting Speaker (Mr. Guilbault): On debate, the Hon. Member for Western Arctic (Mr. Nickerson).

Mr. Waddell: Mr. Speaker, I have a point of order.

The Acting Speaker (Mr. Guilbault): Order, please. The Hon. Member for Vancouver-Kingsway cannot rise again in this debate; he has already spoken.

Mr. Waddell: Mr. Speaker, I rise on a point of order. Were you indicating that I have already participated in the debate?

The Acting Speaker (Mr. Guilbault): Perhaps the Hon. Member does not realize that we have resumed debate from a previous debate. At least according to the list provided to me, the Hon. Member has participated in the debate.

Mr. Waddell: Thank you.

● (1630)

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, it is of considerable value to us as Members of Parliament and to the public of Canada that this issue be debated in the House of Commons, albeit, at a late hour on Friday afternoon. The whole question of disarmament, particularly nuclear disarmament, is of concern to all Members of Parliament as it is to all Canadians. No one wants war, let alone a nuclear war. I do not think there is one Member of this House who would take a differing view.

A considerable amount of thought has been given to this matter both by elected Members and within the bureaucracy, particularly the Department of External Affairs. When you are part and parcel of the operation of Parliament, you recognize that. Somebody who is not at home here, somebody from the outisde, so to speak, does not understand the amount of thought given to these matters and the amount of expertise that resides amongst the elected and non-elected people within Government in its widest sense. It is not readily apparent.

One of our jobs as Members of Parliament is to engage in public debate on these issues so that the people of Canada become aware of the various points of argument and can make up their own minds in these issues and possibly give us some direction. There has, however, been some reluctance, particularly on the Government side, to bring these matters forward. There is a very good reason for this.

First, there are no real specific solutions at this time. The NDP like to think they have specific solutions with instruments such as Private Member's Bill C-203, with which we are dealing this afternoon. However, any careful reflection will show that it is full of holes and rather doomed to failure when looking at a long-term solution to the problem of the arms race.

The Government is unable to put forward to this House specific matters for debate and resolution. It would feel rather foolish bringing something forward of a non-specific nature and, therefore, does not do that. If those who take a rational view of arms control matters take the long view and recognize the amount of hard work that would have to go into any solution, the negotiations that would take place on a continuing basis, they would feel that in the meantime something like to two-track approach as an option would have to be pursued in order to maintain Canada and NATO defence capabilities. These people are sometimes reluctant to engage in discussions on the peace issue because they might be accused of being against peace. Of course, none of us are.

Therefore, it is good on a Friday afternoon to have an opportunity to talk on these matters and try to come up with some potential solution. That is where we are at now. We are in the idea formulation stage rather than bringing forward specific formulae that will enable us, all people in the world, and not just Canada, to come to real solutions.

As I said before, the Bill introduced by the Hon. Member for The Battlefords-Meadow Lake (Mr. Anguish) at first blush seems in principle quite reasonable. Certainly he has his heart in the right place. However, when you examine it in detail, you find that it is rather naive and simplistic. It is the facile approach to the issue; kind of a quick-fix solution. In an earlier debate on a related subject, I went at some length into the "Outlawry of War" movement that was prevalent in North America and Europe in the 1920s and in the 1930s. That was another simplistic approach where every nation of the world would sign a treaty not to engage in war. Once they all had signed a solemn pledge, war would be outlawed. There would be no such thing. Of course, we know that that approach failed despite the sincere wishes of many people who thought that would be the solution. We should not make that mistake today. We should work harder to find real and lasting solutions.

What is the present policy of the Government of Canada on the issue of nuclear weapons in Canada? I listened carefully to no less an authority than our Prime Minister (Mr.Trudeau). If I interpret him correctly, it is his wish and early intention that there should not be nuclear weapons on Canadian soil. He does not want to do this because of legislation such as that before

us, but rather by administrative choice in keeping with the wishes of the people of Canada. We are told that the nuclear weapons presently here will be removed as conventional arms are built up in Canada so that we are able to defend ourselves and keep our NATO commitment by conventional means rather than by nuclear means. This statement is supported by a responsible Opposition in this House.

In keeping with the latter point, we on this side have criticized the Government for some time for the deplorable state of our conventional military equipment. If we do not have sufficient conventional material, we become reliant on nuclear weapons. That is not a good state of affairs. Therefore, I hope that the armed forces of Canada can be properly equipped to counter any hostilities with conventional rather than nuclear weapons.

I do not know whether I should call this an NDP proposal. As far as I know, it reflects not only the individual's private thinking, but also the thinking of the Party he has the honour to represent in this House. If we adopt this proposal, what would be the result? I suspect that a couple of things would happen. First, it would bring about a false sense of security: We do not have nuclear weapons in this country, everybody is working to get rid of them all over the world and therefore we no longer have to worry about the situation. That is an argument that I cannot buy. All you have to do is look not at a map, because maps are usually arranged in an east-west direction laterally, but at a globe to see that Canada is strategically placed mid-way between the two super powers, the U.S.S.R. and the U.S.A. If there is a nuclear warhead-equipped rocket earmarked for the Port of Seattle, you can bet your life there is also one earmarked for the Port of Vancouver. Therefore, if we were to adopt this proposal, the sense of security it might engender would, in my opinion, be entirely false.

Another result of the proposal would be a reliance by Canada almost exclusively for its defence on the United States of America. We need only look back to the Second World War and the illustration of how Great Britain took over Iceland at that time. Iceland was neutral, doing nobody any harm, but it was in a strategic location. Because of the hostilities of the time, the British felt they should set up a military establishment in Iceland. Before that, I do not know whether Iceland had been independent or whether it had been a part of Denmark. However, that is what happened. In all probability, that would occur in Canada if we left ourselves naked and unable to contribute to our defence. In the case of hostilities, I am sure that the Americans would take the same attitude toward Canada as Great Britain took toward Iceland in the last war. I think it is better to retain our options in case hostilities should ever arise, and I think that this could be done within the NATO framework.

● (1640)

You must remember, Mr. Speaker, that NATO is probably one of the first successful peace organizations in the world. That might not become apparent until one really looks into the matter. NATO was established with the maintenance of peace at heart, and it has been relatively successful. Since its establishment, there has been no major Atlantic conflict. It operates by bringing about peace through deterrence. In the final analysis, deterrence might not be the best way of establishing a lasting peace. However, it is probably better to have peace for several decades in this manner than not to have peace at all. I would encourage Members of the House to be supportive of the North Atlantic Treaty Organization.

I would suspect that Bill C-203 would be contrary to our treaty obligations regarding both NATO and NORAD. It deals with things like overflights of Canada by our allies and the testing and manufacture of equipment within Canada. We must remember that this Bill deals not only with nuclear weapons themselves, but with any support systems or components therefor. The Bill could conceivably apply to the manufacture in Canada of a half-ton truck if that half-ton truck were ever to be used for the transportation of a nuclear bomb. Perhaps a better example of this would be the aircraft guidance systems. We in Canada are pretty good at making those systems. These of course can be used for both nuclear and non-nuclear weapons systems, and at the same time can have many civil uses.

Another thing I would like to bring to the attention of the House is that in all probability this Bill would prohibit the civil use of nuclear explosives. Although it has not been used to any great extent to the present time, I am sure that nuclear explosives could likely be used in the future for the moving of earth and rock, the construction of canals and for certain mining applications. I understand that the gas-buggy project in the United States was fairly successful in enhancing the permeability of gas-bearing strata and could be used for increased gas supplies.

The dangers associated with radiation from underground use of nuclear explosives is not that great. I understand that with rocks with a fair silica content most of the ensuing radiation is contained in the glass which is created by the fusion of the silica, so there is no great danger of radiation involved. Canadas is one of the countries in the world where, because of large-scale projects which often take place in remote areas, the civil use of nuclear explosives might be of considerable advantage. I would not want to see that possibility jeopardized by the passage of this Bill.

When it comes to establishing nuclear free zones, there is one area of the world in which this might have some advantage at the present time, but only in a limited sense. It might be a practical suggestion for the countries in the Iron Curtain belt in Europe, where the NATO and Warsaw Pact powers are arranged against one another, to be declared a nuclear free zone for tactical nuclear weapons. Of course, strategic weapons with greater range would still be a hazard, but that might be a small step toward the stabilization of that area.

I would like to speak briefly on the second point dealt with in the Bill, which is the idea of a world referendum to be held under the auspices of the United Nations.

I see, Sir, that not one member of the New Democratic Party is here. They tend to be interested in these matters, but they simply do not stick around even when we are dealing with their Bills. It shows you, Mr. Speaker, what real interest members of the New Democratic Party take in these issues.

Mr. Anguish: Mr. Speaker, I rise on a point of order. There are members of the Party who are very interested, and if the Hon. Member only wants to make political gain out of something of such a serious nature I suggest that he let other Members who are more interested in this pressing concept which has been approved by the Interparliamentary Union speak on the issue.

I would also point out that there is one other member of the Hon. Member's Party present in the House. There are three Liberal Members present in the House. It is symptomatic of the institution, and I do not think that the Hon. Member should try to make a mockery out of an issue as important as this one.

The Acting Speaker (Mr. Guilbault): Order, please. The Hon. Member for The Battlefords-Meadow Lake (Mr. Anguish) has made his point. He is right in that it is not allowable to make reference to the presence or absence of Hon. Members in the House.

Mr. Nickerson: Mr. Speaker, I see the that Hon. Member for The Battlefords-Meadow Lake made his point, and then immediately walked out of the House again. It just shows you the interest—

The Acting Speaker (Mr. Guilbault): Order, please. Not only is the Hon. Member wrong, because the Member to which he is referring is sitting in the House, but he is again referring to the presence or absence of a Member in the House. May I ask him to stick to the rules?

Mr. Nickerson: Mr. Speaker, he just came back and you know that full well. He is running in and out like a scared rabbit.

Is the referendum which is mentioned in the Bill meant to be a referendum in the true sense of the word, something that is usually taken to be binding, or is it meant to be a plebiscite, something which is usually construed as being an expression of public opinion? If this polling were to be conducted by the United Nations it could really only be a plebiscite, because the United Nations does not have the authority to order sovereign nations to give up arms or weaponry. If it is a plebiscite, what is its real use? We already know what public opinion is. Surely no one is in favour of a nuclear war. It is something everyone wants to avoid. If that is the case, such a plebiscite would be of extremely limited value. I really do not see what it would prove.

Perhaps members of the NDP are suggesting through this Bill that each country that is a participant in the United Nations should conduct some kind of binding referendum. I think it is the height of wishful thinking to assume that Warsaw Pact countries would take very much notice of a referendum of that nature, even if they allowed such a referendum to take place. If those countries pretended to take any notice of such a referendum, I am sure they would not allow its verification by inspectors from other nations.

There are a great many more things to say about this Bill, Sir, but because, among other things, of the amount of time the Hon. Member for The Battlefords-Meadow Lake has taken away from me with his partisan comings and goings, there does not remain time for me to do so. It is an important subject, Sir, and one which we must address carefully. We must be prepared to work hard and diligently for a considerable period of time on this question. Quick-fix answers like those proposed by members of the New Democratic Party will simply not work.

The Acting Speaker (Mr. Guilbault): Debate.

• (1650)

Mr. Paul E. McRae (Thunder Bay-Atikokan): Mr. Speaker, I will only speak for a few minutes. I believe strongly that the motion is supportable and that we should have a nuclear free zone, but I do not think it will happen. I am not sure why we are devoting so much time to this particular problem because, even if we did agreed to it, it would not really change anything in terms of the kind of world in which we live.

I was a member of the NDP years ago. I left basically because I felt that in a political movement of any kind there is a thing called the idea. One gets an idea, one deals with it, and then speaks on it. The other point, which is far more important, is that one must do something to make the idea work. One of the difficulties that I have when I get into a debate on this subject with the NDP is that they have been in opposition for so long, and have been away from the possibility of power for so long, that they really do not understand how to change something or how to do something which is effective.

There is no question in my mind that we are in the most dangerous period in the history of mankind. The International Institute of Strategic Studies in London, England, which is a very conservative organization, made a statement in the last ten days which indicated that we are in nearly as dangerous a situation as we were during the Cuban crisis. There is a very grave danger that a war will occur. If we passed this motion today, it would not change anything. We are up against two superpowers who are not going to move. On our side, that is President Reagan and the administration of the United States. In my opinion, the situation is very, very dangerous in the sense that they are not going to put forward arms control measures that will be workable. The Arms Control Association in the United States,—which includes generals, admirals and people such as Paul Warnke—produced a paper in the last ten days listing five or six reasons why it is certain that the United States Government does not want arms control at this particular time. There is a whole background of information of this kind.

Motions put forward such as the one the NDP has put forward for no first use, no testing of the Cruise and so on are

admirable, but as soon as they are placed before the Government of the United States the answer is no. As Canadians, how can we be effective in trying to lower the tensions that exist if we keep bringing forward motions which do not have any chance of being effective?

The six powers which have formed the Four Continent Group put forward a motion this week. It is a motion which I support very strongly. However, it was not out on the street for 20 minutes before it was turned down by the Reagan Administration.

It is absolutely essential that we find some way of bringing the Reagan Administration and the Soviet Government—and there is no question that the Soviet group is extremely difficult—together so that they will not make war with each other. The tensions at this stage in the game are beyond any question. We have to worry about the dangers of a war starting from a spark in the Middle East, for examples. I am suggesting one possibility: That we as a Government, with the support of the whole House, adopt a motion that includes the ten points which the Prime Minister (Mr. Trudeau) has put forward. These ten points are ideas which the Prime Minister gleaned from talking to different countries, including the superpowers and the other three nuclear powers. They involve areas where there is a commonality and where there are common beliefs. We cannot negotiate using techniques which have been used before between the two superpowers. We must start with the common assumptions, which are important assumptions. Assumptions which indicate that we do not want to have insecure or destabilizing weapons. Assumptions, for examples that one side is not going to try and destroy the economy of the other side. These are the things which we must do.

Any motion or statement, however pure and great, will be rejected out of hand by one or the other of the superpowers. They are not going to do anything at this particular point. Therefore, I think the debate today should not be on this particular motion, no matter how well the motion is presented and how desirable it is, but on how we can break the impasse between the two superpowers. I suggest the way that can be done is by starting with the common ground created by the Prime Minister and working toward negotiation which can proceed in a realistic way.

Mr. Peter Ittinuar (Nunatsiaq): Mr. Speaker, I do not often rise in the House to speak, because there are not many issues which are pertinent to Arctic people. However, this issue is pertinent because of the testing of the Cruise missile in the Northwest Territories. That is almost directly related to the motion put forward in Bill C-203.

Because of the time limitations, I would like to refer to two resolutions which were passed by the Inuit Circumpolar Conference in 1983 in Frobisher Bay, and previously in 1981 in Greenland. The resolutions deal with nuclear free zones in the Arctic, which is parallel to the motion put forward in Bill C-203.

The first resolution was passed in Greenland by Inuit from around the world. They included members from Alaska, Greenland, Denmark and Canada. Hopefully in the future members from the Soviet Union will participate.

The conference passed a resolution in 1981 which indicated that, whereas radioactive materials are a known hazard to human life and the environment; whereas the Arctic and sub-Arctic regions and particularly fragile ecosystems and environments vital to Inuit subsistence; whereas there are deposits of uranium, thorium, lithium and other materials related to the nuclear industry in the Inuit homeland contemplated for exportation by various southern economic interests; whereas radioactive fall out from nuclear devices more seriously affects the Arctic and sub-Arctic regions than other areas of the world; therefore, be it resolved that the Inuit Circumpolar Conference call upon the Governments of Canada, the United States and Denmark to halt present exploitation for an exportation of uranium, thorium and lithium and other materials related to the nuclear industry in the Inuit homeland; prevent disposal of radioactive waste and materials in the Inuit homeland and prevent testing of nuclear devices in the Inuit homeland.

I would like to refer to the second resolution which was passed in 1983 in Frobisher Bay, but time does not allow me to do so.

[*Translation*]

The Acting Speaker (Mr. Guilbault): Order. The time for consideration of Private Members' Business has now expired.

It being five o'clock, this House stands adjourned until Monday, May 28, 1984, at 11 a.m., pursuant to Standing Order 2(1).

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, May 28, 1984

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*Translation*]

CANADA DEVELOPMENT INVESTMENT CORPORATIONS ACT

MEASURE TO ESTABLISH

Hon. Pierre Bussières (Minister of National Revenue) moved that Bill C-25, An Act respecting the Canada Development Corporation, Canada Development Investment Corporation and certain other corporations, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Speaker: Is it the pleasure of the House to adopt this motion? The Minister of National Revenue (Mr. Bussières).

Mr. Bussières: Mr. Speaker, it is my pleasure today, in the House, to propose the second reading of Bill C-25, an Act respecting the Canada Development Corporation, Canada Development Investment Corporation and certain other corporations.

Mr. Speaker, this Bill has basically two objectives.

First, this legislation will enable the Government to meet a commitment made in May 1982 regarding its assets in the Canada Development Corporation, the CDC. At the present time, the CDC is a corporation created by an Act of Parliament, but by adopting this bill, Parliament will authorize the CDC to pursue its activities in accordance with the Canada Business Corporations Act. The CDC's name will be changed to reflect the fact that the Government will no longer have a sustained interest in the corporation. I should point out that the arrangements approved by the Government and the CDC were made two years ago and that they have received the wholehearted approval of private sector shareholders within the CDC.

The changes announced in the Bill are necessary so that the CDC can be managed as a private corporation under the Canada Business Corporations Act, and also to enable the Government to divest itself of its shares in the CDC.

Second, the purpose of this Bill is to establish the Canada Development Investment Corporation, the CDIC, as a corporation created under an Act of Parliament. The House will recall the CDIC was established in accordance with the Canada Business Corporations Act and is being managed according to the provisions of several Orders in Council. These orders impose restrictions and guidelines similar to those imposed by special legislation, and it is desirable to have these provisions confirmed by Parliament.

The CDIC has already proved that Government made a wise decision in creating the Corporation. The Bill will give the CIDC the legal status of a Crown corporation and a clear and limited mandate from Parliament.

• (1110)

[*English*]

Before turning to the provisions of the Bill itself, I would like to outline the current and continuing responsibilities of CDIC. CDIC has four basic functions.

Mr. Malone: Take over. Take over. Take over. Take over.

Mr. Bussières: First, CDIC is a vehicle for the sound commercial management of various assets and enterprises that have been acquired earlier by the Government of Canada for public policy reasons. The Government has found that there are some cases where, contrary to what is expected, its commercial assets have not been operated in a commercial manner. The controlling shareholder of any company should take a keen interest in that company's activities. In cases where the Government is the controlling shareholder, it needs a vehicle that can provide for that active presence on a continuing and effective basis.

CDIC is intended to be that vehicle in order to achieve commercial performance by these companies and to act as a mechanism for public accountability. This does not absolve the boards of these companies from their responsibilities. The boards of CDIC's underlying companies have an important role to play. We expect the boards of directors of these companies to supervise vigorously the business activities of their respective enterprises.

Mr. Stevens: That will be a first.

Mr. Bussières: The board and management of CDIC works with the boards and managements of its subsidiaries to help provide a commercial operating environment through the developing and monitoring of performance standards. In this way, CDIC brings a shareholder's perspective to complement

the operating perspectives of the subsidiaries; experience has already demonstrated the utility of this approach.

• (1115)

The second function of CDIC is to privatize. This is an important part of its over-all mandate, and CDIC will be judged in part by its progress in divesting to the private sector assets which the Government no longer needs to own for policy reasons. In its divestment activities, CDIC is to ensure that sales are made according to commercial standards, so that the public realizes a fair return from assets which are sold. CDIC has made initial assessments of the prospects for commercial sale of certain of the assets, including consideration of market conditions and timing factors.

[*Translation*]

The CDIC's third role consists in acquiring new investments from the Government. There is no contradiction here with the corporation's second role. Experience has shown that the private sector will provide other opportunities for the Government to invest, in accordance with the public interest.

Such opportunities were offered recently with respect to the fisheries industry in Eastern Canada. Having decided to invest in fish processing plants in Newfoundland, Nova Scotia and Quebec, the Government is now transferring its shares in those companies to the CDIC. It will be up to the latter to communicate the views of shareholders to those administering the shares on behalf of the Government, and to find private sector buyers when commercial opportunities arise.

[*English*]

CDIC's fourth role is to provide commercial advice to the Government when the Government calls for such advice. Industry and government have different roles in Canada, but it is important to ensure that they do not drift into isolation from each other. The Government hopes CDIC, because of its activities in and work with industry, can help to create a better understanding between government and industry of one another's objectives and procedures.

Government plays many roles in the economy. It establishes fiscal and monetary policies. It regulates some industries. It provides tax incentives. It provides various forms of financial assistance to industry and, in some cases, government invests directly and takes equity in return. It is in these cases where CDIC will play a role, cases where the Government is a direct investor and needs a vehicle to manage its shareholding wisely.

CDIC has established its credentials as the vehicle to bring about commercial quality expertise and practices where they are called for in government investments. Its efforts have produced detailed accountability to Parliament, more constraints on Canadair and de Havilland, and timely disclosure of important developments. CDIC is a pragmatic response to the need for a better means of managing government investments, as well as to the need for a vehicle with a public mandate, including the divestment of government investments when there is no longer a public policy reason to hold those investments.

• (1120)

[*Translation*]

Mr. Speaker, there are people who are afraid that the CDIC will have wide-ranging powers to make its own investments. That is absolutely false. In accordance with provisions to be found in this Bill, the CDIC has no authority to take control of existing companies or to set up new subsidiaries.

The CDIC is a tool created by the Government to manage investments. However, Government and Parliament will decide what those investments will be. In a few moments I shall indicate the various provisions of the Bill that relate to such decisions.

The Bill has seven main parts. The first three clauses of the first part are the introduction and include definitions and provisions dealing with the event of inconsistencies between this bill and the Financial Administration Act.

Clauses 4 to 8 contain provisions concerning the Canada Development Corporation. These provisions authorize the Government to divest itself of its assets, which represent 48.2 per cent of the shares of the CDIC. The Board of Directors of the CDC believes that the present business climate as well as the market situation are not favourable for immediate privatization of these shares. We feel that the public has a right to expect a reasonable return on its investment, and as soon as the time is ripe, we want to be ready to proceed with privatization, with the authorization of Parliament.

[*English*]

Bill C-25 will bring CDC under the Canada Business Corporations Act as soon as the Bill is passed and proclaimed. This will end the provision for a minimum 10 per cent government shareholding. In other words, even if there were buyers for our CDC shares at the present time, we would not be able to sell them without this legislation. In order to improve the marketability of the CDC shares, the restrictions on the number that any individual investor may hold are also being eliminated, though in this case in two stages. At the present time, non-government voting shareholders are limited to a holding of 3 per cent. This limitation will be permitted to be set at 10 per cent for all non-government shareholdings. This limitation will be removed altogether after a transitional period of three years. This transitional step is designed to allow CDC shareholders protection from unexpected changes in control without their approval. I should also note that the shareholders of CDC have approved these transitional arrangements.

[*Translation*]

The next part of the Bill, clauses 9 to 24, deals with the activities of the CDIC. These clauses are the actual basis of the CDIC. While the CDC's status as a corporation created under an Act of Parliament is being changed to that of a corporation formed in accordance with the Canada Business Corporations Act, the reverse is true of the CDIC, which was

created under the Canada Business Corporations Act and will now become a corporation formed under an Act of Parliament.

Clause 11 is the key clause of the Bill. It specifies the four roles of the CDIC which I mentioned at the beginning of my speech:

(1) To manage assets in a commercial manner;

(2) To privatize assets;

(3) To acquire new investments from the Government;

(4) To advise the Government on matters pertaining to business and industrial issues.

The powers of the CDIC are not as wide-ranging as these objectives might lead us to believe. In fact, the corporation must conform to strict standards for public disclosure and accountability, and must always obtain Parliament's approval before investing in a new business.

When Hon. Members examine Bill C-25, they will see a number of provisions requiring CDIC to obtain the authorization of the responsible Minister, the corporation's Board of Directors, the Minister of Finance, Cabinet, Treasury Board and finally, in other circumstances, the authorization of this Parliament.

• (1125)

[*English*]

The Bill provides for a board of 20 directors and introduces staggered terms so that in any one year the terms of no more than one-half of the directors expire.

Normally the Bill directs the board and management of CDIC to operate in a commercial manner, but should government decide that some specific course of action is in the public interest, it will be able, under the CDIC Bill, to issue a directive. This directive will be made public, indicating the activity government wants CDIC to undertake and taking appropriate policy responsibility for that instruction. The directive must be given with board consultation. The directors then have a duty to ensure that the directive is implemented in a prompt and efficient manner.

The fourth segment of the Bill is found in Clauses 25 to 41 inclusive. This portion of Bill C-25 covers the financial provisions relating to CDIC and its wholly-owned subsidiaries. Clause 26 sets out CDIC's authority to borrow money and puts a limit of $3 billion on the over-all borrowings and loan guarantees for CDIC and its subsidiaries. The long-term debt of Canadair, de Havilland and Eldorado, a total of $1.9 billion at the end of 1983, is included in this amount. Before CDIC can exercise an unused portion of this debt authorization, it must first obtain the approval of the Minister of Finance as set out in Clause 27. In addition, each year CDIC will be required to indicate its intended borrowings in its corporate plan which requires the approval of Cabinet.

The Bill, in Clause 28, also authorizes the Government to provide up to $1 billion of equity capital to CDIC. This funding will be activated in the context of the corporate plans and capital budgets of CDIC and its operating subsidiaries, summaries of which will be made available to Parliament. Another clause of the Bill allows the Minister of Finance, with Cabinet approval, to require CDIC or a wholly-owned subsidiary to pay surplus funds into the Consolidated Revenue Fund.

[*Translation*]

The financial record of the CDIC and its investment activities will be carefully scrutinized by Parliament and the Government.

In accordance with Clause 30 of the bill, the CDIC shall submit annually to Cabinet a plan encompassing all the businesses and activities, including investments, of the company and its wholly-owned subsidiaries. The CDIC and its wholly-owned subsidiaries shall conduct their activities in accordance with this plan.

Furthermore, Clause 31 provides that the CDIC shall submit annually a capital budget to Treasury Board, for its own investments and those of its wholly-owned subsidiaries. The CDIC and its wholly-owned subsidiaries shall not incur, or make a commitment to incur, a capital expenditure in any financial year before the budget has been approved, unless the expenditure or commitment is part of a business activity that has already been initiated.

We shall table summaries of these plans in Parliament. This provision appears in Clause 33 and will prove very useful to Parliament when evaluating and scrutinizing the activities of the CDIC and its subsidiaries.

• (1130)

[*English*]

Clauses 34, 35 and 36 restrict CDIC or its wholly-owned subsidiaries from acquiring and operating businesses or setting up new companies without meeting certain tests. In cases of a corporate reorganization, for example, where it might be necessary to set up a new corporation, Cabinet must approve the transaction. More important transactions involving entering a new business would require the approval of Parliament.

I wish to stress this latter point. Some have suggested that CDIC is being cast loose to invest in ventures and companies as it chooses. That is not the case. Before CDIC can enter into any new activity, it must receive the approval of both Cabinet and Parliament. Clause 36 sets out the mechanics for obtaining parliamentary approval. As the Bill states in Clause 35, CDIC will not be able to acquire control of an operating business without the approval of Parliament unless the business is complementary to an existing business of CDIC, in which case the approval of Cabinet is sufficient. The exemption from parliamentary approval would not apply where the acquisition would involve substantially all the holdings of another corporation directly owned by the Crown. Cabinet approval is required for CDIC to dispose of any securities transferred to it by the Government or any voting shares.

[*Translation*]

The fifth part of the Bill consists of clause 42, which concerns CDIC's subsidiaries: Canadair Limited, The de Havilland Aircraft of Canada Ltd., Eldorado Nuclear Lim-

ited, Teleglobe Canada and, in the near future, Pêcheries Cartier Inc. and Fishery Products International Ltd., and subsidiaries of those corporations. The clause deals with the relationship between the CDIC and its subsidiaries, and the aim to change the status of those subsidiaries to private sector corporations. The clause also guarantees that through the CDIC, these companies shall be accountable to Government and finally to Parliament.

The sixth part of the Bill covers clauses 43 to 46 which deal with general provisions for disclosure and specific accounting requirements. Clause 43 obliges the CDIC and its wholly-owned subsidiaries to conform with the requirements for disclosure of information that apply to corporations whose securities are offered for sale to the public in Canada. Mr. Speaker, as Hon. Members are aware, the CDIC has been following this policy for some time by publishing quarterly and annual financial statements for itself and its subsidiaries. This form of full and rapid disclosure of the general productivity of the companies is important for Parliament and also for the general public. It also acts as an incentive for those directing the companies to perform satisfactorily, since the results of their performance are published within a relatively short time.

[*English*]

Clause 45 will transfer the Government's shares in CDC to CDIC. This will replace the requirement in the existing CDC Act—which is being repealed by this Bill—that the Government's shares be registered in the name of the Minister of Finance.

The final segment of Bill C-25 deals with Teleglobe Canada. Clause 47 transfers Teleglobe Canada to CDIC and clarifies the shareholder-subsidiary relationship between CDIC and Teleglobe. The final two clauses of the Bill contain the necessary amendments to the Teleglobe Canada Act. Because of the unique policy role of Teleglobe and its strategic importance to Canadian telecommunications policy, parliamentary approval will have to be obtained for any future sale of Teleglobe.

Members will see that this is an important piece of legislation. It is designed to deal in a realistic, sensible fashion with an issue that concerns all—the sound management of government investments in commercially-oriented companies and the sale of those investments when the commercial opportunity arises. In cases such as Canadair and de Havilland, it is the investment itself—that is to say, the decision to maintain these companies—which is the public policy choice. But the day to day operations of those companies must be based on commercial principles. The policy decision is that they exist, but they can only exist in the long term if they become commercially viable. They can only become so by following commercial routes.

[*Translation*]

At the same time, Mr. Speaker, they shall continue to be accountable to Parliament. They shall do so through the CDIC, which will publish quarterly financial statements and annually submit investment budget summaries and general plans for the CDIC and its subsidiaries, all of which underlines the Government's commitment to ensure that Parliament knows what is going on and that responsibility areas are clearly defined.

The financial statements and summaries of investment budgets and general plans of the CDIC will be available as reference documents to the committees of Parliament concerned, which may summon the Minister responsible for the CDIC and senior administrators of the CDIC and its subsidiaries, to ask for clarification. This means that in addition to conforming to the principle of full and rapid disclosure of financial results, general plans and investment budgets, the CDIC and its subsidiaries will be at the disposal of Parliament.

[*English*]

Experience has shown that government needs an effective vehicle for the management and subsequent sale of commercial-type assets it has acquired at one time or another. There is a need for a clear and on-going shareholder presence to ensure adherence to commercial standards. CDIC, I believe, can be that vehicle. Indeed, it is already performing these responsibilities in a business like manner under the supervision of a board of directors made up of eminent Canadians.

[*Translation*]

Hon. Members may not agree with certain investments made by the Government, but I think the House will agree that all our political parties, both on the federal and on the provincial scene, have traditionally accepted the principle that in special circumstances, Government intervention is needed to protect the national interest or even to protect regional interests. It is unlikely that this approach will be abandoned in future, at a time when our economy is going through a difficult stage towards recovery and renewal.

In the present economic situation, the CDIC can play a major role in ensuring that these investments are administered as efficiently as possible, that they are privatized as soon as a commercially attractive opportunity arises, and that these activities are carried out in accordance with strict requirements for accountability and public disclosure of any information requested by Canadians.

Mr. Speaker, Bill C-25 meets these objectives and meets this requirement, and I hope we can count on the co-operation of all the Members of this House for approval of the Bill before the House adjourns for the summer.

• (1140)

[*English*]

Mr. Waddell: I rise on a point of order. I am sorry, Mr. Speaker, I should know this, but perhaps you could tell me if there are questions and comments after the first round?

The Acting Speaker (Mr. Herbert): There is no provision for a question period following the speeches of the first three lead-off speakers.

Mr. John Thomson (Calgary South): Mr. Speaker, here we go again with the sticky hands of government. Here is another piece of legislation to demonstrate the sticky hands of the Liberal Government. If there was ever a case where we were letting the foxes in with the chickens, this has to be it. Can you imagine letting Senator Austin, Maurice Strong and Joel Bell run footloose and fancy free with $4 billion worth of public assets? I suppose we could entitle this piece of legislation "the interventionists". That would be an appropriate title for the Bill.

If the Government has a problem, rather than dealing with the problem, rather than exercising any political will, the Government simply creates a new Crown corporation. That is the solution to all problems in so far as the Liberal Government is concerned. If we have a problem, let us not deal with it. Let us not exercise any political will. Let us create a new Crown corporation. And this is the granddaddy of them all; $4 billion for a brand, spanking-new CDIC. It is the solution to Canadair, de Havilland, Eldorado, Teleglobe and Massey-Ferguson. I could go on talking for a week about the Government's Bill to continue the Canada Development Investment Corporation or, as it is often referred to, the CDIC, and its deficiencies.

I really do not know where to begin because there is so much I would like to say on this Bill and on CDIC generally. However, I have decided to limit my talk today to four points. The first point is with respect to the origins of CDIC; second is the CDIC's proposed mandate; third is the serious defects which we have identified in Bill C-25; and fourth, the relationship between Bill C-25, which is before us today, and Bill C-24, the Government's Crown corporation Bill, on which we have just concluded second reading debate under government closure.

CDIC was incorporated under the Canada Business Corporations Act in May of 1982, but the roots of CDIC reach back much farther, back to the failure of the Canada Development Corporation. And let us not confuse the Canada Development Investment Corporation with the Canada Development Corporation. The creation of CDIC represented an admission of defeat by the Government. It represented the culmination of a decade-long struggle between the Government on the one hand and CDC management and the business community on the other. The Government wanted to play both sides of the street with CDC. It said it wanted a commercial operation with control residing with the private shareholders. However, when the occasion arose, the Government tried to use the CDC to bail out companies. It did not have any respect for the private investor. It was prepared to put private shareholders' money at risk in order to pursue its own political purposes. When the CDC resisted the pressure of the Government, the Government cast around looking for another vehicle of intervention. The result was the CDIC.

However, it was not quite that simple. I would like to go through some of the steps which the Government followed in setting up the CDIC to demonstrate two things: first, that the Government really had no strategy for the CDIC. The Government's explanation of the need for the CDIC is really an *ex post facto* justification for a series of haphazard, accidental actions. Second, some of its actions were and remain today legally questionable.

As I said earlier, Mr. Speaker, the CDIC was incorporated on May 26, 1982. It was incorporated by Robert James Hamilton, a Toronto lawyer. The sole shareholder of the company was Mr. A. H. Hampson—Tony Hampson—the President and Chief Executive Officer of the CDIC. On September 15, 1982 Tony Hampson gave his shares in the CDIC to the federal Government. The grateful Government accepted the shares and, voilà, we have one more Crown corporation! On the same date, the Government made CDIC an agent of Her Majesty by Order in Council under the Government companies operation Act. This means that the CDIC was given a wide range of privileges and immunities not available to private sector corporations, such as immunity from the federal Government's own Combines Investigation Act, and if allowed to borrow money it does so with the full faith and credit of Her Majesty.

Let us stop right here for a moment, Mr. Speaker, and review what has happened. We have a brand-new corporation here, an agent of Her Majesty, and Parliament has not even been consulted. We have a new corporation. We have given it an agent of Her Majesty's status, made it immune to the Government's own Combines Investigation Act, and Parliament has not even been consulted. Why was Parliament not consulted in the creation of this corporation? Why the deviousness? Why not bring the whole thing into the light of day and ask Parliament to review the new corporation in the same way as Parliament reviewed the Petro-Canada Act in 1972 to 1975, or the new Air Canada Act in 1977? Why the secrecy? Why not put it out on the table and let us have a public debate on the creation of CDIC? Why do we create the CDIC without parliamentary approval and the approval of this Chamber? What is the Government trying to hide?

It does not stop there, Mr. Speaker. In September of 1982 the shares of Eldorado Nuclear Limited were transferred to the CDIC, again by Order in Council. However, we will contend, Mr. Speaker, that the Government acted illegally in doing so. We contend that under one Act of Parliament, Appropriation Act, No. 4, 1980-1981, and possibly a second Act of Parliament, Section 10 of the Atomic Energy Control Act, CDIC was precluded from holding the shares of Eldorado. The issued and oustanding shares could only have been held by the Ministry of Energy, Mines and Resources. The shares were illegally transferred by this Government by Order in Council to this new corporation, CDIC. In doing so, the Government acted in total contempt of this Parliament and the people of Canada. Legally, the Government acted improperly and in total disregard of one and possibly two Acts of this House. Clause 42(2) of Bill C-25 is designed to set part of this right but, of course, it does this retroactively.

And it did not stop there; oh, no! The Government was not finished yet. CDIC needed cash for working capital but had no revenues. The Government began to consider its options.

Could it charge a management fee to the subsidiaries? Maybe. Could it force one of the corporations to declare a dividend to CDIC? Yes. The Government decided that Teleglobe had lots of cash so it would force Teleglobe to supply the money. However, there was a problem in that Teleglobe does not have a share structure, so there were no shares for CDIC to hold. Under the Teleglobe Canada Act dividends were payable directly to the Consolidated Revenue Fund. That put the kibosh on that.

• (1150)

The Government could borrow the money only if Parliament approved and it did not want to subject the CDIC to a debate in Parliament at that time. A debate on the creation of CDIC in Parliament would almost be democratic, would it not? Rather, the Government resorted to a seldom used clause, Section 72 of the Financial Administration Act, to give CDIC a 12-month loan of $500,000. In the 30 years since 1952, Section 72 of the Financial Administration Act has been used only twice.

The amount of $500,000 was not enough to satisfy the appetite of CDIC. It would not even pay the salaries and they required more money. Therefore, the Government performed a complex share conversion with Eldorado which magically netted the CDIC $10 million. There were two problems. The shares owned by Her Majesty could not be sold or transferred without Her Majesty's Governor in Council permission. Yet we can find no evidence of any permission being given. More importantly, the cash from the transaction should have gone to the Consolidated Revenue Fund rather than into CDIC. However, the money finally ended up in CDIC. In our view, this is totally contrary to the Financial Administration Act.

Why is Bill C-25 before the House now, almost two years after its creation? Has the Government all of a sudden recognized the error of its ways and repented? No. CDIC needs a lot more money and cannot get it until its status is changed. The Government had to bring this legislation forward at this time in order to fund CDIC. There was no alternative to bringing the legislation forward so that CDIC can borrow up to $3 billion and raise equity of $1 billion.

Why should the House look favourably upon Bill C-25 when the Government has ignored and avoided Parliament for two years while the CDIC was set up, financed and operating? Second, the Government has ignored, twisted or subverted Acts of Parliament. Third, the Government only comes to Parliament now in desperation when it has no other choice. For the reasons I have cited, Mr. Speaker, C-25 offends me deeply. I feel as though I am being asked to be an accessory after the fact to legitimize the Government's very questionable past dealings.

I will now turn to CDIC's proposed mandate. In his opening remarks the Minister made much of the fact that CDIC was an instrument to privatize certain corporations. It has had two years to come to grips with the problem. I have not seen one single corporation privatized or even close to it. The Government says it needs to wait until the appropriate time to sell these corporations. There will never be an appropriate time to sell these corporations because they are not saleable. They are all dogs except for Teleglobe. Teleglobe is the only viable corporation among them.

Mr. Whelan: We privatized grain elevators in Alberta and the Alberta Government bought them.

Mr. Thomson: I beg your pardon? Perhaps the Minister will have his chance to let us have the benefit of his great wisdom on this Bill.

Mr. Taylor: He talks better sitting down.

An Hon. Member: He just gave it.

Mr. Thomson: The problem is not the question of privatization, Mr. Speaker. All the Government really wants to do is create more and more Crown corporations. That is what CDIC is designed to do. Under Clause 11 of Bill C-25, the CDIC is to hold and manage assets, to effect divestitures and to make investments. In so doing, it has all the legal powers of an actual person. That is a very wide mandate, Mr. Speaker. I would characterize it as a blank cheque to do anything.

What does the Government intend for CDIC? That depends upon whether you listen to the Chairman, the President, or Senator Jack Austin. They all have a different story to tell about what they think CDIC should do. From his speech to students at York University, it would appear that the Chairman of CDIC, Mr. Maurice Strong, sees the CDIC as an instrument of massive intervention into the economy. His blithe assumption that only the Government can respond to new economic challenges through ever greater involvement in the economy is amazing. Why do we have a private sector? If his view is that only the Government can respond, then why have we 1.5 million people out of work in the country today? Did the Government solve that problem? The problem is government intervention. Government intervention is directly and solely accountable for the 1.5 million people unemployed today.

From other statements and speeches of Mr. Strong we learned that he envisages CDIC as a merchant banker, a holding company and, in his words, a much needed mechanism to buy into strategically important corporate bail-out cases. Publicly the Minister responsible tends to emphasize the management and divestiture aspects of CDIC.

Mr. Joel Bell, the President of the company, sees a wide mandate for the company which includes international joint ventures that would give CDIC access to foreign technology and markets. That sounds wonderful. These gentlemen are very clever at crafting the words. They craft the words to mislead public opinion. It sounds great to say that CDIC is going to have access to foreign technology and markets.

In an article in *The Globe and Mail* Mr. Bell played down the divestiture aspect of CDIC's mandate. He said that divestiture talk was premature and that, in any event, the CDIC may want to retain a stake in the companies for a considerable period of time. Which one of these stories can we believe? The

mandate is so broad that the Government is free to do anything it wants. All three of these fellows are free to do whatever they want at any particular point in time.

I obtained a copy of the articles of incorporation of the CDIC in the hope that they would give me a clue as to what it intended to do. I thought that the incorporators might be a little more forthcoming, effusive and informative in the articles than they are in the Bill itself. I thought that the articles would be the true test of the incorporators' intent. What I found was that under the clause entitled "Restrictions on Business the Corporation may Carry on", the incorporators typed in one word. That word is "none". There are no restrictions at all. This corporation can do whatever it wants, regardless of the words that are written in the Bill.

• (1200)

Today Eldorado and Teleglobe; tomorrow Maislin; the next day Power, Argus Corporation or a shoe factory in Argentina. Who knows?

Even more instructive was the Order in Council attached to the articles of incorporation. I assume that this represents Cabinet's real view of the mandate of the corporation. Allow me to quote from the "Objects" part of the Order in Council. It reads:

(A) To assist in the creation or development of businesses, resources, properties and industries of Canada;

(B) To expand, widen and develop opportunities for Canadians to participate in the economic development of Canada through the application of their skills and capital in any activities carried on by the corporation.

(C) To invest in the shares or securities of any corporation owning property or carrying on business related to the economic interests of Canada:

(D) To invest in ventures or enterprises, including the acquisition of property, likely to benefit Canada: and,

(E) To carry out all activities in the best interests of Canada, operating in a commercial manner.

That is like something sent from heaven. Those objects allow it to do anything it wants. This comes from an Order in Council, yet there is no mention of divestiture or privatization. It does not mention anything about operating these companies in a good commercial manner like the Minister said it would. It only says "to acquire". Make no mistake that CDIC is an instrument of acquisition. It is supposed to be acquisition in the best interest of the people of Canada, but it is another $3 billion down the tube or perhaps more. That is only a start.

It is fascinating to realize that divesting is not even mentioned once in those objectives. However, "assist" is mentioned twice, "invest" is mentioned twice and to "expand, widen and develop" is mentioned once. There is no mention of the word "divest".

What has government ownership really accomplished for us in Canada today? Are we better off for it? Are we better off for more government intervention? Are we better off for more and more central planning? Do you really believe, Mr.Speaker, that politicians or governments can create jobs through government ownership? We see only more bureaucracy and more deficit. We on this side of the House do not believe that the ills of the world are solved by more government intervention. Even if we did, the current personalities associated with the CDIC have not demonstrated any particular gift for management that I am aware of. The evidence cries out for less government intervention, not more. Bill C-25, the CDIC and the current cast of characters at the CDIC are all going the wrong way.

I spoke earlier of the Government's failure with the Canada Development Corporation. One of the reasons for that failure was the broad and vague mandate given to the corporation under Section 6 of the Canada Development Corporation Act. Apparently having learned nothing from that experience, the Government is asking us to repeat the same folly through Bill C-25.

My colleagues and I in the Progressive Conservative Party believe that one of the solutions to the Crown corporation problem is a more clear and precise definition of the mandates and objectives of Crown corporations. Bill C-25 violates that very basic and fundamental principle.

The first principle in coming to grips with Crown corporations is disclosure. The Government has made much of the standards of public disclosure that the CDIC will have to submit. If the business plans and financial statements submitted thus far by the CDIC are an example of these new high standards of public disclosure, we want no part of it. If the Government will continue simply to wipe out important portions of the plans and budgets, as Bill C-25 would let it do, we want no part of it. Parliament and the people of Canada have a right to know. The public's right to know would be seriously eroded under Bill C-25.

Let me refer to Clause 41(4) of the Bill. It reads:

Sections 24 to 26 of the Statutory Instruments Act do not apply—

—in respect of directives and certain orders made under C-25. What are Sections 24 to 26? Section 24 provides access for the public to such statutory instruments. Section 25 allows the public, for a fee, to copy and take away copies of these orders and directives. Section 26 provides for permanent reference of these directives and orders to the appropriate standing committee of the House of Commons or Senate.

In one contemptuous swoop, the Government wipes out a large portion of Parliament's and the public's ability to know where the taxpayers' money is being spent by CDIC. Yet the Government has the temerity to say that CDIC will be subject to a new and rigorous regime of public disclosure. What unmitigated gall! What contempt for the intelligence of Members of Parliament! The Government's only concern is money, money, money.

According to Clause 26 of Bill C-25, the CDIC would be able to borrow up to $3 billion. That is roughly one-tenth of the Government's yearly deficit. It is $3 billion that the CDIC could raise as a direct charge against the Consolidated Revenue Fund and with no need for any further approval whatsoever from Parliament. It boggles the mind.

As if that were not enough, Bill C-25 would allow the Government to raise that debt ceiling to infinity by a $1 item in the Appropriations Act. I point out that this provision is a

clever but transparent way to circumvent the Speaker's ruling of June 12, 1981 on matters such as this.

The Minister responsible for the CDIC issued a press release that makes much of the control Parliament is to have over any future acquisitions by CDIC. But where in Bill C-25 is that control provided for? Clause 34 provides for control by the Cabinet by secret Order in Council, but I see no control by Parliament. It is simply not there. The Government has conveniently forgotten it.

My final point refers to the relationship between Bill C-25 which is before us today and Bill C-24, the Government's Crown corporations bill, tabled on March 15. When the Government presented Bill C-24, there was much fanfare about how it would resolve the problems of control, direction and accountability of Crown corporations. This was to have been the solution to the problem. After nearly 14 years of study, Bill C-24 had finally found a solution.

If Bill C-24 is so great and will do everything the Government says that it is supposed to do, why does it not apply to the CDIC? The CDIC is a Crown corporation, is it not? If it is good enough for Air Canada, for the CNR or Petro-Canada, if Bill C-24 is good enough to put them under a regime of accountability, why is it not good enough for the CDIC?

According to Bill C-24, the chief executive officers of Crown corporations would be appointed by Cabinet. Under bill C-25, the chief executive officer of CDIC would be appointed by the board of directors.

Under bill C-24, the chairman of Crown corporations would be appointed by Cabinet. Under Bill C-25, the chairman of the CDIC would be elected by the board of directors. Bill C-24, in Clause 98, says that it is to apply in the event of any inconsistency between it and other acts of Parliament. In the case of CDIC, which applies? Which route is the Government asking Parliament to approve?

• (1210)

Second, Bill C-24 was supposed to be the framework for all Crown corporations. Yet there are at least half a dozen provisions within Bill C-25 that would exempt the CDIC, or allow the Cabinet to exempt the CDIC, from Bill C-24. Bill C-24 and Bill C-25 were drafted at about the same time, probably drafted by the same person, reviewed and approved by Cabinet at the same time and brought before the House at roughly the same time. Why the differences? Why the inconsistencies? Has the Government not made up its mind?

Is the Government trying to play both sides of the street? Have the Minister and CDIC management made a special deal with the Prime Minister (Mr. Trudeau)? What is going on here? How can the Government expect Parliament to treat these two Bills seriously when it is obvious that the Government does not know which way it is going? Since Cabinet solidarity on the Crown corporation issue is so obviously fragmented, one of the Ministers, either the one responsible for Bill C-24 or the one responsible for Bill C-25, should resign because they differ substantially as to the regime that should exist.

In closing, Mr. Speaker, I would like to say that we on this side have no confidence or expectation that the CDIC will be anything other than another unmitigated disaster. Contrary to the recommendations of the Public Accounts Committee on Canadair, the CDIC will downgrade the boards and managements of the individual corporations. The chief executive officers will be treated as divisional vice-presidents. Does the Government think this will foster accountability? Hardly, Mr. Speaker.

The CDIC is defended on the grounds that it will resolve the problems these "commercial" corporations have had in dealing with Government. Has anyone stopped to ask why the Government need be involved in commercial enterprises? The CDIC is supposed to make up for a range of structural deficiencies in the Government. Why do we not fix those structural deficiencies rather than creating another bureaucratic layer? Why do we not cure the disease rather than the symptoms?

One day the 19 member board at CDIC—yes, 19 members, Mr. Speaker—that 19-member collection of Liberal financiers, door knockers and campaigners, will oversee issues and events relating to international telecommunications; the next day it will be uranium mining and refining; the next day the airframe industry; the next the fishing industry; the next the farm implements business; and on and on. You cannot expect anything more than another series of disasters à la Canadair and de Havilland. By putting this Bill before the people of Canada, we are asking for more intervention and more throwing good money after bad.

When I addressed the House on Bill C-24 I found the proper place for the Government to put that piece of legislation. If the bin is not too cramped with other useless pieces of bogus Bills, the Government can add Bill C-25 to the pile. And so, Mr. Speaker, we intend to resist this Bill with all of the strength and energy we can summon.

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, when I was listening to the Hon. Member for Calgary South (Mr. Thomson) I was thinking about Sir John A. Macdonald. I am a great admirer of Sir John. I was born in Scotland and like Sir John came to Canada at age five and became a barrister. But there the comparisons end. He, of course, was a Conservative and I am a New Democrat.

Mr. Stevens: You are a socialist.

Mr. Waddell: If Sir John had heard the speech given by the Hon. Member for Calgary South, I think he would spin in his grave. I think Sir John and that kind of Conservative realizes that there is a mixed economy in Canada and there is a kind of a role between government and business in its own peculiar Canadian way. I agree with some of the criticisms made by the Hon. Member for Calgary South about this Bill, but for him government is like a disease. It seems to me there is a much more positive way of approaching the criticism of this Bill which would serve the public good in the end much better than this kind of negative and quite reactionary approach.

Mr. Stevens: There is the old alliance of the NDP and Liberals.

Mr. Waddell: I want to make a few remarks from the NDP view point on this Bill.

Mr. Stevens: You mean from the socialist point of view.

Mr. Waddell: I keep hearing the Conservatives yelling out "socialist". They are like children. It is as though they have no thoughts. They are afraid. Sure, I am socialist, a social democrat—whatever you want to call it. That is why they are falling so rapidly in the public opinion polls these days. What about dealing with policy and with ideas?

Mr. Stevens: How are you doing in the polls?

Mr. Waddell: They should stop dealing like children with meaningless slogans.

Let me deal with the CDIC. The CDIC is the Government's new, giant holding company. It oversees about $10 billion of Crown commercial assets including Canadair, de Havilland and the other companies, Mr. Speaker, that you have heard of. It is true what we are debating today is really a fait accompli. Basically CDIC was created in the same way its chief Minister, Senator Jack Austin, was created—that is, without the authority of Parliament. Maybe I should make some apologies to his mother. I suppose she had a role. CDIC was created some time ago. Senator Austin himself is an affable, hard-working man. He is from Vancouver. He once stood for Parliament in Vancouver-Kingsway, which is my riding. Needless to day, he was defeated.

Cabinet created CDIC two years ago. This Bill is to legitimize its birth. If Senator Austin wants to legitimize himself and become answerable for this Bill to the House of Commons, I suggest he run against me in Vancouver-Kingsway in the upcoming election. I think he will probably be fairly easy to beat. He will be as easy to beat as my old friend, Jerry Yanover, who is in hospital today and who is probably watching this on television, is at shuffleboard.

CDIC is no ordinary Crown corporation, Mr. Speaker. It has potential ramifications for the economy. In a sense I think the Hon. Member for Calgary South was hinting, and I agree with him about this, that the Government is really speaking from both sides of its mouth concerning this corporation. On the one side the Government is saying privatize, and then the other the Government is saying let us expand into more Crown corporations; at least, the Bill opens up the way for that. The Minister did not make it clear in his speech. He simply said that there is no contradiction. But the fact is that the Liberals have mismanaged Crown corporations. Canadair and de Havilland are two good examples. That is why we have this Bill to try and clean them up. Second, the Government is being inconsistent in its future role with respect to what Crown corporations should do.

I want to try and analyze why the Government is acting this way. It seems to me that you have to look at what the Government is trying to do in this Bill. It talks about accountability. The President of CDIC, Mr. Joel Bell, wrote a letter to me on May 9, 1984. Let me read part of it into the record:

> We made certain commitments at the outset which I hope you will agree we have lived up to. As you know, we were faced with difficult situations at several companies for which we were made responsible. Our approach has been to carry out a thorough review of the troubled companies, identify the problems and actions needed and provide full reports on them, including quarterly financial reports. We have made regular disclosure of our performance and this report is part of our effort to provide accountability to Parliament and the public. The report outlines the corrective actions we have taken to date and points to our plans for the future.

There is Mr. Bell talking about taking over troubled companies, the problems they have had and the mismanagement they have had to deal with, and he is suggesting in his letter to me and to other Members of Parliament that what he proposes to do is to have accountability. That is what we have to focus on in this Bill.

I want to say something about the people involved, which is a point the Hon. Member from Calgary South mentioned. Usually one does not talk about people. Public servants are public servants. We assume that they are competent and non-partisan. The people who are involved in CDIC are rather interesting. As a matter of fact, they are the cream of the movers and shakers of the "Trudeau" bureaucratic era.

• (1220)

The Chairman of the CDIC is Maurice Strong. He is the ultimate businessman/bureaucrat in Canada. He was the head of the Power Corporation, then the head of CIDA and also first Chairman of Petro-Canada. Indeed, Petro-Canada was partly Maurice Strong's idea and partly Jack Austin's idea, who was then Deputy Minister of Energy. In fact, it was partly our idea in pressing for it in the minority Parliament from 1972 to 1974 in the House of Commons. The President of Petro-Canada was Bill Hopper, another immensely competent public servant. Who was his assistant? It was Joel Bell. It is all tied in; it all links in. The Hon. Member for Calgary South was right.

On March 30 of this year, Greg Weston, a journalist for *The Citizen*, wrote an article about how it all fits in. He wrote:

> There must be days when Senator Jack Austin muses to himself that with friends like Pierre Trudeau, who needs a parliamentary democracy?

I suppose Mr. Bell and Mr. Strong feel the same way. Indeed, CDIC is a vehicle steered by the elite. They are unelected and unanswerable. They are a clique of super-bureaucrats and Liberal outsiders.

Mr. Malone: Just like socialists.

Mr. Waddell: They are not like socialists. They are quite different. Modern socialism is different from that.

We must remember that by Cabinet order CDIC was incorporated as a private company. Then it was sold to the Government for $1 the same day. By Cabinet order, the shares of the Government in the old Canada Development Corporation went to the CDIC. By Cabinet order, CDIC received a $500,000 interest-free loan. By further Cabinet orders, CDIC

was given control over Canadair, de Havilland, Eldorado Nuclear and the Government's stake in Massey-Ferguson.

I should like to refer to an article written by Michael Valpy who is now in Africa. He used to write the Ottawa column for *The Globe and Mail*. In 1983, when I do not think many people were watching or reading in great detail columns such as this one, Mr. Valpy, to his credit, wrote in detail about what was happening with the CDIC. The Hon. Member for Calgary South and others will agree with me. Michael Valpy was saying that what was happening with the CDIC Bill was one of the most important steps taken by the Government of Canada because it had long-term implications.

As I suggested, CDIC was fundamentally set up by a Cabinet order. What is the matter with that? There is nothing illegal about it, that is true. However, we have to look at the manner in which it is being governed, in which it is being set up and so on. It is really a watchdog for other Crown corporations. Actually, it is more than that. It is a giant holding company to control and bail out other Crown corporations. It is our role in Parliament to ask who will be the watchdog of the watchdog. It is supposed to be us. Therefore we should focus upon the accountability of this giant corporation.

Once we pass this Bill we will give Cabinet authority to give basically $4 billion of spending and borrowing power to CDIC. As the last speaker pointed out, that is a huge chunk of money, a big percentage of the Government's budget and deficit. As the Minister said, it is true that under this Bill corporate plans and capital budgets for CDIC and its subsidiaries must be presented to Parliament. However, they can be amended at any time by Cabinet. Also, as the Minister said and as the Bill indicates, it is true that Members of Parliament will receive quarterly reports. I have one such report in my hand. I believe it is one of the first reports from CDIC. These reports simply let us know every three months how much money has already been spent by the corporation.

Canadair came to Parliament three times in the past 18 months to ask for $750 million. In each case almost all the money had already been spent or was already committed. I am drawing some patterns or some similarities here. We receive reports after the money has practically been spent or committed.

We are told that we will have full and timely disclosure. I have heard that said by Senator Austin, indirectly by the Minister today and in the briefing for this particular Bill. However, if material is commercially detrimental to CDIC or its subsidiaries, we will not receive it. I am not saying that that is a bad principle. Certainly some of the information Crown corporations need to keep private cannot be made public. That may have to happen, but we must weigh it when we walk about the whole area of accountability.

I should like to quote from a consultants' report which was presented to Parliament. If we are to say that such a consultants' report cannot be released because it may hurt the company commercially, we are deprived of information. The report concerned Canadair in 1982, at which time we were debating whether we should give it another $200 million. The consultants' report, which we did not see, read in part:

> The successful public relations program recently used to camouflage the $200 million of additional subsidy to Canadair makes it appropriate for this report to state bluntly the current realities:
>
> There is no chance for recovering the investment in the Challenger (jet program).
>
> The aircraft adds little of significance to the repertoire of Canadian manufacturing or technological capabilities.
>
> Rather than a triumph, the Challenger is simply another executive jet the world could do without.

The report concluded:

> In short, selling executive toys at $11 million each is not a business government should be in.

The Conservatives, to their credit, obtained that report through the Access to Information Act 13 months later, after we in Parliament had approved an additional $440 million for Canadair. I am not saying that Canadair is a bad program. I am not saying that I agree with the consultants' report. I am not saying that Parliament should not have given that money. However, what I am saying is that there is a problem in the sense of keeping such information private under the guise of its being commercially detrimental to the company. Then we in Parliament may not be able to examine the affairs of these companies, there may not be any real accountability at all, and mistakes can be made.

We have to look at how these companies are audited and at the role of the Auditor General. I would like to give two examples of why we need accountability. The first is de Havilland, the aircraft company in Toronto which makes Dash-7s and Dash-8s. On May 3, 1984, after talking with some workers in the de Havilland shop in Toronto, I found that in 1981 there were 3,500 employees on the shop floor and 1,900 management employees. In 1984 there are 1,300 floor employees and 1,400 management employees. The union felt there was a kind of slush fund for management retirees and nothing for the workers except layoffs. I asked the Prime Minister (Mr. Trudeau) about this. We were trying to find out if the Government was going to give more money, as it said, to de Havilland. We did not necessarily object to that, but at the same time more jobs were going to be lost in de Havilland, and we did object to that. This is what accountability is about.

• (1230)

I have another example in Canadair of Montreal. A government task force report in 1981 showed that the company's liabilities would have to increase from $150 million to $1.2 billion. Then there was an addendum to their report, that the GE engine they purchased was misrepresented by management. What was expected to be a $24 million increase in the cost of purchasing the GE engine turned out to be a $24 million a year increase. Thus the total exposure of the company was in excess of $1.3 billion.

Then in 1982 the task force was asked to determine if Canadair would exceed the $1.38 billion, as it was then, before the end of 1983. The task force report, hand-delivered to the Cabinet, said a breach would occur because the company's

projections were overly optimistic. In fact, they were unachievable. World demand had dropped so that new orders were non-existent. The task force also said that this did not include interest on loan guarantees which might escalate the cost to as much as $2.3 billion.

Without going into all of it, there is a long history of the Commons committee basically being misled by Canadair management and by the Government in not being open with us. We in the Opposition are not fools. We understand that Senator Austin and Joel Bell and Maurice Strong have a big job to do to clean up the mismanagement of these corporations. It probably was not a pleasant job. Canadians are sympathetic, I think. We would like to see de Havilland and Canadair work. When I make my criticisms here and in committee, I am trying to do so in a positive way so that we will have accountability. It is pretty obvious why we need accountability. Senator Austin will not be responsible to the House of Commons. We will not be able to get up and ask him questions daily because he is in the Senate. Without deprecating in any way the Opposition in the Senate, let me say I do not think it is as strong as it is in the House of Commons, to put it mildly. We need a balance between efficiency and accountability in the CIDC.

There are other matters concerning this Bill that we want to raise in committee, Mr. Speaker. For example, the Bill gives broad powers to hold and manage assets, effect divestitures of assets and make investments, and provide advice on matters pertaining to business and industrial issues in Canada. That is pretty broad and just what exactly does it mean? We want to find out in committee, and I put the Minister on notice.

The Bill says that the CDIC's investments and divestments will be subject to Cabinet approval, not Parliament's, although authorized Cabinet directives will have to be tabled in Parliament within 15 days, I believe. We would have to look at that provision. The legislation also says the CDIC must follow in principle the same disclosure rules that govern publicly-traded private companies. I think this may go a little beyond publicly-traded companies in terms of disclosure. But we have to ask ourselves if that is enough for government corporation taking over some failures which have cost the taxpayers a large amount of money. There have been allegations of mismanagement and the Canadian people have lost some faith in the Government.

We in the NDP are in favour of Crown corporations, Mr. Speaker. They are part of Canadian life. There is a mixed economy in Canada and we feel Crown corporations have worked very well for people in the past. It is nonsense just to stand up, as many Conservatives do, and rail against Crown corporations. That does not provide the answers. I see the Minister of Agriculture (Mr. Whelan) is here. I was talking to his brother Ed. He was telling me a little about the experience of Crown corporations in Saskatchewan, from a critical point of view.

Our problem in the NDP is that the federal Liberal Government is starting to give Crown corporations a bad name. We have had Crown corporations in Canada for good reasons. We are a large country geographically and a small country in population. We were at one time very dependent on Britain and we are now very dependent on the United States. To develop our independence as a nation we have had to use Crown corporations and mix government and private enterprise. But we have to give Crown corporations a clear mandate. That is the key. We have to define what we want them to do. We have to see how the corporation is performing its mandate. In the case of CDIC, we have to ask if the right management is in place. If not, we have to have the ability to change the management. We have to have an on-going review of the Crown corporations, their mandate and performance. It seems to me that would make sense. We cannot look at them solely in terms of financial factors, although in certain Crown corporations that may be the only way to look at them. There may be social factors involved. For example, in order to keep an aircraft industry with all its high technology and job ramifications, we may have to lose money on a Crown corporation. It is nonsense to say that we are going to sell Canadair and de Havilland. Who is going to buy them? We should not go around bailing out companies, wiping out their debt and then selling them off to the private sector. That is not the way to operate. Obviously, we really need a Crown corporation strategy.

How are we to obtain this scrutiny and accountability as I have defined it, Mr. Speaker? We will need a standing committee of this House on Crown corporations. It will have to be a bit of a breakthrough. It will have to be like an American Senate committee in that it will have good staff, some real power and a little more relaxed party discipline. There would be automatic referral to the committee. We have to look at the mandate of Crown corporations as I have defined it. We have to look at ways which will provide public accountability and scrutiny. I see this happening through a completely revamped committee. As I said, there are Hon. Members of the House who have much more experience than I in committees and I invite those Hon. Members to take this idea up and advance it before the House in this debate.

• (1240)

I think we must go so far as to have some of the directors of the Crown corporation approved by that committee. We cannot continue to have a small, elite group of people on those boards, as has been so frequent under the Prime Minister's Government. On the other hand, we cannot continue to have party hacks and patronage appointments on those boards because we will not have Crown corporations that are run properly. The boards of directors will not be opened up to consumers, to native people, to women and to all groups of society that have not been represented on boards of Crown corporations in the past and should have been.

We must think about worker participation in Crown corporations. We must think of Crown corporations as being on the leading edge of the new ways of making Canadian workers feel less alienated than they feel now. I have strayed a bit from the

CDIC but those are the kinds of things we should look at in the future.

Finally, the Government has disappointed me. The Hon. Member for Calgary South will agree that the Government really has no firm objective for CDIC. Did Government Members create the CDIC to privatize or to vastly expand the role of government in the economy? Perhaps they are juggling and really do not know what they are doing. If they are juggling, I hope they find out what they are doing pretty quickly because there are some vast sums of money involved.

I would like to see the CDIC used for economic planning for Canada. I would like to see it plan for a full employment strategy so that by the year 1990 we could have full employment in Canada. In 1960 President Kennedy said: "We Americans are going to put a man on the moon by the end of the decade". And they did. I think that our goal must be full employment. We can define the meaning of full employment and we can define a strategy to have full employment. We may have to use Crown corporations and particularly the CDIC in a creative way in order to move toward that goal. That issue is not discussed in this Bill and the Bill seems to have no such purpose.

The Hon. Member for Calgary Centre (Mr. Andre) will be surprised when I say this, but I think that in a sense this Bill seems to be coming from a little old-time socialism. The bill calls for a little bit of centralization and is a bit elitist. New socialism is built from the ground up, is decentralized and is opened up to the public. When Members yell at us about socialism, they should know what they are talking about.

Mr. Andre: When did we say we were against socialism?

Mr. Waddell: You will, my friend.

In conclusion, I shall return to the problem as I see it. I notice that the American Ambassador to Canada was quoted in today's *Citizen* as follows:

> Saying the only practical choices for Canada's prime minister after the next election are Brian Mulroney, John Turner or Jean Chrétien, Robinson said all three understand business and defence well enough to swing Canadian policies more into line with the Reagan administration's thinking.

Perhaps in the future we will have complete privatization, deregulation and a Bill Bennett type of economics in the federal Government.

Mr. Blenkarn: Good stuff.

Mr. Waddell: My friend on the Conservative side has said that that is good stuff. That is not the way we see it. We in the NDP feel that we could use this Bill in a positive way so that we may have a Crown corporation that will put good management into Canadair and de Havilland and we may use Canadian technology. Those aircraft companies have proud histories and we are proud of what they have done in the past. They have good workers. To the extent that Messrs. Bell, Strong and Austin would make the management of those companies better, we are all for it. However, to the extent that a small elite would still manage these companies away from the public eye—and being in the public eye would mean better management in the long run—we are against it. We propose to make amendments to the Bill in committee.

In this country, Mr. Speaker, we have seen an absence of debate on the role of the public sector and on the role of Crown corporations. We have heard a lot of rhetoric. I am sometimes as guilty as anyone of rhetoric on that subject. However, today I have tried to make some concrete proposals regarding what we in the NDP see as being the role of Crown corporations. We will advance those proposals during the committee's study of this Bill.

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, I was intrigued by my friend's comments regarding the new socialism as being socialism from the ground up, decentralization and so on. I would appreciate it if he could send me some written material on that subject. Perhaps there is still hope for him if he is talking about the value of decentralization. If he would stop to think about it enough, he would find that in fact the main reason why the private sector, the market place and capitalism, if you will, is so efficient and effective is because it is the most decentralized decision-making body possible. It is precisely the fact of its decentralized decision-making that makes it so effective and efficient. If the socialists or the members of the New Democratic Party are talking about this as being the new socialism, so be it. I believe they are really talking about the free market and the capitalist system.

The Hon. Member from the New Democratic Party indicated that members of his Party like Crown corporations. I suppose that that is not exactly news to this House. I think the socialists, whether they are members of the NDP or the Liberal Party, like Crown corporations. He spoke about how wonderful Crown corporations have been. I would be a lot more convinced of that, Mr. Speaker, and it would be a lot more helpful to the quality of debate, if those Members would be capable of pointing out even one single Crown corporation out of the somewhere between 200 to 450 Crown corporations that exist that is operating in the commercial area and compares favourably to an equivalent private sector corporation. If there was one such Crown corporation out of 200 or even one out of 450, just one which would compare favourably to equivalent corporations in the private sector, then perhaps there might be some justification for the statement that Crown corporations are good things.

I would also suggest to my friends in the New Democratic Party that they ought to pay a little bit of attention to what one of the officers of this House, the Auditor General, has been saying about Crown corporations as well as what his predecessors have said. Every time there is an audit of Crown corporations, we are treated to a great long list of abuses, mismanagements and waste of money. We are told that a catastrophic situation has been created which has spilled literally billions of taxpayers' dollars down the drain.

One wonders how many billions of dollars must be lost and how often the Auditor General must make these observations to us before we finally come to the logical realization that the manner in which this Government at least has been using Crown corporations to operate in areas where it is incompetent

has been extremely costly to the country. It has been costly in taxpayers' dollars, costly in jobs and costly in so many other ways that are difficult to measure.

It is not hard to understand why there are so many Crown corporations in the country. To a government of socialist bent, whether it be Liberal or NDP, Crown corporations are wonderful devices for getting around the obstacle of having to deal with our political system. They are great political devices. They are great things for governments to get involved in because they have all kinds of potential benefits to a government which is not worried about the country but worried primarily about its longevity in office. They carry few of the risks which are associated with direct government action.

• (1250)

I would like to cite a few examples. Crown corporations with their boards of directors, contracts for advertising and supplying paperwork as well as other business activities, are wonderful vehicles for government patronage. They provide wonderful ways in which to reward poll captains, zone commanders and campaign managers. Therefore, the existence of 400 Crown corporations is not viewed with alarm; it is viewed as a wonderful thing. With 20 directors per Crown corporation, it means that 8,000 loyal Liberals could be appointed to positions. Of course, I am not mentioning the possibility of other forms of patronage, such as obtaining contracts with Crown corporations for the benefit of friends of the Government Party.

Crown corporations also are good vehicles of manipulation for political advantage. Eldorado Nuclear is one example. Approximately four years ago Eldorado Nuclear wanted to add a new uranium refinery. The most economical place to construct the refinery was next door to the existing refinery which was in Port Hope, Ontario. However, there are very few Liberal votes in Port Hope as it is in a Conservative riding. That was the most economical location for Eldorado Nuclear to construct the new refinery. Constructing it anywhere else would have reduced the profitability of the refinery by $150 million to $200 million. That would have been the extra cost. Of course, the money did not come directly from the Consolidated Revenue Fund so it is not a real cost as far as the Minister of Finance was concerned. The then Minister of Energy, Mines and Resources—the current Minister of Finance (Mr. Lalonde)—decided that there would be more political value in moving that refinery to a Liberal riding rather than constructing it in a Conservative riding. That was the decision which was made: it was moved to a Liberal riding. So we can understand why the Minister looks kindly on Crown corporations such as Eldorado Nuclear; it is a wonderful way for him to make a gift to Liberals without it appearing as a cost in the Consolidated Revenue Fund.

I remember vividly in the middle of the 1979 election campaign Petro-Canada announcing, based on one single hole, that it had discovered enough natural gas to cure Canada's energy problems for the next hundred years. It had discovered one hole! It had discovered enough gas to cure Canada's energy problems! That happened in the middle of an election. If Petro-Canada had been a private trading corporation with shares in the stock exchange and had made that kind of statement based on one single hole, the officers of the corporation would have been charged for issuing false information and for attempting to influence the price of the stock. However, being a Crown corporation it was not subject to the normal laws that the rest of us and other companies have to deal with.

From time to time Crown corporations do things which apparently are meritorious. When that happens, it is a tremendous opportunity for Ministers to take credit. I remember, for example, when Canadair produced its first Challenger jet. It was going to turn the world of corporate executive jets on its ear. It was the most marvellous piece of technology imaginable. They would sell hundreds of them. It was produced by a wonderful Crown corporation. It was difficult to watch a television broadcast or open a newspaper or magazine without seeing a picture of the Minister of Energy, Mines and Resources (Mr. Chrétien)—the leadership candidate who was then Minister of Industry, Trade and Commerce responsible for Canadair—posing beside a jet. He told us what a wonderful Crown corporation Canadair was and what it would do for Canadian technology. He said it was absolutely marvellous. There was the man from Shawinigan smiling away and strutting around saying: "You reactionary Tories can you not see that here is proof positive of how wonderful Crown corporations are?" However, when the horror of the Challenger jet became known and it was realized that, far from turning the world of executive jets on its ear, no one wanted it and, in fact, the Challenger had cost Canadians $1.5 billion with no chance of recouping that money, there was not a Minister of the Crown who could be found that would admit to having heard of the Challenger or of Canadair.

Ministerial responsibility; what is that? They said that they were not responsible because it was a Crown corporation; the board of directors was responsible. But the board of directors was reappointed anyway. What happens to ministerial responsibility under those circumstances? Nothing. What did they do? They hired three flacks—Austin, Strong and Bell—and asked them to figure a way out of the situation. They said "Please, help us", and those fellows came up with this particular vehicle the Canadian Development Investment Corporation. CDIC is a solution to nothing. CDIC is an invitation to spill many, many more hundreds of millions, if not billions, of taxpayers' dollars. Frankly, there is no way in the world that this Party will be a party to that kind of activity. There is no justification whatsoever for what is being attempted.

My colleague from Calgary South quite accurately, and in detail that cannot be improved upon, described the four reasons for which any responsible parliamentarian—and I emphasize the word "responsible", thereby giving the Liberals an out—must be offended by this legislation and must oppose it with all the means which are at his disposal.

Let us consider for a moment the three principles which are involved and the three individuals who are key to the CDIC—Joel Bell, Maurice Strong and Jack Austin. Joel Bell, the

former vice-president of Petro-Canada, was the guy who assured us in the early days that Petro-Canada had no intention of getting into the business of running service stations. We know what happened to that promise. A leadership candidate for the Liberal Party has said that it was one of the stupidest things Petro-Canada could have done. I agree whole-heartedly with him. Maurice Strong was the fellow who helped Petro-Canada buy Petrofina. He is the guy who picked up a great, fat fee for that. I guess he must have spent that money as he is back on the government take.

Or course, Jack Austin is the man who negotiated the uranium cartel and then arranged not to be charged for his participation in that illegal act. With those three fellows in charge, there is no reason in the world that any right-thinking person should co-operate with any of their plans.

May I call it one o'clock, Mr. Speaker?

[*Translation*]

The Acting Speaker (Mr. Herbert): Order. It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

SOCIAL SCIENCES AND HUMANITIES RESEARCH COUNCIL

LEVEL OF GOVERNMENT FUNDING

Hon. Flora MacDonald (Kingston and the Islands): In February of this year the Minister of Communications (Mr. Fox) announced that this year's budget of the Social Sciences and Humanities Research Council would be increased by $4.8 million. What he did not say was that the Government was cutting out a $5.9 million supplementary allocation for Canadian studies which had been part of the Council's budget for 1983-1984. The result is that the Council will have to operate with $1.1 million less this year than last. Only the Liberal Government could try to make less sound like more.

The academic community throughout the country has reacted angrily to this attempt at creative accounting, calling for the immediate reinstatement of these funds, and for good reason. Our society is currently undergoing tremendous change due to technological Advances and the changing role of women. It is essential that there be sufficient financial support for the study of how these changes will affect both individuals and Canadian society as a whole. The Government could not have chosen a worse time to reduce its commitment to the social sciences and humanities.

Rather than paying bonuses to executives of Crown corporations like de Havilland, the Government should be funding research in these vital areas. I would urge the Minister to restore the original level of funding to the SSHRC.

* * *

PETRO-CANADA

WITHDRAWAL OF MINIMUM PRICING ARRANGEMENTS WITH INDEPENDENT SERVICE STATION OPERATORS

Mr. Girve Fretz (Erie): Mr. Speaker, there has been much controversy lately in the area of price fixing in the petroleum business. I refer especially to the April court decision which found Imperial Oil Limited guilty of unfair dealings with independent retailers of gasoline in its efforts to keep the price of gasoline artificially high.

A constituent of mine has been informed by Petro-Canada that he no longer qualifies for what is known as a minimum margin should the price fall below a pre-set level as a result of gas wars. The constituent concerned is an independent operator in my riding, who purchases his gasoline from Petro-Canada. However, those outlets which are associated directly with Petro-Canada, and which display the emblem of that company, for some reason seem to be entitled to a minimum spread of 2 cents per litre regardless of how low the price falls in a gas war.

I ask you, Mr. Speaker, does this seem fair? A huge company which is funded by the taxpayers of Canada appears to be muscling out small, independent operators, with discriminatory policies such as these. This is a sure sign of creeping socialism and state control of all endeavours. My colleague, the Hon. Member for Peterborough (Mr. Domm), pointed this out to the House on Friday, April 6, of this year, and the practice continues. It is certainly time that action be taken to curb this undesirable policy.

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EXTERNAL AFFAIRS

CRITICISM OF STATEMENTS ATTRIBUTED TO UNITED STATES AMBASSADOR TO CANADA

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, the U.S. ambassador to Canada, Mr. Paul Robinson, has done it again. He does not seem to appreciate that his role is not that of announcing the policy of Canadian Governments, now or in the future. He indicates, and in this case he is right, that there will be no difference between a Liberal or a Conservative administration. He is astute enough to recognize that. However, he went on to say that any government is going to welcome foreign investment here in a way which has not been seen since 1980. He follows that up, in talking about defence

spending, with the statement; "If Turner comes in it will improve even more, and if Mulroney comes in it will improve even more than that".

I believe Mr. Robinson would be well advised to inform his Government privately, in whatever way he wishes, about what Canada is doing, in his opinion. I believe he should inform our Government privately, in whatever way he wishes, of the intentions and hopes of the U.S. Government. However, it is not his role to announce the policies of Canada's Government regardless of its stripe. Perhaps it would be more useful for everyone involved if Mr. Robinson were recalled.

* * *

TRADE

CALL FOR INCREASED LOBBYING EFFORTS IN WASHINGTON

Mr. Ron Stewart (Simcoe South): Mr. Speaker, last year the centre for Canadian Studies at Johns Hopkins University released a major study warning that Canada must increase its lobbying in Washington to protect critical interests affected by the U.S. Congress. I heard these same warnings during a recent trip to Washington to discuss free trade issues. Canada still spends less than most countries on lobbying. Canadian lobbyists spent $7 million in 1981, compared with $22.6 million by the British, $18.5 million by the West Germans, $15.2 million by the Japanese, and $11.9 million by the Israelis.

Because we are the Americans' largest trading partner we stand to lose the most from protectionist American legislation aimed at other countries. My colleague, the Hon. Member for Erie (Mr. Fretz), noted the most recent example of that when he pointed out that a new U.S. directive will prohibit defence contracts to be let to companies outside the U.S., affecting Canadian companies which rely on those contracts. American tariffs on specialty steel, aimed at other countries, are hurting Canada. A U.S. ban on asbestos product imports will cut off the market for one-third of our asbestos exports.

We need to promote our interests more aggressively in Washington. The Japanese are everywhere in evidence. The Chinese threaten to cut off wheat imports in order to have American legislation changed. Canadian lobbyists are like school children on the international scene. When will the Minister realize the importance of protecting our critical interests when they are threatened by the U.S. Congress?

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EXTERNAL AFFAIRS

CONDEMNATION OF STATEMENTS ATTRIBUTED TO UNITED STATES AMBASSADOR TO CANADA

Mr. Paul E. McRae (Thunder Bay-Atikokan): Mr. Speaker, I have been angered many time by the U.S. Ambassador, Paul Robinson. I have refrained to this point from speaking out. However, I feel this weekend was the straw which broke the camel's back. I speak also on behalf of a good many of my constituents who are very angry at this kind of outburst. Mr. Robinson is very much opposed to FIRA, which was designed to make sure that foreign investment was good for Canadians. He is opposed to the National Energy Program, PetroCan, and all these things which have been good for Canada.

In 1978, 65 per cent of the oil and gas industry was foreign owned. Today it is 44 per cent. This is the kind of thing which is happening, and he is opposed to that.

Recently he wrote a long article on defence which was published in *The Globe and Mail*, which showed the strength of the Soviets but did not indicate anything which the Americans had. It gave the impression that there was a very large window of vulnerability, when his own Scowcroft Commission, the most important commission on the subject in the last several years in the United States, indicated that there was no window of vulnerability.

• (1410)

I suggest that this latest step, moving into the leadership in the Liberal Party and into Canadian policy and the Canadian election, is unwarranted. If it were done in other countries, the ambassador would be asked to leave. I condemn it on behalf of my—

Mr. Speaker: The Hon. Member's time has expired.

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NATIONAL CAPITAL COMMISSION

RENT REDUCTION FOR CERTAIN EMPLOYEES

Mr. Gordon Taylor (Bow River): Mr. Speaker, Santa Claus will be in Ottawa this year in May, that is, for specially favoured employees of the National Capital Commission. While scores of people are having a difficult time paying the rent on their homes, and while the Department of Public Works is reducing the amount of money for the poor, for example, on co-operative housing where 72 per cent of the money provided is utilized for families with incomes of less than $10,000, the Minister of Public Works (Mr. LeBlanc) is permitting the NCC to provide a 25 per cent reduction in rent for similar private housing. But this special treatment is only for favoured employees. The NCC has refused to release the names of the employees. However, there is good reason to believe that these favoured employees are in high financial brackets.

Giving a present is a splendid thing when the cost comes out of the pocket of the giver. However, the Government is again playing Santa Claus with the people's money. I wager that the recipients of this gift will be members or special friends of the Liberal Party, people who can well afford to pay the conventional rents. Mr. Speaker, I am sorry I used the word Santa Claus; Santa would be ashamed to be a party to a deal to help only the rich.

Oral Questions

BILINGUALISM

CONDEMNATION OF PROTESTERS IN VICTORIA, B.C.

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, the linguistic intolerance shown by a small group of protesters yesterday in Victoria is not typical of British Columbians. These people have no real concept of western Canada. Linguistic equality is a policy supported by all political Parties in the House of Commons and by all fair-minded Canadians, east or west, who have studied the issue. Western Canadians reject, have rejected, and will reject the Liberal Party, not because of bilingualism but because of economic mismanagement and pork barrel politics.

Some 1.5 million Canadians are unemployed, and the Liberals have no plans to help. The Liberals continue to follow high interest rates in the United States regardless of their harmful effects on Canadian home builders, home buyers, and small business people. The Labour Adjustment Benefits Program has been designed with a bias toward central and eastern Canada. Money for special employment initiatives was distributed on a partisan basis. British Columbia received only $60 per unemployed person while Quebec received $206, and the Maritimes received $227.

The people of western Canada are more than willing to recognize linguistic equality. However, we will never accept the present economic injustice which is the present policy of the Liberal Government.

ORAL QUESTION PERIOD

[*English*]

YOUTH EMPLOYMENT

SUMMER CANADA PROGRAM—DELAY IN STUDENT HIRING PROCEDURES

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is for the Acting Prime Minister. It concerns the unwarranted delays in getting young people hired for jobs under the Summer Canada Projects. We have learned that prospective employers have to wait weeks before being provided with a list of names of students to be interviewed. This can mean the postponement, or even the cancellation, of some of these very worth-while projects. That means that students lose out on jobs.

What is the Government doing to cut through this bureaucratic red tape in Canada Employment Centres so that students can be placed in the available jobs more quickly than they are at present?

[*Translation*]

Hon. Céline Hervieux-Payette (Minister of State (Youth)): Mr. Speaker, I think that the problem raised by my colleague comes up every year. In fact, delays are normal. There are always delays between the time when projects are accepted and the time when students are hired. Under a new procedure which has been established, as soon as the agreement is signed with the sponsor of a project, he can go to a bank and borrow the money to pay the staff hired. There are no undue delays this year in the implementation of the program, and students will have 81,000 jobs this year, Mr. Speaker.

[*English*]

Miss MacDonald: Mr. Speaker, the Minister says that just because this happens every year it is okay that the delay continues. That is not the way we look at it, nor is it the way that students look at it.

OTTAWA AREA PROJECTS

Hon. Flora MacDonald (Kingston and the Islands): This past weekend we learned that a number of projects in the Ottawa area were placed in jeopardy because of the bureaucratic foul-ups in the Canada Employment Centres. The Minister understands the difficulty. In order for the projects to get under way the students must be hired and trained. If they are not even interviewed, the projects cannot begin.

These are projects which are funded under the Summer Canada Program, which is a government program. It is administered by the Canada Employment Centres. Can the Minister tell us in how many areas other than Ottawa this foul-up is taking place? Will the Government move quickly to straighten out the mess and get the students into the jobs they so desperately need?

[*Translation*]

Hon. Céline Hervieux-Payette (Minister of State (Youth)): As I said a moment ago, Mr. Speaker, there are no undue delays in the hiring of youths. That is true. Young people will have jobs lasting about 12 weeks on average. To avoid any discrimination under this system, we do not begin hiring during the examinations in universities, CEGEPs or colleges so that all youths, be they at the secondary or university level, can be eligible for those summer work projects.

As far as I know, all the information concerning those projects is available and everything is ready, except that we will begin to hire young people in the next few weeks because secondary level students are still in school, Mr. Speaker. In my opinion, it is important that all young people have equal access to those summer job projects.

[*English*]

Miss MacDonald: Mr. Speaker, the Minister simply does not realize that students have a very short time during the summer to earn enough money to get back to school in the autumn. They have already lost a month of that very short time period.

PREPARATION OF PROGRAM

Hon. Flora MacDonald (Kingston and the Islands): Youth unemployment is over 18 per cent. There are 560,000 students coming onto the labour force this summer. Why did the Government not work the bugs out of the system with regard to the Summer Canada Program before it got under way so that students would not be put into the intolerable position of being denied the jobs they should have?

Hon. Céline Hervieux-Payette (Minister of State (Youth)): Mr. Speaker, I regret to repeat myself. I would like to point out to my colleague that the 12-week jobs will start on time and also finish on time at the end of summer before the students go back to school. We have been asked for an extension due to the visit of the Pope. We are considering that. However, I would like to assure my hon. colleague that the number of weeks and the number of jobs will be there. This summer $200 million will be spent on our students. All students who apply will be treated equally this summer.

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INDUSTRY

PETROCHEMICAL TASK FORCE REPORT—COST OF OIL AND NATURAL GAS FEED STOCK

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, in the absence of both the Minister of Regional Industrial Expansion and the Minister of Energy, Mines and Resources, my question is for the Prime Minister. It is with regard to the petrochemical industry and the importance of that industry in the provision of jobs in the manufacturing sector. The Petrochemical Task Force report has recommended that the cost to the industry of the oil or natural gas feed stock, which is about 50 to 75 per cent of the cost, be reduced to make the industry more competitive internationally and therefore more capable of providing jobs downstream.

Does the Prime Minister agree with the Task Force report that the petrochemical industry, in a resource rich country like Canada, should have a cost advantage on the feedstock, and that this advantage should not be offset by the heavy load of front end taxation on either the natural gas or crude oil inputs?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, a question like that coming from a member of a Party which has been arguing for international prices, seems a bit bizarre. Since the introduction of the national energy policy we have had a policy of having prices fixed in Canada. This was beneficial, not only to the consumer but also to the petrochemical industry. That has been our policy. It continues to apply. It has been somewhat modified in recent years. As a matter of fact, I believe in his Budget before last, the Minister of Finance, in conjunction with the Minister of Energy, Mines and Resources, reduced the taxation to certain areas of the petrochemical industry, and we are taking the present circumstances into account.

● (1420)

Once again, it is interesting to see the Hon. Member apparently support a two-price policy, being a lower price in Canada for Canadians. The difference is that we wanted it for Canadian consumers. The Hon. Member seems to want it only for the industry.

Mr. Wilson: Again the Prime Minister is distorting a question that I put to him. We have not said that we support a pricing policy which includes taxes that makes an industry uncompetitive. That is the position taken by the Task Force.

EFFECT OF FEED STOCK PRICE

Hon. Michael Wilson (Etobicoke Centre): Does the Government accept in principle the fact that that high level of front end taxation—not the wellhead price but the high level of front end taxation—should render an industry uncompetitive internationally, particularly an industry which has built its facilities to serve a world-wide market? I would remind the Prime Minister that the price that this industry pays on its feed stock inputs is higher than that which the competing industry in the United States pays in the U.S. market in total?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, to repeat my answer, the Hon. Member will know from the recent Budget of the Minister of Finance, to which I referred, that we do not want to make the industry uncompetitive. That is why we have reduced some of the front end taxation. That is why some of the provinces have reduced some of the front end taxation.

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SOCIAL AFFAIRS

ACCESS TO CHILDREN'S DAYCARE SYSTEM—REQUEST FOR PARLIAMENTARY INQUIRY

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Prime Minister. I preface it by saying to the Prime Minister that a new and irreversible fact has appeared in Canadian history. It is that a majority of women with preschool children are now working outside the home. Regrettably, some 85 per cent of children who have the need are denied access to daycare.

Would the Prime Minister agree that now is the time for Canada to recognize that daycare, like education and medicare ought to be established as a universal right for all children in Canada? If so, would he agree to the establishment of a parliamentary commission of inquiry whose responsibility it would be to study the situation and bring back to Parliament a series of proposals that would lead to the implementation of this very important principle?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is certainly a very important question. The Government has addressed it within the bounds of its constitutional rights in the

past, not by supporting daycare directly but by providing funds which could be used for daycare. The Hon. Member compares the situation to that of medicare and post-secondary education. Of course he is correct in suggesting that both of these areas, like daycare, are within provincial jurisdiction. We do hope that the provinces, as in the case of medicare and post-secondary education, will be more concerned with this very real problem.

As far as setting up a task force or parliamentary inquiry into it is concerned, we have been discussing this matter in Cabinet and we decided that it would be wiser to wait for the Badgley Report, which I believe is due in early July. That could serve as a basis for the further examination of this subject.

Mr. Broadbent: My party strongly endorses the idea of having a task force that would act on the assumption that the principle of having the federal Government participate in the establishment of the universal principle of daycare will be recognized.

REQUEST THAT GOVERNMENT INITIATE FEDERAL-PROVINCIAL TALKS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, since the Prime Minister does not agree with the establishment of a parliamentary inquiry, does he agree with the principle and, if so, does he not think it would be appropriate for the federal Government to act as it did to get medicare established in this country, initiating talks with provinces, making a specific proposal to establish the principle on a universal basis, and also offering a cost sharing formula, such as 50-50 cost sharing, so that the average, ordinary working family, particularly working women, will have real access to daycare?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, these are interesting ideas. They are some form of repetition, as I said earlier, of our experience with medicare and post-secondary education. However, I recall that some 15 or 18 years ago the installation of this procedure led to a great deal of confrontation with the provinces which lasted to the early and middle 1970s.

I just want to point out to the Hon. Member that my successors, and the Leader of the Opposition, do not believe in confrontation. I do not think this will be a course which will be easily paved because the provinces are not anxious to have the federal Government interfere in their areas of jurisdiction and tell them what should be done with their 50-cent dollars. It is something which I am happy to leave to my successors. I am sure that the Hon. Member will be there with his Party, at least part of his Party, to goad them on. I wish him well.

PROPOSAL TO PROVIDE JOINT FEDERAL-PROVINCIAL FUNDING

Hon. Edward Broadbent (Oshawa): Mr. Speaker, before the Prime Minister goes to his self chosen happy hunting grounds, if he believes in the principle of medicare and knows that there can be differences without necessarily having conflict or antagonism with the provinces—although he and I know that some conflict in these matters tends to be inevitable—instead of coasting for the next six weeks, why does he not use the occasion to commit his Government to the principle of universal daycare now? Why does he not commit the Government to initiate action on that?

More specifically, would he consider the proposal that was presented to all three Parties today by the Canadian Daycare Advocacy Association that the federal Government give the reasonable sum of $5 a day for every approved child care space, to be matched by the provinces? In short, will the Prime Minister take some concrete action now so that we can get the principle of universal daycare established in Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, in my view there are several things wrong with the suggestion—it was more of a suggestion than a question by the Hon. Member. First, as I said, this Government did take initiatives in the past. Notably, we have asked the Badgley Committee to report to us. The report is forthcoming very soon. It would seem to me that before engaging the Government and Parliament in an area which although it is very important is also very expensive, and would be very expensive for the federal Government, it would make sense to look at that report to see what it recommends, and also to use it to try to advance public thinking in this matter, particularly to awaken the provinces to their responsibility and area of jurisdiction.

The Hon. Member had to concede that such things do lead to confrontation. I do not think that he is seriously suggesting that in the next two weeks, one of which will be spent in Europe and at the Summit in London, I could get the provinces to accept the principle as he is asking me to do.

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FOREIGN INVESTMENT REVIEW AGENCY

REJECTION OF COAL DEVELOPMENT PROPOSAL

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, in the absence of the Minister of Regional Industrial Expansion and of the Minister of Energy, Mines and Resources, my question is directed to the Prime Minister. Recently the Foreign Investment Review Agency rejected a proposal that was submitted to it by Petro-Canada and Sumisho Coal Canada, a Japanese subsidiary of Sumitomo, for the development of Petro-Canada's holdings in Northeast Coal. This proposal has the potential of creating 700 permanent jobs and a massive construction program.

● (1430)

Could the Prime Minister, since this proposal was before Cabinet, tell the House what it was about this proposal—was it the location or what it was—that the Government could not see fit to permit this application to go ahead, particularly since the Government has a billion dollar public investment and

infrastructure in the port, railways and so on that are underutilized?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. I am sorry, not having had notice of the question, I did not have time to look up this particular file. I certainly am assured in my own mind that the reason we rejected it is that it did not bring sufficient benefit to Canada. That is the test under which all foreign investment is looked at and screened. We are accepting over 90 per cent to 95 per cent of all applications for investment or extension of present investment and, therefore, if this one was not accepted it was undoubtedly because it did not bring sufficient benefit to Canada and to Canadians.

REQUEST FOR RECONSIDERATION

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I apologize to the Prime Minister for not giving him personal notice. I raised the question last week. I would have thought that someone would have briefed someone on the other side. It is a critical issue. In western Canada we feel it is probably another attempt by Government to slow down the development of resource ventures in that part of the country. The Japanese are no strangers to the rules of FIRA and this Government. This application was not unique in any way.

Will the Prime Minister undertake to look into this file and see whether this company and Petro-Canada, the Government's own Crown corporation, could not be asked to reapply and get this project on the way, particularly since we have such massive public investment, as I said earlier, that is underutilized, and since this project has such a potential for the creation of new employment, and permanent employment?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the explanation by the Hon. Member of the refusal is preposterous in looking at his own words. He recognizes that the federal Government has put hundreds of millions of dollars into the development of this project, and obviously it is not our purpose not to want investment in that area. The Hon. Member should realize that we do not welcome investment at any cost. If Canadians are not going to get any benefit out of it, then we will not support the investment. I will make sure that the Minister is notified of the Hon. Member's question and looks into this particular case.

CABINET DECISION

Hon. Erik Nielsen (Yukon): Mr. Speaker, my question is for the Minister for International Trade. Since the Prime Minister has not familiarized himself with the file concerning the rejection of the Sumitomo application, which has been described by British Columbia's Minister of Industry as stupid and shortsighted, and since there is a criterion of 50 per cent ownership in FIRA decisions, and since that was met, indeed, PetroCan held, I believe, 88 per cent of the shares, how can the Minister justify the approval of a decison by Cabinet to block the initial Japanese participation of $10 million, in view of the quite disastrous unemployment situation in British Columbia?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, the Hon. Member is aware, as was pointed out by the Prime Minister, that the Foreign Investment Review Agency has been approving somewhere between 92 per cent and 95 per cent of the applications for new investment and acquisitions in this country. Canada is the host country of more foreign investment than any other country on earth. Indeed, it is easier to carry out a worth-while investment in Canada than in almost any other country of which I can think.

I point out to the Hon. Member opposite that he cannot, nor can I, as a Canadian citizen, own a broadcasting station in the United States, any part of coastal shipping, become involved in the uranium industry, or in a variety of other restricted areas.

Mr. Blenkarn: How about a coal mine?

Mr. Regan: I suggest to him that any question on a specific turndown by FIRA, as it is presently being operated, is one for which there is a very, very good reason. I also point out to the Hon. Member that he is fully aware of the fact that it is the Minister responsible for DRIE who carries the responsibility for FIRA and would be able to give a detailed answer in relation to this question.

Mr. Nielsen: Mr. Speaker, that would be amusing if it were not so tragic. The Prime Minister at least had the grace to admit that he did not read the file.

Some Hon. Members: Oh, oh!

Mr. Nielsen: The Minister is responsible in that Government, or should be, for international trade.

LIMIT ON JAPANESE PARTICIPATION

Hon. Erik Nielsen (Yukon): I have a supplementary question for the Minister, Mr. Speaker. We want to know why Cabinet insisted upon Sumitomo limiting its investment participation only to the mine at Monkman. Is the Government against development of other mines in British Columbia or, for that matter, anywhere else in Canada? It certainly appears to be so in the Yukon.

In view of the fact that the project is now on hold, and that the Japanese and other investors have been treated to another example of this Government's ideological interventionism, how can the Minister expect foreign investors to have any confidence or any faith whatsoever in this Government?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, it is quite obvious that the Hon. Member paid no attention to my initial answer.

Some Hon. Members: Oh, oh!

An Hon. Member: No one else would either.

Mr. Regan: I have to say to him that while my prime responsibility is the sale of Canadian goods and services in the various parts of the world, and while we are doing very well in that regard, as I hope the Hon. Member will admit, I obviously have the same interest as other members of the Cabinet and all Members of the House in seeing worth-while investments that will bring about improvement of conditions in this country.

Mr. Nielsen: Have you read the file, Gerry?

Mr. Regan: I am concerned about the fact that the Hon. Member would come here and, without having made inquiries as to the reason for the turndown, pose the questions, not to the Minister of Industry—

Mr. Dick: Where is he?

Mr. Regan: —but to other Ministers. I am concerned. The Hon. Member mentions the Yukon. I also believe, with him, that there are investment opportunities and trade opportunities there, but the Hon. Member has not once come to me to talk about trade opportunities in the Yukon. I would welcome him doing so. Instead of just trying to say things because he is an opposition Member, I would welcome him, recognizing that we are all here to work together to make Canadian jobs—

Some Hon. Members: Oh, oh!

Mr. Regan: —and I invite him to do something constructive.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

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BANKS AND BANKING

REQUEST FOR ESTABLISHMENT OF UPPER LIMIT ON INTEREST RATES

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my question is for the Prime Minister. The Prime Minister no doubt is aware that on the weekend all six of the Liberal leadership candidates made impassioned speeches against the banks.

An Hon. Member: All six?

Mr. Deans: In fact, in the words of the Minister of Energy, the banks are fat, not hurting, and are very sanctimonious. Recognizing that the farmers, the small-business people and the home owners are suffering as a result of the policies of the self-same banks, will the Prime Minister move to establish an upper limit on interest rates that can be charged by the banks for loans to those groups in particular, in order to ease the burden on them and to ensure that the banks act in the best ineresets of Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the NDP seems intent on me doing a lot more things before I leave the leadership of the Liberal Party.

Some Hon. Members: Oh, oh!

Mr. Broadbent: We have been waiting 16 years.

Mr. Epp: With your records, don't touch anything.

Mr. Trudeau: I am happy to realize, Mr. Speaker, that there is one area of big business on which I have not been tough, namely, the banks. If I have been neglectful in that area, I am happy that my successors are undertaking to step in with some short, strong action.

Mr. Nielsen: Save us from that.

Mr. Trudeau: At this stage I think the question is rhetorical. The Hon. Member wants to draw it to the attention of the House. He does not seriously think that in the six days of this week before I leave for Europe I will be able to change the Bank Act in the way he suggests. But we have other legislation that we would like to change, Mr. Speaker. I wish the Hon. Member would co-operate with the House Leader on some of that progressive business.

Mr. Deans: Mr. Speaker, I assumed the Prime Minister is still in charge until after his successor is chosen.

Mr. Nielsen: Obviously that is not the case.

● (1440)

REQUEST FOR INTRODUCTION OF LEGISLATION

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, just last week the Government introduced legislation, the mortgage protection plan, the result of which will be that banks will be allowed to continue to charge the high interest rates which they have been charging over the course of the last four years. All leaders of all major institutions dealing with mortgages, from The Canadian Real Estate Association to the Consumers' Association of Canada, and Frank Clayton, the housing economist, say that the proposed program will do nothing more than secure high interest rates in Canada. In the next six days, or between now and the end of June, will the Prime Minister take over the leadership of the Liberal Party once again and bring forward proper legislation which deals in an adequate manner with the usury of banks which has driven people out of their homes, off their farms, and out of their businesses?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, with the second question we now see that the Hon. Member from the New Democratic Party is not really begging me to stay on as Leader.

Mr. Deans: No, I just want you to do your job.

Mr. Trudeau: What he is doing is laying the groundwork for his Party not supporting the legislation which we have introduced in order to help mortgagees.

Some Hon. Members: Oh, oh!

Mr. Trudeau: We will see, Mr. Speaker, if tomorrow they will support that legislation alleviating the burden on mortgagees.

Mr. Deans: It does not.

Mr. Trudeau: I deduce from the Hon. Member that they will not, in which case we will see.

* * *

CANADA POST CORPORATION

PRESIDENT'S CORRESPONDENCE

Mr. Arnold Malone (Crowfoot): Mr. Speaker, my question is directed to the Postmaster General. Why is it that Michael Warren, President of Canada Post Corporation, cannot answer his mail?

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, I feel confident that the Hon. Member will be getting his mail very soon and find answers to the letters to the president of the corporation.

[*English*]

PROMISE OF REPLIES

Mr. Arnold Malone (Crowfoot): It is not my personal mail to which I make reference. I was asking the question on behalf of a large number of constituents who complain that they write to the President of Canada Post Corporation and receive a reply from a staff person indicating that a letter will be coming personally from the President of the Corporation. In light of the fact that these letters never show up, will the Minister undertake, as Postmaster General, to inform the President of Canada Post Corporation that it is damaging to the Corporation when the person at the top simply refuses to answer his mail? Surely he is a symbol of the entire Canadian postal system. The Minister ought to be able to do something to give Canadians a little more pride in their Post Office.

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, I have the impression that the Hon. Member is dramatizing the situation, but I will convey his remarks to the President of the Canada Post Corporation.

* * *

[*English*]

HUMAN RIGHTS

PLIGHT OF SOVIET DISSIDENT, ANDREI SAKHAROV, AND SPOUSE

Mr. Fred King (Okanagan-Similkameen): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Of course he is aware of the desperate and unhappy circumstance faced by Andrei Sakharov and his wife, Yelena Bonner, in the Soviet Union. The Minister will also be aware of the unprecedented intervention by the Nobel Peace Prize Committee which, in a letter to the Soviet President, put the prestige of that Committee behind a request that Sakharov and Bonner be freed.

Would the Minister demonstrate the deep-felt concern of Canadians by approaching all Governments, signatories to the CSCE Helsinki Accord, with the objective of producing a joint appeal to Moscow on behalf of Dr. Sakharov and his wife, an appeal aimed at achieving an end to their ordeal?

Some Hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, as the Hon. Member knows, the Prime Minister indicated—I think last week—to the House the concern which the Canadian Government has consistently expressed to Soviet authorities with respect to the Sakharov case.

The Hon. Member has made a specific suggestion with respect to action which might be taken by members of the CSCE. I am not quite sure whether all members of the organization, or all those who have participated in the discussions, including the Soviet Union, would join in any such appeal. In fact I am quite doubtful whether that would happen. I shall be going tomorrow to the NATO meeting in Washington. It may be a good occasion to sound out with my colleagues there, the Foreign Ministers of NATO countries, on whether action along those lines, or different action, might be undertaken.

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INDUSTRIAL AND REGIONAL DEVELOPMENT PROGRAM

COMINCO APPLICATION FOR LOAN TO MODERNIZE SMELTER AT TRAIL, B.C.

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, my question is directed to the Minister of State for Finance, regarding a grant requested by Cominco in Trail, B.C., for an industrial development loan to modernize its facilities. The Minister was made aware of this request some two weeks ago. Could he report to the House on whether this request has been granted?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, I recall the query of an Hon. Member opposite to that effect. I have drawn it to the attention of the responsible Minister, and I am sure that a response will be forthcoming.

INQUIRY OF THE MINISTRY

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, would the Minister of State for Finance be more disposed to look at this question if the candidate from Canadian Pacific,

Mr. Turner, happened to be the Leader of his Party? Is that the reason he is waiting to make the announcement that Cominco will be receiving industrial grants? Is he waiting for the candidate from Canadian Pacific to become the Leader of his Party?

An Hon. Member: Don't answer that.

Mr. Speaker: The Hon. Member for New Westminster-Coquitlam.

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EXTERNAL AFFAIRS

CRASH OF U.S. MILITARY AIRCRAFT IN CENTRAL AMERICA—USE OF CANADIAN IDENTIFICATION LETTERS

Ms. Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. In recent days Canadians have learned, again from foreign sources, this time the U.S. Federal Aviation Administration, that the DC-3 which crashed near the Costa Rican/Nicaraguan border on March 24 was painted with the Canadian call letters "CF-ETE". As the Minister knows, this DC-3 was owned by the U.S. military and was engaged in running guns to anti-Sandinista guerrillas. Has the Minister asked the United States for an explanation about the illegal use by the U.S. military of Canadian call letters on a gun-running aircraft in Central America?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): No, Mr. Speaker, I have not done that.

AVAILABILITY OF INFORMATION

Ms. Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, we have just learned that the Canadian call letters were being illegally used by the U.S. military, and the Minister says he has made no inquiries about it. May I ask him why he has made no inquiries about this illegal use of Canadian call letters? Since he is always saying that we have a sufficient presence in Central America in our embassy in Costa Rica, why did we not know about this right after the plane crashed on March 24?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, I think the Hon. Member is getting more ridiculous all the time, suggesting that the Canadian Government should have a facility to determine what happens on the border of Costa Rica. What does she want us to do, to send in some troops and join the Americans?

Some Hon. Members: Oh, oh!

Mr. Manly: Answer the question.

Ms. Jewett: You had better leave government, Allan.

Mr. Broadbent: The Senate is just down the hall.

* * *

YOUTH EMPLOYMENT

SUMMER CANADA PROGRAM—DELAY IN PROCESSING APPLICATIONS

Hon. Jake Epp (Provencher): Mr. Speaker, my question is directed to the Right Hon. Prime Minister. It follows on questions asked by the Hon. Member for Kingston and the Islands of the Minister of State for Youth. It has come to our attention that some of the applications under the youth program of the Summer Works Program, having been made at the field office level, are being delayed or held up because the signature of the Minister of Employment and Immigration is needed. Could the Prime Minister check and make sure those applications are signed forthwith, and that aspirations for the Liberal leadership are not holding back jobs that young Canadians need?

• (1450)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I heard the answers given earlier by the Minister of State for Youth. I do not find that anything has to be added to that. I would not contemplate even checking into a Minister holding up jobs, as he says, in order to further his leadership ambitions. This is a preposterous suggestion.

REQUEST THAT PRIME MINISTER MAKE INQUIRIES

Hon. Jake Epp (Provencher): Mr. Speaker, it is not preposterous. Before the approved applications can be funded they need the signature of the appropriate Minister. As long as those applications do not have that signature, there is no funding, and students, who have a limited time to earn the money they need to go to school next fall, simply lose those weeks and cannot recover them. On that basis I would like the Prime Minister to reconsider his answer and check.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I ask the Hon. Member if he is challenging the statement of the Minister. She said specifically why some of the demands were not being processed. She gave the answer twice, once in French and once in English. It had nothing to do with the Minister of Employment and Immigration.

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FOREIGN INVESTMENT REVIEW AGENCY

REJECTION OF CANADA-JAPAN COAL DEVELOPMENT PROJECT APPLICATION

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, my question is for the Minister responsible for international trade. Members of the House who were present at a Canada-

Japan trade council meeting at lunch today were told that between $100 billion and $200 billion would be needed to develop self-sufficiency in Canada's energy projects by the end of the decade. Will the Minister tell the House if the inference to be drawn from FIRA's refusal is that Canada is not interested in investment in energy projects by Japan, our second largest trading partner? Will he tell us, if he can, precisely why FIRA turned down this most worth-while project which would have provided desperately needed jobs in British Columbia?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, the Hon. Member, like other Hon. Members, continues to seek answers concerning FIRA's policies from a Minister who does not have the primary responsibility for FIRA. I point out to him that Japan has in the past several years made investments in the energy field in Canada which have been approved by FIRA and which, indeed, are very worthwhile in the creation of employment in British Columbia and western Canada. I refer, of course, to the mining of coal in particular, in which they are participating. Japanese investment is welcome in many sectors and is being sought very strenuously in the automobile sector by my colleague, the Minister responsible for DRIE, at the present time. We hope the Japanese will be realistic enough to recognize the importance of making significant investment in that industry. We believe they are a very valuable trading partner, and we look forward indeed to having ever closer economic relations with them.

With reference to the particulars of the file that the Hon. Member has mentioned, I suggest it is only appropriate for the Minister responsible for DRIE to comment thereon.

Mr. Speaker: A short supplementary. Other Hon. Members want to direct questions.

REASON FOR REJECTION

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, will the Acting Minister responsible for DRIE tell the House today why FIRA turned down that particular application?

An Hon. Member: They don't have anybody over there.

Mr. Speaker: The Hon. Member for Vancouver East.

* * *

SOCIAL AFFAIRS

PROPOSAL TO FINANCE UNIVERSAL DAYCARE

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my question is directed to the Minister responsible for the Status of Women. Does the Minister endorse the recommendations of the Canadian Day Care Advocacy Association for federal financing of universal daycare? Has she advocated this plan with provincial Ministers?

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, no, I have not advocated this plan with provincial Ministers. But I can confirm to the Hon. Member that I will be meeting with provincial Ministers tomorrow at a federal-provincial conference in Niagara-on-the Lake, hosted this year for the very first time by one of the provincial Ministers, the Minister responsible in the Province of Ontario. This item is on the agenda and will be discussed by the Ministers.

* * *

FINANCE

TAXATION OF ALCOHOL AND TOBACCO PRODUCTS

Mr. Ron Stewart (Simcoe South): Mr. Speaker, my question is for the Minister of State for Finance. For months the Ministry has been deflecting criticism of the *ad valorem* taxation of alcohol and tobacco products, indicating that it would wait for the task force report. Now that three weeks have passed, can the Minister tell the House which of the recommendations it will be adopting?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Member opposite will have seen the recent report, which was unanimous in some respects. There was a dissent on the part of one member with regard to certain elements in the report. As the Minister of Finance indicated in a press release at the time he received the report, it is his intention to review the recommendations and make an announcement concerning taxation of alcohol and tobacco in due course.

METHOD OF IMPOSITION

Mr. Ron Stewart (Simcoe South): Mr. Speaker, can the Minister assure the industry that when September rolls around the tax will not be imposed in an unfair way, that is, *ad valorem* on the CPI?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, there will be announcements in due course.

* * *

INDIAN AFFAIRS

HOUSING PROJECT ON TSAWWASSEN RESERVE IN BRITISH COLUMBIA—LEGALITY OF LEASE

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, my question is directed to the Minister of Justice, if he can take time out from his lobbying. Lawyers for the federal Department of Justice have claimed that the Minister of Indian Affairs acted without authority when he signed papers relating to a 100-lot housing development planned for the Tsawwassen Indian Reserve in Delta, British Columbia. Needless to say, this revelation has left the Band's corporation in the horrendous position of having hundreds of thousands of dollars of liabilities incurred for servicing the land and being

unable to sell the lots. Does the Minister agree that his colleague acted illegally in signing the master lease which would have allowed development of these properties, and by making undertakings on behalf of the Crown? Will he act to expedite this matter so that the Indian people can get this project under way, and get the jobs and income they need?

Hon. Mark MacGuigan (Minister of Justice): Mr. Speaker, the Hon. Member has put some of the facts right but, as usual, he has put the context wrong. In fact there is a problem of a lack of jurisdiction. It is not to be attributable, as he suggests, to my hon. colleague. My Department is indeed co-operating with all parties concerned to try to get this straightened out as quickly as possible.

REQUEST FOR SPEEDY EXAMINATION

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, the lease in question which the Minister signed, apparently incorrectly, is identical to several hundred similar leases which have been signed for other native development projects. The principle here has to do with the supremacy of the Crown over the rights of third parties and municipal governments to require adherence to municipal building code inspection requirements, taxation provisions, and other matters relating to zoning. Will the Minister examine this whole matter and act quickly in order to eliminate inconvenience, and facilitate the creator of hundreds or thousands of jobs which might be possible if this matter is cleared up immediately?

Hon. Mark MacGuigan (Minister of Justice): Mr. Speaker, I believe any solution arrived at will enable the broader problem to be taken care of, not just the one in this case.

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FARM CREDIT CORPORATION

INTEREST RATE LEVELS—REQUEST FOR INTRODUCTION OF LEGISLATION

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, my question is directed to the Minister of Agriculture. Since 1980 the Minister has suggested and promised a number of measures which might help Canadian agriculture. He will be aware that Farm Credit Corporation rates are between 14 per cent and 15 per cent for long-term financing. Does the Minister have any specific measures to bring before the House so that we may pass them before the end of June?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I am not sure if I understood the last part of the Member's question. To bring in amendments to the Act before the House adjourns? If that is what he is expecting, I doubt it very much.

MINISTER'S POSITION

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, my question deals specifically with the high interest rates paid by farmers dealing with the FCC, and the now lapsed measures to assist farmers who were in severe difficulty. The Minister has indicated several times that he is looking at this and he intended to do something in order to provide relief for those farmers who cannot afford to pay interest rates of up to 16¾ per cent, which they had to deal with previously.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I do hope we are able to do something about that in the very near future.

* * *

PETITION

MR. WENMAN—COURT PROCEEDINGS INVOLVING CHILDREN

Mr. Speaker: I have the honour to inform the House that the petition presented by the Hon. Member for Fraser Valley West (Mr. Wenman) on Friday, May 25, 1984, meets the requirements of the Standing Orders as to form.

* * *

• (1500)

POINT OF ORDER

MR. HNATYSHYN—UNPARLIAMENTARY LANGUAGE OF MR. TRUDEAU

Right Hon. P. E Trudeau (Prime Minister): Mr. Speaker, I rise on a point of order. Over the weekend I had occasion to read page 4047 of *Hansard*. I withdrew the accusation of liar which I addressed to the Hon. Member for Saskatoon West (Mr. Hnatyshyn) conditionally. I was hoping that over the weekend we would all reflect on these conditions. I have returned to page 4041 of *Hansard* and I see that after a statement made by the Minister of Finance (Mr. Lalonde). The Hon. Member for Saskatoon West is recorded as saying:

> Are you calling those people liars?

I then interjected by saying:

> Are you? You're the liar.

These are clearly unparliamentary words, Mr. Speaker, and I want to withdraw them unconditionally.

I do hope that the Hon. Member for Saskatoon West will re-read the exchange as recorded on page 4047 where he said that he told the truth when he shouted to the Minister of Finance that the Minister was saying accountants and lawyers were liars. I then accused the Hon. Member on a point of order by saying that this was imputing motives. In fairness, Mr. Speaker, I suppose it was probably not imputing motives but it was putting offensive words, words like "telling a lie to the Minister of Finance", on the record. Therefore, I would hope that the conditionality of my withdrawal which is now withdrawn will lead the Hon. Member for Saskatoon West to say a few words in comment.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, all I can say is that I am overwhelmed by the unequivocal retraction on the part of the Prime Minister (Mr. Trudeau) and I think that it is only parliamentary. Taking his lead, if there was any motivation that I imputed to the Minister of Finance (Mr. Lalonde) that was unparliamentary, I would like to say that, in the spirit of this House, I unequivocally withdraw any imputation.

Some Hon. Members: Hear, hear!

ROUTINE PROCEEDINGS

[*English*]

CONFLICT OF INTEREST

TABLING OF TASK FORCE REPORT

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, under the provisions of Standing Order 42(6), I wish to table copies in both official languages of the report entitled *Ethical Conduct in the Public Sector*, being a report of the task force on conflict of interest.

[*Translation*]

Mr. Speaker, I also wish to table letters I sent to Mr. Sharp and Mr. Starr, co-chairmen of the task force, in which I thanked them for their excellent work.

* * *

[*English*]

PETITION

MR. WADDELL—NUCLEAR DISARMAMENT

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I have a petition which celebrates the fact that last week the students of Carleton School released 99 red balloons for peace. The petition asks that there be no more Cruise Missile testing in Canada, that Canada be a nuclear-free zone and that the wasteful spending on the arms race be diverted to more productive spending. I would like to thank the students of Carleton School for their act.

* * *

CANADIAN HUMAN RIGHTS ACT

AMENDMENT RESPECTING APPEALS FROM DECISIONS OF TRIBUNAL

Mr. Dan McKenzie (Winnipeg-Assiniboine) moved for leave to introduce Bill C-243, an Act to amend the Canadian Human Rights Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. McKenzie: Mr. Speaker, if my Bill, an Act to amend the Canadian Human Rights Act, were to be adopted by the House, it would provide an appeal from decisions of a human rights tribunal or any review tribunal constituted under the Act on the merits of the individual case. As the Act now reads, orders or decisions of a tribunal may be filed as orders or decisions of the Federal Court for purposes of enforcement. However, this does not extend jurisdiction to the Federal Court to confirm, dismiss or vary such orders or decisions.

The Human Rights Commission is taking up to four years to deal with complaints and Canadian citizens are having to go to the United Nations to appeal because they cannot receive positive action here in Canada.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

FOREIGN EXTRATERRITORIAL MEASURES ACT

MEASURE TO ESTABLISH

Hon. Mark MacGuigan (Minister of Justice) moved for leave to introduce Bill C-38, an Act to authorize the making of orders relating to the production of records and the giving of information for the purposes of proceedings in foreign tribunals, relating to measures of foreign states or foreign tribunals affecting international trade or commerce and in respect of the recognition and enforcement in Canada of certain foreign judgments obtained in antitrust proceedings.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

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QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 743, 801 and 802.

Order Paper Questions

[*Text*]

DEPARTMENT OF NATIONAL REVENUE—OUTSIDE CONSULTANTS

Question No. 743—**Mr. Greenaway:**

1. In (a) 1980 (b) 1981 (c) 1982 (d) 1983 (e) 1984 did the Department of National Revenue seek advice from outside consultants on the taxation of farmers and/or ranchers and, if so (i) what was the consultant's name (ii) what total amount was paid for the services (iii) what year was the study carried out?

2. In the same years did the Department seek advice from outside consultants on the taxation of fishermen and, if so (a) what was the consultant's name(s) (b) what total amount was paid for the services (c) in what year was the study carried out?

3. Was any cost incurred by the Department for the study of the taxation of fishermen conducted by Rowe and Rose in 1982 and, if so (a) what total cost (b) did the cost include (i) consultant fees (ii) travel and accommodation expenses (iii) printing and translation costs (iv) any other expenses and, if so, in each case, what amount?

Hon. Pierre Bussières (Minister of National Revenue): 1. No.

2. Yes. (a) Rowe & Rose. (b) The total amount paid is included in the answer to part 3. (c) 1982.

3. Yes. (a) $49,789.32, (b) (i) $43,750, (ii) $5,674.56, (iii) nil, (iv) $364.76 (miscellaneous expenses such as telephone calls and publications, et cetera).

IDERA RESOURCE CENTRE

Question No. 801—**Mr. Stewart:**

In (a) 1981 (b) 1982 (c) 1983 (d) 1984 to date, did the Canadian International Development Agency give any money to the Idera Resource Centre of British Columbia and, if so, in each case, what amount was given and for what purposes were the funds given?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): The Canadian International Development Agency, through its Public Participation Program of the Non-Governmental Organizations Division, contributed during fiscal years: 1981-82—$60,000, 1982-83—$78,080, 1983-84—$82,500 to the Idera Resource Centre of British Columbia.

These funds were contributed to assist IDERA in its development education programs. IDERA operates a local educational development and overseas resource and animation centre.

VICTORIA INTERNATIONAL DEVELOPMENT EDUCATION ASSOCIATION

Question No. 802—**Mr. Stewart:**

In (a) 1981 (b) 1982 (c) 1983 (d) 1984 to date, did the Canadian International Development Agency give any money to the Victoria International Development Education Association and, if so, in each case, what amount was given and for what purposes were the funds given?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): The Canadian International Development Agency, through its Public Participation Program of the Non-Governmental Organizations Division, contributed during fiscal years: 1981-82—$30,000, 1982-83—$38,680, 1983-84—$50,155 to the Victoria International Development Education Association.

These funds were used to assist the development education and animation program of the VIDEA with special focus on the educational system. VIDEA has developed curriculum materials currently being used by local school boards. VIDEA is also organizing a summer training session for Canadian NGO's working in development education.

[*English*]

Mr. Speaker: The questions as enumerated by the Parliamentary Secretary have been answered.

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QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 51 could be made an order for return, this return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that question No. 51 be deemed to have been made an order for return?

Some Hon. Members: Agreed.

[*Text*]

CONTRIBUTIONS TO ASSOCIATIONS FOR THE HANDICAPPED

Question No. 51—**Mr. Howie:**

1. Which departments contribute to associations for the handicapped?

2. In the fiscal year 1982-83 (a) how many projects for handicapped persons were funded by each department (b) what amount was spent by each department in support of the projects?

3. What amount was contributed by each department in the fiscal year 1982-83 to associations in New Brunswick?

Return tabled.

[*English*]

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

Mr. Speaker: Shall the remaining questions stand?

Mr. McKenzie: Mr. Speaker, once again I would like to ask the Parliamentary Secretary a question with regard to a starred question that I placed on the Order Paper on April 10, being question No. 792. What I merely wanted to know was whether Mr. P. T. Zarry of the Advertising Management Group, Cabinet Committee, is receiving $1,500 a day or $2,000 a day. I have information to the effect that he received an increase of $500 a day as of January 1.

This question is a starred question, Mr. Speaker, and there is no reason on earth for it to take this length of time to receive an answer to a simple question like that. I would like to have some kind of explanation regarding the starred question procedure. Has the starred question procedure now been changed? Will starred questions now be sitting on the Order Paper for

years and years or will steps be taken to have them answered in a reasonable period of time?

Mr. Evans: Mr. Speaker, I can only refer the Hon. Member to the numerous occasions on which we have dealt with the starred question issue. A starred question only means that the answer will be read in the House but gives no precedence as to timing. I will as always consult with the Minister and see if we cannot get an answer to the Hon. Member at the earliest possible opportunity.

It would appear to me as if the Hon. Member has an answer to his question. If that is the case, then it would seem that under Standing Orders, if the information is publicly available, and the Hon. Member has just made it publicly available, it is no longer appropriate for the House.

• (1510)

Mr. McKenzie: Mr. Speaker, I would like it confirmed officially whether Mr. Zarry is receiving $1,500 a day or $2,000 a day. If I knew it was $2,000 a day, I would not have to put a starred question on the Order Paper. I would like it confirmed by the Government exactly what this man is being paid.

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADA DEVELOPMENT INVESTMENT CORPORATIONS ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Bussières that Bill C-25, an Act respecting the Canada Development Corporation, Canada Development Investment Corporation and certain other corporations, be read the second time and referred to the Standing Committee of Finance, Trade and Economic Affairs.

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, as I indicated before the lunch hour, the address which was given by my colleague, the Hon. Member for Calgary South (Mr. Thompson), in kicking off second reading debate on this Bill covered the salient reasons for which any reasonable person would strenuously object to this legislation and help defeat it. I do not want to go over all of the ground covered by my colleague, but I would like to elaborate on one point which has been of interest to me in the past.

The provisions of this Bill give CDIC a mandate to permit it to carry up to $3 billion worth of debt as an agent of Her Majesty. That debt is precisely the same as a direct debt of the Government. In other words, the taxpayers of Canada are obligated for that debt. The Bill also provides $1 billion in equity. As my colleague pointed out, it seems like an excessive amount of both debt and equity for a company which is supposedly being created for the purpose of privatizing certain Crown corporations. That is the statement which Senator Austin, among others, has made, but given the history of statements and actions by this Government and the diversity of the two, we would be fools to take it at face value.

Of more concern to me is the provision which would allow the Government to raise the debt and equity ceilings by a $1 item in the estimates. For a number of years this Government has adopted the practice of legislating through the estimates, legislating through the Appropriations Act. In fact, VIA Rail, which is another monstrous Crown corporation, was created by a $1 vote under the Appropriations Act. The Appropriations Act over the years has been full of examples of improper legislating by $1 items. That approach has been objected to strenuously by myself and many other Members of the House for a number of years. I would invite Members to recall the words of Mr. Speaker Lamoureux, Mr. Speaker Jerome and Madam Speaker Sauvé who pointed out the impropriety of that approach. They pointed out how wrong it is and what an offence it is to our parliamentary traditions to legislate through the Appropriations Act. It is an absolute offence to 800 years of parliamentary history to attempt to legislate in this way. Three years ago, Madam Speaker Sauvé ruled that that process had to stop. After many warnings from successive Speakers—warnings unheeded by that contemptuous bunch opposite—Madam Speaker finally ruled that it was improper to legislate in that fashion.

What do we have before us now from the Government in Bill C-25? We have a move to make that activity legal. It is utter contempt for parliamentary traditions and for the proper way of doing things. It is utter and complete contempt. Coming from Jack Austin, that is not surprising. He is contemptuous of everything in this place. However, we would fail completely in our responsibilities and we would be ignoring the traditions and values of parliamentary democracy if we did not fight at least that provision with every ounce of strength we have.

I call upon responsible Members wherever they are to take a good look at what the Government is trying to do, and to think a little bit about parliamentary traditions and their responsibility to future generations who will look to this Parliament to retain our democratic system. We must ensure that Jack Austin, Ed Clark and the rest of those folks who find Parliament a pain in the backside are not allowed to get away with this. We must ensure that this terrible Bill goes to the trashcan, where it deserves to go.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments. If there are no Members wanting to put questions, for continuing debate, the Hon. Member for Crowfoot (Mr. Malone).

Mr. Arnold Malone (Crowfoot): Mr. Speaker, it is very important that Bill C-25 be debated now because as long as

there are Liberals around, this Bill may never be debated properly again. What we are really talking about is the Crown corporations' Crown corporation. This is the big daddy. The Government has run into trouble with Crown corporations left and right for a number of years. What was the answer? The answer was to create a Crown corporation to look after Crown corporations. To create a Crown corporation to manage all others is simply to put down another layer, another veil of secrecy, and to wallpaper one more time away from public scrutiny the actual facts of how the Crown corporations and their fiscal responsibilities are managed. The Government believes that somehow another layer of paint will keep the people from knowing why these Crown corporations are, as the Auditor General, Kenneth Dye, and a succession of Auditors General have told us, becoming a sub-level of government and are one of the major areas of expenditure and debt to which there is no accessibility in the accounts.

By putting in place another agency that will come between government and corporations, we do two things. First, we layer in a way in which information becomes more difficult to obtain; and second, we restrict the capacity of Ministers to be responsible for the various agencies and Crown corporations. So we are faced with this debate to create the Canada Development Investment Corporation.

If the Liberals remain in power, we are not likely to debate this matter again because, as the Hon. Member for Calgary Centre (Mr. Andre) has just mentioned, any increase in expenditures could be accomplished through the estimates and $1 votes. Legal or otherwise, past Speakers have said that that would take us down the road of avoiding Parliament and public comment by putting in place an agency that, rightly or wrongly, is set free to tap public funds but is never accountable to the public for the money it is spending. That is despicable in terms of democracy. Parliament was established in the first place to put controls on the King's purse. It comes back to the fundamental reason for which we are here, and that is dollar accountability.

This Government is operating a string of catastrophes in Crown corporations. It is obviously looking for a mechanism by which it can hide the disasters which it has created. If the Bill is passed, the results will be disadvantageous for Canadians. I would like to point out some of the reasons for which I believe this umbrella agency which will look after all agencies of government is not in the best interests of Canadians.

The number of Crown corporations is not necessarily going to decrease. In response to a question I placed on the Order Paper, we learned that there were in excess of 350 Crown corporations. There are newspaper articles which estimate that there are somewhere in the neighbourhood of more than 400 Crown corporations wholly or partially owned by the federal Government. The Auditors General have underscored that Crown corporations are a sub-level of government which we are unable to tap into and for which there is no accountability or responsibility. Mr. Speaker, that is one of the most serious defects in the Bill. Even if some Minister might say that that is the Government's intended position, I suggest to you, Sir, that unless it is specifically stated that the objective of the umbrella agency is to decrease the numbers of Crown corporations, that that is its purpose and its goal, then on the basis of lack of clarity this Bill must be amended.

• (1520)

Another flaw I find in the Bill is that there is no provision for a sunset law with respect to any of the Crown corporations, or even the master corporation itself, and there should in fact be a sunset law which will bring these corporations before committees of Parliament or Parliament itself. We have a list of money losers such as de Havilland, Canadair, Petro-Canada, Teleglobe, CN and CBC; some 350 corporations. Surely we should not just be giving birth to all these corporations and never once ask the question whether the people of Canada have the right to decide if the corporation should continue to exist.

There may have been at some point in the social and economic culture of a nation a need for a corporation to be started by government. I recognize that from time to time there will be the coming together of conditions which will cause, in the nation's interest, such a corporation to be struck. But surely that does not mean that once it is struck, it should exist *ad infinitum* without question, simply collecting more and more of the taxpayer's money.

I watch CBC's *The Journal* on television at night. I enjoy the CBC news and I feel *The Journal* portion of it is good. However, Mr. Speaker, I personally would have to question whether it is worth $1 million a week. That is an enormous expenditure for 40 minutes of television every night. If there is not some kind of sunset provision in Bill C-25 which will automatically bring the corporation before committees of Parliament for review, then it seems to me it fails on one of the very basic and fundamental questions of Crown corporations themselves. In that respect, I submit that this piece of legislation must either be amended or should not pass. This corporation, which is presently far too removed from Parliament, will add another layer of government and, Sir, that is my third point. If there is any outcry among the Canadian people, it is an outcry that governments must become more open rather than more closed.

As the Auditor General tells us, there is a sub-layer of government which exists in the form of Crown corporations. Surely, adding another bureaucracy between Parliament and these corporations—this super corporation as a management group—is not bringing government closer but is simply hiding and shielding it, putting it in a more removed form than ever. We as parliamentarians are not going to be able to be in a position to bring to task and analyse each of those corporations. We are now going to have to go through a super mother corporation and, boy, the Government will be able to bamboozle Parliament one more time, giving us a mix of numbers and figures which point in different directions in such a way that the people of Canada will end up simply paying more and more without any hope of bringing under control the spending of their tax dollars.

Parliament is losing its control of the public purse. That is extremely important because the role of this institution itself is to be able to control expenditure of the taxpayers' money. What this Bill does is set aside the rights of parliamentarians and the institution of Parliament itself to be able to analyse the individual budgets and fiscal accounts of any one corporation. It denies Parliament access to these corporations.

My wish would have been to have made every Crown corporation subject to an appearance at the call of any special standing committee of this House whose obligation would be to call corporations before it, without reference to the Minister, and to ask that corporation to justify its existence. If we, as Members of Parliament, through the committee structure, and without having a ministerial reference necessary, could point to any Crown corporation and say we want it to show up in front of us in the committee room for whatever period of time is necessary, then put it through a drilling documentation of its fiscal accounts, I believe Canadians by and large would be better served.

I asked the question, Mr. Speaker, a few moments ago about the justification of the CBC's news program, *The Journal*. It might be that after close examination the Government could justify that expenditure. However, I can tell you quite frankly that the vast majority of Canadians, if they were simply asked if they want to spend $1 million a week for a 40-minute television program, would answer, obviously, no. We should have that opportunity to bring Crown corporations which are using the taxpayers' money before Parliament, the people's representatives, and put that very basic and fundamental question. Not to be able to do that, Sir, is simply another indication of Parliament losing its power and control.

The CDIC was established in secrecy. It has operated since 1982 and it remains immune from Parliament. It is so immune that it is even immune to the Combines Investigation Act. Yet, Sir, that agency which was established two years ago is just now coming before Parliament for authority to exist. The truth of the matter is that it exists today with a most suspicious character. I submit that we have every reason to doubt and question a corporation which came into being out of such secrecy when, in fact, these Crown corporations ought to be completely open.

The Auditor General tells us all, tells Canadians everywhere, to be worried and concerned about the sub-level of government which exists in the Crown corporation structure. The Government's answer to that is to take people like Joel Bell, Maurice Strong and the good Senator from Vancouver and put them at the head of the head Crown corporation. On the very face of it, it seems to me that Canadians everywhere would be annoyed, disgusted and disappointed at such an agency. This hidden layer of Government simply becomes hidden by another layer.

• (1530)

In his speech, the Member for Vancouver-Kingsway (Mr. Waddell) said that he did not know whether CDIC is to expand intervention in the Canadian economy or to privatize the present Crown corporation. I submit, that if you cannot see what the intentions of this new corporation are, you would not be able to read the letter E on an eye chart. It is obvious what the new corporation is for. It is not there for the purpose of decentralizing or privatizing. It is there to get control of the economy and to expand.

As one reads through the objectives of the CDIC, one sees numerous references to expansion and acquiring. There are numerous references which would imply that this corporation is to encourage growth of Crown corporations. Nowhere within those objectives is found the word "divest". There is no indication that we will somehow be able to rid ourselves of some Crown corporations. There is not a single hint that at some time some Crown corporation may have lived its useful life and should be set aside. It says only that we should acquire more and more.

In spelling out the mandate for this new super corporation, the dangerous word "none" was typed under the title "Restrictions". No restrictions were to apply to this new super corporation. The Government creates a Frankenstein, and then will not tell him where to play or what time he should go to bed. It is a case of creating, with the people's money, an agency so strong and powerful that in and of its own initiatives it can acquire and project new corporate structures under the name of Government. That is a dangerous concept. All Canadians should recognize that this ought not to be passed into law.

The country and Government need more openness rather than another layer of underbrush and fog. CDIC has been operating for two years, without the approval of Parliament, in conflict with the existing federal laws. Coming into this great new agency now are Maurice Strong, Joel Bell and Jack Austing. Maurice Strong is the man who bought Petrofina for twice the value of its shares. He is going to be running this corporation. Joel Bell is the person who said that Petro-Canada would not acquire a single service anywhere in Canada. He is coming in as part of the management of this new agency. Jack Austin associates himself with the uranium cartel. Those are the people who will run this new corporation. The Government tries to make us believe that the purpose of this corporation is to privatize.

When Joel Bell says that, I believe him just as much as when he says that Petro-Canada will not acquire a single service station. If this agency is to privatize Crown corporations, let us see that specified in the objectives. With the words "acquire" and "obtain", and without the objective of divesting, the Bill remains dangerous and should be either amended or rejected.

Sending Maurice Strong, Joel Bell and Jack Austin to privatize Crown corporations is like sending a tomcat to guard mice. It just will not happen. Why should the people of Canada believe that these persons, with the records which I have just indicated, are in any way interested in the private sector?

I have many more comments which I would like to make, Mr. Speaker. I got through about one-half of my notes.I see

you are indicating my time is up. If that is the case, in conclusion I would say that—

Mr. Deans: Ask for consent to continue.

Mr. Malone: My good friend is asking if I would ask for consent to continue. Perhaps I would just ask you, Mr. Speaker, if you would seek that consent. If given, I will continue.

Mr. Deans: Absolutely.

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): If a Member requests permission to continue beyond the 20 minute limit, it requires the unanimous consent of the House.

Mr. Evans: How much time?

The Acting Speaker (Mr. Herbert): Is there a time limit?

Mr. Deans: No, it is a fascinating speech.

The Acting Speaker (Mr. Herbert): Is there unanimous consent for the Hon. Member to continue his speech?

Some Hon. Members: Agreed.

Mr. Fleming: What do you mean it is a fascinating speech? He has said the same thing over 11 times so far.

The Acting Speaker (Mr. Herbert): Is there unanimous consent?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): There is consent. The Hon. Member for Crowfoot (Mr. Malone).

Mr. Malone: Mr. Speaker, I will not abuse the privilege given to me.

Mr. Deans: You said you were only halfway through. I am expecting 20 more minutes.

Mr. Malone: You will certainly get enough detail here to be able to give a good 20 minute speech. Why should we grant favourable approval to an agency which has subverted Parliament, intends to operate in secrecy and defies the laws of our land? The persons who I have already pointed out are to become the managers of CDIC. They bought Petro-Canada from a Belgian oil company at double its value. The Prime Minister (Mr. Trudeau) claims that the land is strong. It is not strong like moose. It is strong like skunk. There is great concern with respect to—

Mr. Deans: This is deteriorating.

Mr. Malone: You think you should not have given me unanimous consent. Well you think about that just a bit more.

Mr. Deans: This is deteriorating something awful since we gave you unanimous consent.

Mr. Malone: People wonder what the principles are by which this company will be managed. What objectives are CDIC to assume? If one checks under the restrictions of the corporation, one finds that there is to be no restriction whatsoever on this company. It is typed right in that there is to be no restriction. That comes back to the fundamental principle of a Crown corporation. No Crown corporation should be set up as an instrument of Government without it first being specified that it is there to meet the objectives of a Government policy. That policy ought to be spelled out very clearly. There should never be the establishment of a company for which the restrictions are labelled as "none", yet that is precisely the situation with regard to CDIC. The restrictions to its management are none. Even though my friend opposite chastises me while he is giving me extended time, I make no apologies for repeating that. It is so serious that it deserves to be repeated.

Mr. Deans: Repeat it again.

Mr. Malone: To repeat it again, indeed, the restrictions on this corporation are none.

Mr. Deans: None at all?

Mr. Malone: That, Sir, is more important than the four letters it takes to spell it. Every Crown corporation should be set up with specific stated objectives. Once the objectives are met, an analysis should be made with regard to the continued existence of the corporation.

• (1540)

The Government is willing to create this monster corporation, but is unwilling to publicly disclose the nature of its restrictions as it should. The corporation has a mandate to grow, expand and increase but does not have the specific objective to divest, shrink or decrease.

There are currently some 350,000 Crown corporations, and some suggest there are in excess of 400 Crown corporations when one takes into account wholly and partially owned corporations. That figure in itself is a very important reason to bring these Crown corporations under constant scrutiny.

Bill C-25 is a guarantee of more bureaucracy, intervention and centralized planning which consequently removes the agencies themselves from the touch of the people. In fact, it strangles and destroys the initiatives of individuals. It gives the corporation the ability to acquire without any obligation to divest. Divesting must be part of its objectives if those objectives are to privatize. If it is the intention of this corporation to divest, then it must be so stated.

I want to make it clear the Crown corporations are not automatically wrong. Obviously there are social and economic conditions that require the establishment of Crown corporations from time to time. However, no Crown corporation should be established and allowed to continue without challenge. This Bill does not provide a legitimate mechanism for challenging the existence and continued expenditures for each or all of those Crown corporations.

Mr. Deans: You mean there are no conditions?

Mr. Malone: There are no conditions. There are none. In opening this debate today, the Minister of National Revenue (Mr. Bussières) implied that the corporation will work within the public view. That is false in the extreme. The corporation is established so that it can always make an end run around Parliament. It becomes a shield between Parliament and the existing Crown corporations. While there is a legitimate concern being voiced for the inspection of Crown corporations, the mechanism being put before us is not workable.

I suggest that the most effective way to make Crown corporations accountable is to establish a special parliamentary committee with the authority to call Crown corporations without ministerial reference, to issue subpoenas to hear sworn evidence and to take the necessary time to conduct a full and legitimate analysis of their books. Perhaps this could be done in co-operation with the Auditor General's staff, such as is done in a United States Congressional or Senate committee. This parliamentary committee could scrutinize Crown corporations much more effectively than an obscure new Crown corporation whose job it is to manage all other corporations but really does not permit us to begin to review them at all.

According to Bill C-25, the CDIC can acquire up to $4 billion. Furthermore, it can get any other amount of money the Government ascribes to it on the basis of a dollar vote. Currently, it can run up to one-tenth of our annual deficit through the Crown corporation structure, without having the dollar vote.

Let us put into perspective what the Government is doing with $4 billion of the taxpayers' money. That amount in one dollar bills could be laid end to end two and one-half times from Vancouver to Halifax. The CDIC is being given that amount to strutinize and manage all other Crown corporations. It is simply an attempt to hide a sublayer of government through Crown corporations, as has been pointed out by these auditors general, and the latest Auditor General, Kenneth Dye, in particular.

In conclusion, I am pleased to hear the Government talk about the need to privatize Crown corporations. However, I am not being at all fooled by their camouflage because the fact is that the structure and the personnel it has put into place means that Canada will have an acceleration of Crown owned companies that will encroach upon the free marketplace and the right of people to purchase. It will indebt our citizens ever deeper. In the final analysis, this is not a agency for protection but an agency to veil and hide the true facts from Parliament, and consequently the Canadian people. I hope that Members of Parliament from all Parties will return to the basic principles that we are trying to establish and reject this Bill as it presently exists.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions or comments. Debate.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I wish to say a few words in this debate on Bill C-25 because I believe it gives us an excellent opportunity to set out the reason why our country is in such terrible shape. While I am not one who glorys in gloom and doom, neither will I put my head in the sand and ignore the conditions that exist in this country.

Our country was built on the principle of free enterprise. Many people went into business on their own, sometimes with little more than the shirts on their backs. They had very little money but it was their own and they believed in what they were doing. They worked hard and prospered. When thousands of people did this, it made the country great.

We have strayed far from that free enterprise principle. Today it is difficult for an individual to invest his money because he must receive approval from numerous boards and agencies, which only leads to discouragement. It is no wonder that there are two million people unemployed today. If Canadians were permitted to invest their money, run their own business and assume responsibility for their own mistakes or successes without government interference, we would not have these conditions today. A prime reason for so much unemployment is simply that the Government is trying to run our affairs.

I have given some examples of this before, but I wish to repeat them because they are so evident. For example, the capital cost allowance was an excellent innovation. It was established in recognition of the fact that equipment, such as machinery, wears out. Because it wears out on its own, there should be enough money to eventually replace that machine. So we introduced the capital cost allowance provision which is a sound principle. It is accepted universally in free enterprise countries.

• (1550)

What did this Government do with regard to capital cost allowance? It introduced another principle. It said the machine does not wear out the first part of the year, so the Government will not allow any capital cost allowance in the first year. That disallowance, and it may seem very small, was the means of throwing hundreds of people out of work, particularly in Eastern Canada because that is where farm machinery and other equipment is manufactured. I see the Hon. Member for Ottawa Centre (Mr. Evans) just shaking his head—at least I hear him shaking his head. But I want to tell you, Mr. Speaker, he should look at the facts.

Mr. Evans: You should look at the facts.

Mr. Taylor: There is one agency in my constituency that cancelled an order for seven combines. That is just one agency. The order for the seven combines was cancelled because the farmers said after that provision came through "we will stick with our own. We will make our old combines do, or we will rent out the work." As a result, seven combines that would have been manufactured in Eastern Canada were not manufactured. Multiply that kind of cancellation from scores of dealers across the country and you begin to see why Government policy has been so influential in causing unemployment.

In this Bill we have an aggravation of Government policy. We have another corporation that is supposed to solve the problems of Canada. I have not yet seen a corporation that

solved the problems of Canada, and I do not expect to see one. If we could forget a lot of these corporations, go back to the simple principles of free enterprise and create a climate where people will invest their own money, take responsibility for losing it, and of course, have the chance to make a profit without the Government grabbing most of it, then we would see things altogether differently here in Canada.

Risk is fine. In a free enterprise system you know there is a risk of losing or making money. But you survey the situation and come to the conclusion whether you can make a success. If you succeed, you make a few dollars. You have a profit. You risk the money you have, and you work in order to achieve that end. That is simply free enterprise. But we do not like that anymore. Perhaps it is too simple. You hear people say profit is a bad word. You cannot make a dollar anymore without feeling guilty, or that the Government will grab too much of it if you do make a dollar. Consequently we are killing the goose of free enterprise that has laid the golden eggs for so many years and has kept the country going. We are substituting the goose for corporations which do not invest their own money, but invest the people's money. That is the big difference. Corporations will do anything with the peoples' money. They do not have to take the responsibility if they lose thousands of dollars. They simply go back to the Government trough and get more money. It is almost as simple as that.

Canadians are getting well informed about Crown corporations. They have seen examples where thousands of dollars are being used up wastefully by corportions with no accountability for that waste. That is really why this Bill is before us today. CDIC needs money again.

It is very strange, but the Government did not come to Parliament when the CDIC was formed. The Government avoided Parliament for two years while the CDIC was set up, financed and operated. But now CDIC needs more money. The Government ignored Parliament until now when CDIC has run out of ways of getting money without coming to Parliament.

What does the Government say the objective of this organization is? What is it supposed to do? What is its purpose? To put it bluntly, it is to establish the Canada Development Investment Corporation and to clarify its status. That part is necessary. It is to empower and prepare the Canada Development Corporation for privatization. Isn't that wonderful, Mr. Speaker. It is to prepare the Canada Development Corporation for privatization. If that is the objective, I would like to know where in the Bill that is going to be done. It looks to me as though the Government is getting further and further away from privatization and wanting more and more Crown corporations to run the business of this country.

When this Bill was first introduced on May 25, 1983, under Bill C-158, it set out certain items. The new Bill, Bill C-25 incorporated some changes to Bill C-158 as well as putting in some additions. It is to make CDIC conform with the general framework proposed for all Crown corporations under Bill C-24.

Maybe that is not that bad. If we are going to have Crown corporations, maybe there should be some basic premise to which they all conform. It is stated that this is supposed to be the objective. The Government wants a commercial operation with the control residing with the private shareholders. That is standard except at the first chance the Government will use the CDIC to bail out the companies in order to pursue the Government's own political objectives. In other words, the Government overrides the shareholders.

There are a number of things I hope to deal with in the time allotted to me this afternoon that shows while the objective is to make the corporations conform to some of the basic premises in Bill C-24, it is not doing that at all. With the increased power of the Cabinet the Government can set the remuneration of the CDIC directors, chairman, and president. Let us look at Clause 19 in Bill C-25. It reads:

> The company may employ such officers, agents and employees as are necessary for the purposes of the company and, except as provided in subsection (2), the officers, agents and employees shall be deemed not be employed in the public service of Canada.

They will not be civil servants. That is fine. Right after we find power in the next clause. The next clause gives the Cabinet power to override that clause under the conditions set out. We find that all the way through the Bill. Principles are set out and then there are powers to override. We found that also in Bill C-24. In fact, that is far too evident in Bill C-24.

Then we come to another clause. This morning the Minister said the Government will present all of the facts to Parliament and report to Parliament. He quoted Clause 36. He said there will be accountability because the Government will submit this whole thing to the Parliament of Canada. If the whole budget of CDIC were brought here and we had an open debate and questions either in Committee of the Whole or a committee set up by the House, I could see some rhyme or reason to what the Government is saying. But when I looked at the Bill immediately after the Minister said that, that is not what clause 36 does at all.

• (1600)

Clause 36 reads:

> The Minister may, with the approval of the Governor in Council, cause a motion for the authorization of an acquisition referred to in Section 35 to be moved in both Houses of Parliament.

He may, he does not have to; it is up to him. When it comes to budgets, the Bill gives authority to the Minister to bring in a summary. He does not have to bring in the entire budget at all. He may bring in a summary which he approves. He has to approve it before it can be brought before the Parliament of Canada. We are not entrusted with the entire budget. We will only be entrusted with a summary approved by the Minister. He can leave out what he wants and include what he wants. That is a pretty amateurish way of running business. Certainly it is another black eye for the people of Canada and for the Parliament of Canada.

The Minister is making an awful lot of to-do about Clause 33 and disclosures as to what the corporation is doing. Clause 33 reads:

The Minister shall cause a copy of every summary he approves—

Is that not interesting? He will not bring in an income account or expenditures account. We will not see them any more than we do right now. Under law he will be able to bring in a copy of every summary he approves, and only the summary he approves is what Parliament will see. That is terrible legislation. The House should not pass legislation which gives the Minister an opportunity to fool the people of Canada, and that is exactly what it is doing.

Surely Canadians are entitled to know what is happening to their dollars. It is their money. Under the free enterprise system, when people invest money they know what happens to it. If a company is formed, the shareholders know what happens. They approve policy and they receive an expense and income accounting of every dollar spent. They can chastize the directors or managers if they find that things are not going right. However, in this case the shareholders of Canada or the people of Canada will not have that opportunity. They will simply receive a copy of every summary the Minister approves. If he does not approve any, nothing will come. He can leave out what he wants under Clauses 31 and 32.

Why is the whole capital budget not brought before the House of Commons for discussion, not just the part the Minister wants to bring before us? Talk about disclosure! In this Bill disclosure is just a nice word which means nothing. It does not do anything. Of course this is not surprising when we have a man like Senator Austin running the show in CDC and CDIC. The man was never able to get elected. Every time he tried, the people said: "Nothing doing, we are not trusting him in Parliament". I see Mr. Speaker indicating that I only have two minutes remaining; I have barely started. The people have said that they would not trust Senator Austin in Parliament and have refused to send him here. Therefore, what did he do? He became involved in a Party which appointed him a Senator. He kowtowed and was put in charge of this corporation. He has never run a successful business in his life, and he is not running one now. Look at the mess he made of Canadair. Even its own president said that the corporation did not need 22 vice-presidents.

What kind of a business are they running? No wonder Canadians are becoming tired of government. They think there is no possible hope of having a government which will run the country in accordance with the thinking of the people. Reflecting the thinking of the people is free enterprise. That Government over there would be pretty smart if it threw out these corporations and returned to the basic principles of free enterprise which built this country.

The Acting Speaker (Mr. Herbert): There follows a 10-minute period for questions or comments. As there is no one wanting to put any questions, for continuing debate, the Hon. Member for Lanark-Renfrew-Carleton (Mr. Dick).

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I should like to make a short intervention relating to Bill C-25. The present Government has made much of this Bill and its companion piece of legislation, Bill C-24. The Government would have us accept this as a signal that it is trying to get a grip on Crown corporations and the multiple embarrassments which have been springing from them. In their rhetoric and fanfare, the Liberals would have us believe that there has been a miraculous transformation in the policy of their Party and in the thinking of the Government on this issue.

This Government would have the people of Canada, who have been sickened by weekly headlines relating to Crown corporations, believe that it has learned its lesson and is trying desperately to make amends for its past errors. The Government would have Canadian taxpayers swallow at face value its deathbed repentance. However, with the least amount of scrutiny, one can see that this transformation is nothing but mere lip service. The Government is paying lip service to the goals of greater accountability, greater control and greater direction of Crown corporations. It has no intention of fulfilling those goals.

Sown in this Bill C-25 are not the seeds of accountability and divestiture, but the seeds of more government intervention, the seeds of more government ownership, the seeds of more politicizing of what should be purely market decisions, the seeds of more heavy-handed intrusions for exclusively political reasons and, worst of all, the seeds of more deficit, a much larger deficit. This Bill to continue CDIC must be examined in conjunction with its predecessor in the last Parliament, Bill C-158, and with its companion piece of legislation in this Parliament, Bill C-24—the Government's alleged solution to its past disastrous policies on the growth of commercial Crown corporations.

The present Liberal Government indicates that the mandate of CDIC is to hold and manage assets. What a fine job it has been doing with Canadair and de Havilland! Also, the Liberal Government says that the mandate of CDIC is to effect divestitures. It has not divested anything yet. It has talked about divesting itself of Northern Transportation. A proposal was put in 1979 by an organization to buy that company when it was a going concern, but after the National Energy Program, there is nothing for it to carry up the Mackenzie Valley. It does not have the clientele it once had or carry the freight it once did. They are not going to be able to sell it for the same price they could have sold it for then.

● (1610)

The Government says the CDIC's mandate is also to make investments in a commercial manner as a federal agent. That is the intent. The Government wants to intervene some more. Then, for public consumption, the Government tacks on something else. It wants to accent divestiture. The CDIC now manages Canadair, de Havilland Aircraft, Eldorado Nuclear and Teleglobe Canada as wholly-owned subsidiaries, and manages the 48 per cent voting stock, 85 per cent of the actual shares of the Canada Development Corporation. Essentially

this Bill is designed to regularize the incorporation of CDIC retroactively, making legal the illegal transfer of shares of Eldorado Nuclear and the CDC and granting responsibility for Teleglobe Canada to CDIC. The earlier transfer of those shares contravene both the intent of Parliament and the then existing legislation. The CDIC was set up illegally by this Government, which would now have us grant after the fact approval to this earlier illegal action.

The Minister responsible for this Bill has made much of it as a tool of management and divestiture, and downplays its role as a tool of investment. In other words, he downplays the fact that this Government wants to intervene more in commercial activity. Yet, on the other hand, both the chairman, Maurice Strong and the president, Joel Bell, of CDIC have publicly taken the complete opposite tack. They do not talk about divestiture; they have not mentioned it yet. Those two officials proudly enforce the view that the Government alone can respond to new economic challenges. They endorse the view that the appropriate response to those challenges is greater and more direct Government involvement.

Under Bill C-25, the CDIC gets a wide mandate, excessively wide in the view of this Party. I want to go on record as saying the Progressive Conservative Party is not against Crown corporations per se. We agree there is a role for Crown corporations. This Party was associated with the setting up of a number of Crown corporations many decades ago. In a country so wide and diversified as Canada and with so little population, sometimes there is the necessity for a Crown corporation to play a role. But it is the last choice. We would prefer the public sector pick up and do the work through companies listed on stock exchanges and so on.

The articles of incorporation of CDIC do not list any restrictions on the business it may carry on. When we look at the illegal Order in Council which set up this corporation, we find it speaks of investing, assisting, expanding, widening and carrying out all activities in the best interests of Canada operating in a commercial manner. All activities. It does not mention divesting. We can only assume, therefore, that the Minister and the Cabinet, in talking about divestiture, are trying to pull a little ploy for public consumption while they hide their real intent. Make no mistake about it; both the present Government and present management of CDIC view the role of CDIC as that of economic intrusion under an exceedingly vague mandate. It is vague precisely so it can be used to serve essentially political goals and write blank cheques; so it can be used to duplicate all the past disasters of Crown corporations, meddling in what should be strictly commercial matters. Yet the Government would have us believe at the same time that Bill C-24, the companion legislation, will clear-up some of these problems. There is no clear, precise definition of the mandate or the objectives of CDIC anywhere. We know from past experience with this Government what that state of affairs leads to. It leads to disaster.

The Government has taken hold of a new catch-phrase, that of accountability. We on the Opposition side of the House, for the time being, have been talking about accountability for almost ten years. For us it is not some mere catch-phrase. For us it is not designed as part of a public relations scam. For the Progressive Conservative Party, accountability is a commitment. What does Bill C-25 tell us about the depth of the Government's commitment? Under Clause 41, CDIC will be pointedly free or exempt from Section 24 to 26 of the Statutory Instruments Act with respect to any directives or orders made under Bill C-25. In other words, CDIC will be exempt from the provisions for public access to such statutory instruments. Why? The Government is trying to hide things again. The public can neither copy nor take away copies of such orders and directives. There is no permanent reference of such directives and orders to any of the standing committees of Parliament, whereas in the case of all other statutes, regulations and directives, they are all referred to the Standing Committee on Regulations and Other Statutory Instruments. In other words, Mr. Speaker, they have excluded CDIC from some fairly heavy and what could be onerous provisions but which are important for a company playing around with our tax dollars. So much for accountability. So much for public responsibility.

We are told that Bill C-24 is designed to enhance the control, direction and accountability of Crown corporations. We are told it is going to be the grand solution, the framework on which the future of public corporations will be made to adhere, and the framework which will clear up all that has gone wrong in the past. It is of such value to the interests of greater control, direction and accountability that in Bill C-25, introduced at precisely the same time as Bill C-24, we find that on at least six occasions the CDIC is either exempt from the application of Bill C-24 or the Cabinet is pointedly authorized to allow such exemptions. We need look no further than Bill C-25 to see the illusion of the present Government's commitment to accountability.

• (1620)

Last year, Bill C-158, the predecessor to Bill C-25 which we are discussing today, provided that Parliament would have seen the complete capital budgets of the CDIC after approval by Cabinet. One year later, this regime has decided that only summaries of corporate plans and capital budgets of the CDIC will be tabled. The Bill has been watered down already.

Under this Bill, Parliamentary approval will be required for CDIC to acquire new wholly-owned subsidiaries but, in the same breath, Cabinet is given an override on that requirement. Clause 41 waives the requirement to table before Parliament any information that the Minister feels would be detrimental to the commercial interests of either CDIC or any of its wholly-owned subsidiaries. These are major loopholes.

Let us not ignore the fact that under this Bill, CDIC has a $3 billion debt limit which includes the borrowings of subsidiary corporations. The CDIC is allowed to raise $3 billion in the form of debt and it will never have to come back to Parliament to ask for permission to do so. Some accountability that is. Aggregate payments of up to $1 billion from the Consolidated Revenue Fund can be authorized by Cabinet.

Some accountability that is. Parliamentary appropriations would only be required for payments in excess of $1 billion.

The Minister has attempted to sell this Bill and the CDIC as an instrument of divestiture. When we see a debt ceiling of $3 billion and an equity ceiling of $1 billion, we cannot believe for a moment that this is the true thrust of government policy. As if the ceilings were not high enough, and in fact we believe that they are already too high, the Government has carefully allowed in Bill C-25 for the ability to raise both the debt and equity ceilings through the simple expedient of a $1 item in the Appropriations Act. That is what Liberal Members call accountability.

It is apparent to those of us on this side of the House that the deficiencies of Bill C-25 are such that the CDIC can only become an instrument for more disasters and for what almost amounts to less accountability and management. We are told that the CDIC will resolve most of the problems which commercial Crown corporations have had when dealing with the Government and that it will make up for structural deficiencies. I would not want to count on that. As usual with this regime, the answer to every problem is to create a new layer of Government and a new layer of bureaucracy which by one more step protects diversions from public accountability and Parliamentary scrutiny.

We believe that the Liberal regime only pays lip service to divestiture. This Bill proves that. We know precisely what we will get if this Bill is passed. We will get more government involvement in commercial enterprise with minimal accountability. We will get more public investment in commercial ventures based on political motivations and not on economic ones. We will get more debt and more disasters. We will waste more money and we will have more misallocations of scarce resources. Unfortunately, worst of all, we will have more headlines to sicken the average Canadian taxpayer. Where, they will ask, was Parliament when this scheme was concocted?

In conclusion, I would like to say that at least we on this side of the House are here for this debate. We would like to try to alert the public to this latest government scam. We are prepared to fight this Bill.

The Acting Speaker (Mr. Herbert): There follows a 10-minute period for questions or comments.

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, the Hon. Member referred to Clause 41 of the Bill in which certain items considered as regulations or statutory instruments are not made available to the Standing Committee on Regulations and Other Statutory Instruments. I feel very keenly about that kind of thing because I happen to be a member of that committee and have been for quite a number of years. As a matter of fact, under the short rule of the former Leader of the Progressive Conservative Party, I was the co-chairman of that committee. I have a great deal of interest in what it does.

I do think that the Hon. Member should appreciate that it would not be in the best interests of this corporation for a committee of the House of Commons to be looking into the commercial nature of the various so-called regulations or instruments that should be provided but rather that the corporation should be placed in the same position as that of any other commercial corporation in the country. I wonder if the Hon. Member would care to comment on that.

Federal corporations or Crown corporations that are dealing with the public in the same manner as private corporations should be treated in the same way. Guidelines, instructions, documentation and regulations of private companies are not available to be scrutinized by the Standing Committee on Regulations and Other Statutory Instruments, nor should those of Crown corporations and public companies.

Mr. Dick: Mr. Speaker, the one big difference which the Hon. Member for Etobicoke-Lakeshore (Mr. Robinson) appears not to have taken into consideration is that the officers and directors of a private company are spending their own money. In the case of a public company, they are spending the taxpayers' money. That is the big difference between the two and that is why we must have a disclosure of what they are doing.

In the United States, such companies disclose almost everything. Here they try to keep everything secret. Even Subclause (2) of this Bill provides for tabling at a later time.

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, partly as a point of clarification, I would like to mention to the Hon. Member that there are shares in these corporations as well. Surely all shareholders should be treated the same. It is the shareholders' money. Whether it happens to be so-called government money or private money, it is still the shareholders' money. The federal corporations need to be accountable to their shareholders the same as private corporations need to be accountable to their shareholders.

Mr. Dick: Mr. Speaker, I believe that the companies which are specifically referred to in the initial part here like Canadair, de Havilland Corporation, Eldorado Nuclear and Teleglobe are 100 per cent owned by the Canadian Government. The Government is the only shareholder at this stage. Granted, only 85 per cent of the shares of the Canada Development Corporation are owned by the Government, but the Government has 48 per cent of the voting stock at the present time. The Hon. Member will notice that the majority of these companies are wholly-owned companies.

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, I have one further objection to make. Of course, these shares are held by the Crown corporations, but the suggestion in the Bill is that they could be sold off at the appropriate time. Whenever that may be is probably a question of when those shares would receive the greatest return for the public sector upon their sale. Certainly it is in the interests of all Canadians to see that these corporations are successful and receive a piece of the action if at all possible. The Bill specifically provides for a sale of shares to the public.

Mr. Dick: Mr. Speaker, unfortunately, it is obvious that the Hon. Member did not hear my entire speech. If he would like to read it in tomorrow's *Hansard*, he would find that I spent a good deal of time talking about divestiture. The fact is that the Bill talks about planning for divestiture and says nothing whatsoever about actually divesting anything. Knowing the make-up of the people who will control this organization—Mr. Bell, Maurice Stong and Senator Austin—they will keep on hauling stuff in on their plate. I have never seen them give away anything or sell anything. I gave as an example the one company which the Government had suggested it was prepared to sell, and that was Northern Transportation. It takes freight down the Mackenzie Valley and it has other ancilliary types of business. I know personally that an offer was made to buy that company back in 1979-80. The Government has never acted on that offer. Since the National Energy Program, freight is no longer being transported to that area and the company is not worth very much. The Government is now willing to sell it. I do not think the Government will maximize its dollars as it could have back in 1979-80.

• (1630)

The Acting Speaker (Mr. Herbert): Are there any further questions or comments?

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Herbert): Order. It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Peterborough (Mr. Domm)—Metric Conversion—Enforcement of regulations—(a) Minister's statement (b) Salaries of Metric Commission executives; the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen)—Finance—Fuel tax paid by farmers and fishermen—Request for removal; the Hon. Member for Winnipeg North (Mr. Orlikow)—Immigration—(a) Recruitment of foreign executives by Bank of Montreal (b) Permission granted by government.

GOVERNMENT ORDERS

[*English*]

CANADA DEVELOPMENT INVESTMENT CORPORATIONS ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Bussières that Bill C-25, an Act respecting the Canada Development Corporation, Canada Development Investment Corporation and certain other corporations, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. W. Kenneth Robinson (Parliamentary Secretary to the Minister of National Revenue): Mr. Speaker, I welcome the opportunity to participate in the debate on Bill C-25. This Bill, in conjunction with the amendments to the Financial Administration Act—Bill C-24—represents a new departure for the Government in its management and divestment of Crown corporations and other investments.

In recent decades, government has gradually acquired investments in companies of various kinds. The Canada Development Investment Corporation, as a special Act corporation, has the mission to manage government-owned assets that operate in the commercial sector. That is important to remember. It is the commercial sector which we are talking about. Crown corporations should be run according to commercial principles. That is a very, very important aspect. These investments have been made for pragmatic reasons.

Some Hon. Members: For what reasons?

Mr. Robinson (Etobicoke-Lakeshore): Well, maybe some of the reasons are because of Opposition proposals. In any event, they are pragmatic reasons.

It is in the public interest that these companies operate on a sound commercial footing so that they can be returned to the private sector when the commercial opportunity arises. I am sure members of the Opposition would appreciate that this portends only good for Canada and for the corporations.

There is a history in this country of government investment in the economy. Governments in Canada, whether federal or provincial, Liberal, Progressive Conservative, New Democratic or Social Credit, have invested in companies when they saw a clear and pragmatic public policy need to do so. I could mention a number of examples: Panarctic Oils Ltd., Syncrude, and Petro-Canada. There are dozens of such companies—wholly government-owned and partly government-owned—from coast to coast. The Ontario Government has invested in Suncor. The Alberta Government has the Alberta Energy Corporation and it has invested in Pacific Western Airlines. The Nova Scotia Government has Sydney Steel.

It is a fact of public life in Canada that governments become investors in the economy and that they they become shareholders in companies. They do so for a variety of reasons which are of a pragmatic nature. But once governments are

shareholders, they must manage their shareholdings. It only makes good commercial common sense.

What lessons can be learned from the private sector in such cases? On the positive side, we learn the importance of major shareholder presence in a company, making its weight felt keenly. It is an investment to protect and, in most cases, it does so. On the negative side, we learn the lessons offered when this does not happen. For example, in the case of Massey-Ferguson, the key shareholder stepped back from its responsibility as the major shareholder. We all know the outcome.

When anyone—a person, a private company or a government—is the key shareholder in a company, he must make his presence felt as a shareholder. That is fundamental. That is perhaps the major benefit which we can derive from CDIC. CDIC is a vehicle through which the Government can manage its commercial investments. It is designed to be a holding company in the best traditions of private sector holding companies; constantly reviewing the activities of its subsidiaries, developing and articulating the views of the shareholder, making sure that management knows what the shareholder expects and replacing management when performance is inadequate.

CDIC is doing that job and doing it well. The progress made by Canadair over the past year is one example of CDIC's value to government and to the country. We could imagine how much worse it would have been if we had not taken it over. Let me remind the House of what has happened with Canadair Ltd. since CDIC took over responsibility for that company.

What kind of problems did CDIC find? I will list them: First, a failure by management realistically to identify and address the business problems of Canadair. Second, inadequate disclosure by management of corporate information to Parliament, government and the board to allow for meaningful awareness and resolution of corporate difficulties. Third, the over-aggressive use of an accounting method that failed to reveal the full extent of the company's true financial difficulties. Fourth, a Challenger production rate in excess of market demand, with consequent excessive and costly inventory build-up. Fifth, outstanding delivery commitments of Challenger aircraft at prices less than the cost of parts and labour. That is a horror story. Sixth, marketing projections which were excessively optimistic and which were not subject to critical review. Seventh, a Middle East distributor agreement that was not in Canadair's best interests. Eighth, a corporate structure that lacked clear lines of accountability. Ninth, a level of production and managerial employees whose numbers were excessive in relation to the production and sales rates which the company could reasonably expect to achieve in the foreseeable future. Finally, tenth, a board of directors that did not adequately participate in the key decisions of the company. There are probably many more. We could almost go on *ad infinitum* with a company of this nature.

What did CDIC do about these problems? The most recent step was a complete re-organization of Canadair Inc., which is the U.S. marketing division of Canadair Ltd. Canadair Inc. has been cut in size and cost, but it will be more sales effective. Two new executives have been appointed to run Canadair Inc. They are key people who came from Gulfstream Aerospace Corporation, which is one of Canadair's main competitors. But, that is only the latest of many steps.

I would like to list some of the other steps which CDIC has taken to put Canadair on a sound footing. First, personnel changes have been made to strengthen the management group. The President of the company was replaced and four senior officers have departed. Second, there is a commitment to full and timely disclosure which includes an audited annual report and unaudited quarterly reports. Parliament has been provided with audited financial reports for 1982 and 1983, along with extensive financial data for ealier years. Those reports, together with the accompanying notes and commentaries, were designed to meet the reporting and disclosure roles applicable to companies whose securities are traded on Canadian stock exchanges. Third is the adoption of conservative accounting practices. Canadair used an overly-aggressive form of program accounting in recording certain costs and revenues for the purposes of Canadair's audited financial statements for 1981 and for prior years. Canadair's 1982 and 1983 audited statements were, therefore, prepared on the basis of a conservative, more traditional form of program accounting. In CDIC's opinion, those financial statements presented a more realistic view of Canadair's assets and liabilities.

• (1640)

Fourth, the strengthening of financial controls through the reinstatement of the office and function of internal auditor. The function had been eliminated in 1982. Fifth, the establishment of a lower Challenger production rate. In February, 1983, Canadair was producing Challengers at the rate of 30 aircraft per year. CDIC and Canadair's management concurred in reducing that rate to 24 aircraft per year. In July 1983, the Challenger production rate was again reduced, to 16 Challengers per year. In December 1983, steps were taken to permit production of 19 Challengers in 1984. The foregoing changes in production rate were made as a result of CDIC's assessment of the probable rate of Challenger sales in 1983 and 1984. To date, that assessment appears to be valid. By December 31, 1983, Canadair had delivered all but one of the Challengers built in 1983. No Challenger sales were lost in 1983 by reason of the unavailability of aircraft. The production rate reductions resulted in cash savings to Canadair in 1983 of $37 million and will result in further cash savings of $141 million in 1984. I am sure that is most heartening for Members of the Opposition. Of course, it is heartening for Members of Government as well.

Sixth, the enforcement of sound sales practices. All new Challenger orders are being signed at a price which recovers all costs, except interest on past debts and which, on the basis of 15 deliveries a year, results in a profit before interest for the program. With the recent capital restructuring of the company, Canadair's debt burden will be removed and the Challenger, at 15 sales per year at current prices, will yield a profit.

Seventh, changes in forecasting and marketing. Canadair has adopted a more realistic sales forecasting approach. It has also adopted a conservative method of counting new orders. I am sure Hon. Members opposite will appreciate that it is a "conservative" method. It lists only firm orders, and to be considered firm, an order must first be legally enforceable by Canadair. Also, it must be with a customer who has a clear ability to pay for the plane, and it must be with a customer who has not indicated any desire not to take the plane. In addition, Canadair has employed two major outside groups to provide a view of market prospects for the Challenger. On the basis of that view and other analyses, CDIC and Canadair have concluded that with a prudently conservative view of market shares, the Challenger program can generate a profit, including overhead but excluding interest on past debt. That is progress.

Eighth, the modification of Canadair's Middle East distributorship. Canadair has concluded a new representative and distributor agreement with TAG Aeronautics (Saudi Arabia) Ltd., and has settled an arbitration claim made by TAG through the International Chamber of Commerce. The two companies will be co-operating closely to realize Challenger sales opportunities in the Middle East.

Ninth, changes in management and management structure. After making a careful assessment of Canadair's management structure, CDIC concluded that significant changes were required. The structural changes which have been made were designed to produce a management team organized along functional lines. Authority and responsibility have been reallocated in accordance with the new structure and the management team is now functioning satisfactorily. The number of vice-presidents has been reduced from 22 to 12. I am sure you will appreciate that that is progress as well.

Tenth, the implementation of cost reductions. Significant reductions have been made in corporate overhead and operating costs. The savings to Canadair, once severance costs have been absorbed, will be $27.5 million a year.

Nothing I have said should come as news to this House. Indeed, the Minister responsible for CDIC spelled it all out in a report to Parliament on Canadair in March. The lessons were not easy ones; but we have learned them. More important, we now have in Canada a well diversified company turning out good products—products of which all Canadians can be proud—and going out into the world to sell them. Canadair's costs are under control, its orientation is more commercial, its lines of accountability are clearer. It is positioned for profitability and it is identifying new strategic opportunities for the future. What more can I say? CDIC has effectively carried out its mandate to bring commercial attitudes, businesslike management and a strategic mentality to Canadair. Over the coming year Canadair, as a result of CDIC's efforts, will become one of the exciting instances of dynamic corporate turnaround, we all hope.

Mr. Nickerson: Even you do not believe that.

Mr. Robinson (Etobicoke-Lakeshore): Well, we can hope for it, can we not? If you lose hope, what do you have left?

The same process is under way at de Havilland. Obviously, CDIC has more to do there. We know that. We do not need to be told. The Government believes that there is a good opportunity to have in Canada a commercially viable aircraft industry. That is a decision we had to make. Do we want an aircraft industry or not? Diefenbaker in his time decided we did not want one. We have decided at this time that we do. We will have to wait and see what happens in the future. The lesson to be learned from this experience of the last two years is that turnarounds of the sort which is underway at Canadair do not just happen on their own. The turnaround at Canadair happened because the Government had in CDIC an instrument it could use to manage its investment in Canadair.

Quite simply, the Government needs an instrument like CDIC to manage its investments when it becomes a shareholder. The critics of CDIC cannot wish away these shareholding situations by attacking the vehicle through which the Government is managing its investments. Last Fall, this House passed Bill C-170, the Atlantic Fisheries Restructuring Act. Again, this was a situation in which the Government found itself as a shareholder in three companies involved in the catching, processing and marketing of fish, companies whose operations are vital to the well-being of the entire fishing industry and of the economies of the five eastern provinces. Hon. Members know the story behind that investment and I will not go over that old ground.

However, once the Government found itself, for pragmatic reasons, with new shareholdings, there was quite obviously a continuing need to manage those investments. Those companies, or their predecessors, had all lost money in recent years, but all of them must become internationally competitive because the major markets for Canadian fish are broad. They must operate on a commercial basis and the Government's investment must be well managed.

The Government could not ask the Minister of Fisheries and Oceans (Mr. De Bané) to do that job; he is the regulator of the resource and its harvesting. This time the Government had a vehicle available to manage those investments; CDIC. We need CDIC to take charge of such cases and to return them to the private sector when it is commercially feasible to do so. That makes sense to me, and it should make sense to Hon. Members opposite. We do not want to see the Government losing more money than it has already.

CDIC has proven its usefulness in the case of Canadair. It is applying the same analytic and problem solving ability to de Havilland and it will do the same in the fishing industry. Hon. Members know that any Government will find itself with investments in industry. They know that these investments need sound management. They know that there must be an instrument available to Government to provide that management. CDIC is that instrument, and I am confident that its creation represents a major step forward in dealing with the issue of managing government investments.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments?

Mr. Dick: Mr. Speaker, I would like to ask the Hon. Member for Etobicoke-Lakeshore (Mr. Robinson) whether he believes all that he said in his speech, including the portion dealing with Canadair. Does he really and truly believe that?

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, I believe it is Chronicles III in the Bible which talks about faith, hope and charity. I believe it has now been changed in the modern version to faith, hope and love. I have faith, I have love of my country, and I have hope. If the Hon. Member has as much hope as I have for this and will work as hard to make it work, it will be successful.

● (1650)

Mr. Dick: Mr. Speaker, I do not think any Members of the House would disagree. We all have faith and hope, and, to a greater or lesser degree, I think we all have some charity. I asked the Member whether he believes all that he said, including all that he said about Canadair in his speech.

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, my friend reminds me of a doubting Thomas, if I may refer to the good book again. I personally am a believer. When I cease to be a believer, I will not be here.

Mr. Jarvis: Mr. Speaker, I think the Hon. Member misunderstood the question. We were simply giving him the opportunity to disassociate himself personally from some of the things which were contained in his speech as compared to associating himself, quite naturally, in terms of his parliamentary responsibility. If he wishes to take the opportunity to disassociate himself personally from some of the contents of his speech, I will give him the opportunity to do so.

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, let me say this. If the positive points which I made in my speech do not come to fruition, I will certainly be taking exception to it and will agree with the Hon. Member.

Mr. Miller: Mr. Speaker, I would like to clarify something with regard to the Hon. Member's speech. The Conservative Party makes a great deal about divesting itself of Crown corporations. The Government has indicated that part of the rationale behind CDIC is that at some stage it will divest itself of Crown corporations. With regard to the fishing industry, that was made fairly clear by the Minister of Fisheries and Oceans (Mr. De Bané) in the Bill.

At what stage do we divest ourselves of these Crown corporations? At what point do we feel that we have had an adequate return on the taxpayers' investment in those corporations? Are we going to divest them as soon as they become profitable and become a source of interest in the private sector? Or, are we going to demand that for all that public investment there is going to be an adequate return to pay the taxpayer for saving those industries and saving the jobs which we have had to save in the fishing industry and returning the $138 million, if it is under the Fisheries Bill, to the Canadian purse? At what point do we divest ourselves and what return do we expect for the Canadian public?

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, I agree with the Hon. Member's altruistic motives. I am sure it is altruistic motives that are contained in the Bill, and the reasons for providing them. I do not think that as yet we have decided upon the policies as to when we would divest ourselves of the assets. Surely it is going to have to be actuarially sound. There would probably not be too many people interested in acquiring the business unless it was making a profit. I see nothing wrong with making a profit, whether by the Government or private enterprise.

Mr. Miller: Mr. Speaker, the point I was trying to make was whether we write off all the investment that the Canadian public has made in that industry at the point that it becomes profitable and the private sector is interested in buying it, or do we demand that we make some profit to return to the taxpayer who bailed out an industry that was badly managed by private enterprise?

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, I would venture to say that quite a number of items would have to be considered before that decision could be made. Obviously, we do not want to continue losing money in a losing venture. If we spent a lot of money, we would like to have a recovery for the people of Canada who invested their money in the enterprise through Government. One must make a judgment based on the facts at a particular time. Whether we are making or losing money at the time is a decision which would have to be made at that particular time. To say anything other than that would be purely speculative at this point in time.

Mr. Dick: Mr. Speaker, the Hon. Member for Etobicoke-Lakeshore (Mr. Robinson) in much of his speech dealt with Canadair and the bad shape it is in. Is he aware that the Government of Canada forced General Dynamics to sell what is Canadair to the Government of Canada because the Government of Canada wanted to get into a different type of manufacturing of airplanes than General Dynamics wanted to get into? At the time General Dynamics did not want to sell and, as a matter of fact, still has a working relationship with Canadair.

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, I can neither confirm nor deny the allegations which are made by the Hon. Member. That is something which could be looked into. I am sure the Department would be only too glad to provide him with the facts.

Mr. Dick: Mr. Speaker, when the Hon. Member was talking about Massey-Ferguson and referring to majority shareholders, was he aware that at the time that the largest shareholder owned only 17 per cent of Massey-Ferguson, it offered to invest more money if the Government wished to participate at the time? The Government refused to participate at the time and the only way they could get the Government to participate

was if they themselves bowed out. They did not bow out by selling their shares. The largest shareholder at that time got out by giving its shares to the employee pension fund, thus making it possible for the Government to come in.

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, I really do not know what question the Hon. Member is posing. It seems to me that you certainly do not need to have a very large portion of a company in order to have control of it. I would think that if the major shareholder had 17 per cent of the company, it obviously had control of it.

The Acting Speaker (Mr. Guilbault): Resuming debate, the Hon. Member for Western Arctic (Mr. Nickerson).

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, before beginning my debate on Bill C-25, I should thank the Hon. Member for Etobicoke-Lakeshore (Mr. Robinson) for 20 minutes of humorous interlude. I found it very entertaining. It was not particularly enlightening, but certainly very entertaining. Reading out a speech of that particular ilk displayed a loyalty on his part to the Liberal Party that was way beyond the call of duty.

I recall, however, being invited by the Minister of Industry, Trade and Commerce to a film show a few years ago. The Minister had all his directors and people from Canadair there. He was saying what a good thing Canadair was going to be. He was saying what a good job he had been doing getting these Canadair Challenger jets going. To use a biblical phrase, as the Hon. Member for Etobicoke-Lakeshore was doing, today we see the Government acting like Pontius Pilate. He was washing his hands of the whole affair. He said that the Government had nothing to do with it. He said the Minister of Industry, Trade and Commerce was not to blame, that it was the fault of the management of Canadair. That is what we heard today after the fact. You cannot have it both ways.

This afternoon we are dealing with the brainchild of that famous Senator from the other place, one Senator Jack Austin. I know he has laboured over this Bill for some time. It attempts to legitimize—

I see you waving at me, Mr. Speaker. I only had two minutes, and it was not enough. However, I look forward to going into this in considerable detail at the next opportunity.

[*Translation*]

The Acting Speaker (Mr. Guilbault): Order. It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*Translation*]

The Acting Speaker (Mr. Guilbault): Shall all orders and items preceding item 2 stand by unanimous consent?

• (1700)

[*English*]

Some Hon. Members: Agreed.

* * *

INCOME TAX ACT

EXEMPTION FOR SMALL FARM HOLDINGS

The House resumed, from Tuesday, January 31, consideration of the motion of Mr. Wenman:

That, in the opinion of this House, the retention of productive and potentially productive small holdings in agricultural production is of value and, that the government should consider the advisability of repealing Section 31 of the Income Tax Act which threatens the retention of such productivity lifestyle and land use.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Fraser Valley West.

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, in closing debate on the motion, I want to express my appreciation to all Hon. Members from all sides of the House of Commons.

The Acting Speaker (Mr. Guilbault): Order. The Chair realizes that the hon. gentleman has already spoken on the motion.

Mr. Wenman: That is right, Mr. Speaker. Now that you have recognized me, I am closing debate on the Bill so that we can proceed to have a vote of general agreement of the House of Commons on this matter. You have recognized me, and I would like to continue my speech and continue holding the floor.

The Acting Speaker (Mr. Guilbault): Usually, as a matter of practice, the Chair asks if any other member wants to speak before someone closes the debate. However—

Mr. Wenman: Thank you very much, Mr. Speaker. In view of the fact that all Parties have given their concurrence in their speeches in the House of Commons, which could be checked by yourself, if you want to look at the record, and that in fact I was commended for bringing this proposal forward, I feel that the positions have been made and it is important that we should act now. By acting, we will state in voting for this motion, as all political Parties will do, the concern that the small farmers have in fact had.

We have heard suggestions during debate that the limit of farm loss deductibility be raised from $5,000 to $20,000 or $30,000 annually. Of course, this is only a half measure. The

problem is more than disagreement over tax law. The problem is the attitude of the Government that small agricultural land holdings are not valuable and somehow do not make their own kind of significant contribution to agricultural productivity and the environment.

Mr. Collenette: Mr. Speaker, I rise on a point of order. Clearly there are members on this side of the House who want to contribute to the debate. To have recognized the original proponent of the motion at this stage is clearly out of order. I understand that my colleague, the Hon. Member for Niagara Falls (Mr. MacBain), is about to speak on this matter, as are other members. Surely you must recognize him before putting any question. I suggest that it is clearly out of order to have the original member who proposed the motion speak at this stage.

Mr. Jarvis: Mr. Speaker, I rise on the same point of order. I clearly heard you call the order of the day. I was in the House and no one from the government side rose to speak. I can absolutely assure the House of that. I hope that Hon. Members opposite, particularly the Minister, will accept my word that no one from the government benches rose to speak.

You recognized the Hon. Member in whose name the motion stands. As I understand the Standing Orders, once having recognized legitimately the member in whose name the Bill stands, because no other member was standing, I think it is quite clear that on the completion of his remarks the debate is closed. If there is to be a division, which I do not expect in this matter in view of the previous interventions, then the debate automatically closes on the cessation of the remarks of the member who now has the floor.

Mr. Collenette: Mr. Speaker, the Hon. Member for Perth (Mr. Jarvis) may be making a valid point. However, notwithstanding that case, it frequently occurs that members are otherwise occupied. For instance, there was some confusion before five o'clock when the Hon. Member for Fraser Valley West (Mr. Wenman) stood up at the wrong moment and the Member for Western Arctic (Mr. Nickerson) then finished the debate. There was some confusion.

However, when there is an element of confusion in the House, one always defers to the continuity of the debate for those members who have not spoken. That is how we operate traditionally in the House. I would submit that you have no other recourse but to recognize my hon. friend from Niagara Falls who is most willing to take part in the debate.

Mr. Wenman: Mr. Speaker, the point of order I wish to make is that we are now in Private Members' hour. In Private Members' hour it is very important that the will of a private member not only be allowed to be heard in this place, but be brought to a vote, continued or brought to another committee. Perhaps it can be brought to completion so that these ideas of people that come through Private Members' are heard.

By calling this motion a second time, the House of Commons clearly intended that we should have further debate and perhaps conclusion in this area. Therefore, I insist that I maintain my place in debate, as recognized procedurally and correctly in procedure by yourself and other members, by the fact that there was no one standing. I insist that I conclude my speech in concluding the debate and that we have an agreement on this measure.

The Acting Speaker (Mr. Guilbault): Order. The Chair believes that it has enough information from various members from all sides of the House. First, the Chair did not recognize originally that the Hon. Member had spoken. I was just brought the list and I see his name on the list as having spoken.

This being said, I will read Standing Order 41(2):

> A reply shall be allowed to a Member who has moved a substantive motion, but not to the mover of an amendment, the previous question or an instruction to a committee.

Standing Order 41(3) reads:

> In all cases the Speaker shall inform the House that the reply of the mover of the original motion closes the debate.

In other words, the floor is always offered to others who want to speak before someone closes the debate. With all due respect to the hon. gentleman, I would ask if someone else wants to speak—

Mr. Wenman: Point of order.

The Acting Speaker (Mr. Guilbault): Will the hon. gentleman resume his seat for a moment. To correct its own mistake in not having seen the list before the Hon. Member rose, the Chair proposes to ask other Hon. Members if they want the floor. If not, the hon. gentleman can speak right away.

Mr. Wenman: Mr. Speaker, you did not err in any way, shape or form. I did not err in my response. I opened my debate with the words "in closing debate". Furthermore, there was no one speaking and I insist on my place on the floor.

The Acting Speaker (Mr. Guilbault): I believe that the hon. gentleman is now trying to comment on a ruling. Debate. The Hon. Member for Niagara Falls (Mr. MacBain).

Mr. Al MacBain (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the effect of the motion by the Hon. Member for Fraser Valley West (Mr. Wenman) is that the Government should consider the advisability of repealing Section 31 of the Income Tax Act. Admittedly, this is a controversial section. There are two sides to the argument about whether there should be an amendment repealing Section 31 of the Act. This section, which is commonly referred to as the hobby farmer section, limits the expenditures which certain farmers can deduct in a year for income tax purposes.

The danger of simply advocating the removal of this section from the Act is that it may interfere with the integrity of the Act if it is removed. As well, it deals with tax expenditures that are sometimes known as loopholes. There is a difference of opinion even among farmers and certainly among others as

to whether or not the provision has reason to stand at least in a limited way.

● (1710)

Consideration has been given to section 31, but there are two arguments. The one put forward by my learned and hon. friend is one side of the argument only. The other side allows someone who is really not a farmer to reduce substantially his income, if the section were removed, and gives protection against an unnecessarily high tax expenditure from income from other sources being used.

I admit there is room for a discussion or refinement of the section, refinement being where there is strictly an opportunity taken by someone to overcome what would otherwise be taxable income by using expenditures of great dimension against other income. If that were allowed to be taken advantage of by everyone, what would be the end result? What is the policy angle involved? If it is a policy angle to attempt to let the taxpayer go from a mere employee at General Motors to buy a farm and to slide into farming using tax expenditures, for all intents and purposes really government grants, is that what our Government, whatever Government it may be, wants to do? If that is what you want to do, maybe we should say it, Mr. Speaker. If what we want to do is permit someone just to take advantage of the Tax Act, to get reductions in his actual tax payable by going into a non *bona fide* operation where there is little or no hope for income but lots of expectation of losses, and if losses were not curtailed, it would be a loophole or a tax expenditure which would have serious consequences on the integrity of the whole Act. I am not at all sure that the Hon. Member is correct if he were to say, or to suggest to us at least by implication, that all farmers would be happy by a mere deletion of Section 31. I will go with the Hon. Member for Fraser Valley West (Mr. Wenman) a certain distance. I will go the distance that the matter which he has brought before the House this afternoon is timely. It is my understanding that the basic question is being considered by the Department. I can say there is no firm decision that there should be a step to remove the section completely and to remove any safeguards. The expenditure from what is in fact and in substance merely for a hobby farmer would be to remove any tax payable from his normal income, regardless of how much that income was and how much tax there would be thereon, but I am prepared to go part of the way to agree that Section 31 is controversial.

I think there is need for a refinement, perhaps for a small farmer who is merely working off the land to supplement his income until his farm becomes profitable or at least so it can sustain the operation. That might be quite in order. I am sure if one were to study the section and to study the implications with great care and go into the question with Departmental officials, one would find there have been improper advantages taken of the Section over the years. That is my understanding. In a genuine case where a person has in fact and in substance a genuine farming operation, which admittedly may be losing money, that individual may be forced temporarily to remove himself from being a full-time farmer and take some income elsewhere. If he wants to use some of that income where it is limited to $5,000 in order to limit the tax payable on his secondary income, it may be perfectly all right, but to do what the Hon. Member for Fraser Valley West says, which is to let him go whole hog and remove all his income from taxability, may be to place on the shoulders of the other taxpayers an unfair tax burden.

I for one would be hesitant to do that. I am a farmer's son and, like many of us in the House who are second generation farmers, we are hesitant to do anything that would hurt the farmers. We are always anxious to do something helpful, but one must look at the fairness of what we are trying to do.

There are in society, and farmers are no exception although it seldom happens in the farming community, some people who take advantage of any section or any tax expenditure no matter how carefully the section is drawn to turn a legitimate tax expenditure or legitimate loophole to their advantage. Thank goodness there are a very limited number of such people in our society.

If we were to say this afternoon, that we should remove Section 31 altogether and not limit the expenditure from the so-called hobby farm as against regular income, I would have to be against the motion. I know there are legitimate cases. I accept the fact that the Hon. Member for Fraser Valley West is putting forward his motion on the basis of legitimate cases, but there is room for honest men to disagree on how the matter should be approached.

The way this motion approaches the problem leaves a lot to be desired. But if you approach it by amending Section 31 either by changing the amount of the $5,000 expenditure or by putting in certain safeguards and spelling them out, that might work. Probably one of the problems with Section 31 is the interpretation it has received by the department and its officials, including the feeling and the position of the Minister of Finance (Mr. Lalonde) which he put forward in his Budget of February 15, 1984. We must also consider the decisions made on tax cases concerning this matter. I think the Section is drawn in such a way that there is a serious difference of opinion about it and that has to be removed. That perhaps is true, but to say that is not to say we should support removal of the Section without due consideration as to its statutory history.

We must look at the ramifications. How has this section affected genuine farmers? By that I mean not the hobby farmer but the genuine farmer who is in a tight situation trying to make a farm produce taxable income and in doing so, trying to survive and at the same time fight very hard with another job off the land to make the total operation—the farming operation and what he does elsewhere—at least profitable.

● (1720)

I am prepared to discuss the basic question with the Hon. Member. However, I have reservations about removing Section 31 and letting the chips fall where they may. It is probably true to say that the problem is as much one of

interpretation of the statute as it is whether or not the statute was properly drawn and reflected what legislators intended when they passed it. We would have to go back and study the intention of the legislators and what has happened under the section. For example, how many cases have there been, have decisions been going one way or vice versa, what is the position of the tax Department, or how difficult is it for the Department to make this section work when dealing with farmers.

As I said before, we know as farmers' sons how difficult it is for them to make a go at any time. The last few years have been particularly difficult, and no doubt 1984 will also be. We tend to do what the Hon. member for Fraser Valley West has done. With the best of motives, we try to lean over backwards to help farmers. He is particularly dealing with small farmers. I understand and agree with him in that respect, but how can we remove Section 31 and let the consequences fall where they may?

The motion of the Hon. Member would affect the integrity of the Act itself. It would not bring harmony to the farming community. Many farmers are not in favour of the use of farmlands for hobby purposes. They are not in favour of promoting hobby farming in that manner, especially full-time farmers who are profitable and have to pick up the slack. It is not a black and white situation like the Hon. Member would like us to believe. I do not think that will solve the problem and make farmers happy. Certainly small hobby farmers will be happy if we take away Section 31 and they are allowed to use as many expenses as they can dream up on their hobby farm operations against their secondary income. However, the farming community in general will not be happy. Certainly those who have an interest in the integrity of the Income Tax Act and trying to make it work will not be happy.

While the matter is worthy of debate, the simple solution of the Hon. Member for Fraser Valley West is inadequate.

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I would just like to make a few comments on the motion of the Hon. Member for Fraser Valley West (Mr. Wenman). I am interested in it because some people in my riding have expressed concern about the way in which the Income Tax operates in this particular respect. I mentioned this matter in the House before in a statement pursuant to Standing Order 21. I called attention in particular to the unfairness of the way in which retroactivity was applied in some of these cases.

However, I rise to participate in the debate this afternoon more from my concern about what I think is a false impression on the part of the Hon. Member. He would like to give the impression that he is for policies to promote "the retention of productive and potentially productive small holdings in agricultural production" and that he regards it as something valuable. I regard it as something valuable, but I would like to deal with some of the ways in which the Hon. Member and the Party he represents advocate a set of policites which go in the opposite direction to valuing "the retention of productive and potentially productive small holdings".

What is the position of the Progressive Conservative Party with regard to the development and growth of agribusiness? What is its position in terms of the way in which more and more farms in western Canada are becoming larger, with small farms disappearing as a result of the ability of the larger ones to buy them out and as a result of the vertical integration in the agricultural sector? I have never heard any Conservatives, nor for that matter Liberals, speak against that kind of economic phenomenon which has every bit as much to do with the disappearance of small productive and potentially productive holdings.

I have never heard Conservatives object to the way in which many people from outside Canada have been able to buy up large tracts of land, driving up the price of land in Canada and making it impossible for small farmers to carry on or for people who want to become small farmers or start new farming operations. When we try to do something about that, the same people who now say they are for small farmers rise in the name of free enterprise and values in the marketplace to say that we cannot stop it because it is free enterprise. Their first priority is not productive and potentially productive small holdings. Their real priority is free enterprise. If small farms stand in the way of that, they can go the way of the dinosaur, as far as the Progressive Conservative Party is concerned. Let us not kind ourselves about that.

I have never heard the Hon. Member nor his Party ask for something to be done about land speculation or about the way in which potentially valuable land is raised in price and often used for the wrong reason because someone got hold of it first and did what they wanted to do. I have never heard Conservatives object to that, because above and beyond the value of land and the responsibility to use it well, they hold the value of free enterprise and the marketplace. Let us not be kidded about that this afternoon by the Hon. Member for Fraser Valley West.

The only people we can take seriously when it comes to land use are those who are willing to say that it is our responsibility to be good stewards of the land, a responsibility which goes beyond any attachment we may have to any particular economic system or economic values. That is what the Progressive Conservative Party is not prepared to do. It exalts the kinds of land use which at the moment are destroying the eco-system of this planet. That is the kind of development to which it looks forward for the future of Canada and our planet. That kind of private, uncontrolled, profit-motivated free enterprise development is using up the last remaining stands of the Amazon forest. The other day the Duke of Edinburgh, His Royal Highness Prince Philip, called attention to this particular problem. If we do not do something about the way in which our economic system is using up land—

Mr. Evans: Order.

Mr. Wenman: What does that have to do with the motion?

Mr. Blaikie: I think it is completely relevant because the Hon. Member prefaced his remarks by commenting upon land

use in particular. If we do not address these kinds of questions, we will never address the problem of land use as it should be addressed.

Members of the Progressive Conservative Party have risen and waxed self-righteous about land use. They do not really care about land use. They care about money use. To hear any Progressive Conservative get up and talk about land use and responsibility for the land is just so much hypocrisy. What they really care about is money. When the day comes that they are willing to put their concern about land above and beyond the concern for profit, then we will be able to take them seriously when it comes to land use.

● (1730)

Mr. Lee Clark (Brandon-Souris): Mr. Speaker, I must begin by expressing my disappointment at the extreme divergence from the topic which the Hon. Member who just spoke indulged in.

Mr. Blaikie: It is not a divergence at all; it is to the point.

Mr. Clark (Brandon-Souris): Mr. Speaker, Section 31 and Brazil have nothing whatsoever in common. Section 31 is making it exceedingly difficult, impossible in many cases, for young farmers who are attempting to acquire small holdings and make them productive. I know some of those young farmers. If they succeed they will become very productive farmers in the future, but at the moment they cannot support themselves by their agricultural earnings alone. As a result, they are compelled to seek employment off the land. Very often both the farmer and his wife are compelled to seek employment off the land.

These young people are working exceedingly hard. It is not unusual for them to have a regular job which requires them to put in 40 hours and then have to work another 40 and 50 hours on the farm. I think specifically of a member of my own family who drives from Regina to his holding in eastern Saskatchewan. That young man is very anxious to become a full-time farmer, and he will as soon as economic conditions permit. In the meantime he faces a handicap which, not solely but in part, is due to the policies of this Government. He is faced first of all with a shortage of capital. He is also faced with high interest rates which have unfortunately been increasing. He is faced with a decline in the revenue he receives for his product.

As you know, Mr. Speaker, the price of grain has dropped some 6 per cent this year. This young man is receiving the same price for his produce as was received in 1971 and 1972, but his costs of production are now 250 per cent greater than they were. He is trying to make ends meet but, naturally, he is incurring losses. Unfortunately, Section 31 denies him the opportunity to apply all of those losses against his general income. The result is that Section 31 is making it even more difficult for him to become a full-time farmer.

The young man of whom I speak, and there are many others like him, is not and will never be in the class of a so-called hobby farmer. We on this side of the House do not carry any particular torch for hobby farmers. There are ample provisions within the Income Tax Act, so I am informed, to govern so-called hobby farmers without reference to Section 31. Our concerns are for those young and struggling Canadians who seek to become self-supporting and productive farmers, those who will become the next generation. They are the unfortunate ones who are not in a position to inherit farm land and equipment from others. They are simply trying to do what our forefathers did two and three generations ago. It was easy at one time for a young man without capital, by virtue of his labour, to go out and become over a period of time a self-supporting farmer. But land value at it is today, and with the cost of operation being what it is today, it is impossible for a man to become a full-time farmer unless he has, first of all, an immense amount of capital available to him. Those who do not have those assets must, of necessity, take employment and try to farm at the same time.

Section 31 works to the detriment of such young people. If it is permitted to continue to function in the way it is now, we will make it virtually impossible for such young people to become full-time productive farmers. If we do that, the economy of Canada will be the loser. We who play the role of Government will also be the loser because we will lose the revenue these young people will eventually bring to us. I commend the Hon. Member for Fraser Valley West (Mr. Wenman) for bringing this issue to the attention of the House. As you know, Mr. Speaker, this Bill is being debated for a second time. We had ample opportunity the first time to discuss the merits of the legislation. That is why I very much support the Hon. Member and encourage Members opposite to permit the Bill to be brought to a vote.

We have an opportunity to indicate where we stand on this legislation. We have an opportunity to express our disapproval of Section 31 which is strangling young Canadians. This is a particularly onerous condition because of the high unemployment which exists across the land. The people of whom I speak already have a job. However, they do not wish to remain in that job, they wish to be farmers. If we permit them to vacate their salaried positions and become full-time farmers, we will free up another position for those 1.5 million unemployed Canadians. In doing this, are we not only helping farmers and the agricultural economy as a whole, but we are helping the unemployed of Canada. Therefore, I say to the Members opposite that they have an opportunity to take a bold step forward. They have had a chance to speak; if they will just permit this Bill to be brought to a vote, then we can do something to further the condition of the young farmer, an opportunity which I think we should take.

Mr. Denis Ethier (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I find it very strange that the Hon. Member who just spoke talks of the fear we might talk out this Bill. What they have been doing up until five o'clock was trying to talk out the Bill we have before the House. I find it even more amusing to see how the Hon. Member for Fraser Valley West (Mr. Wenman) wanted to rush his Bill through without even giving us a chance to take part in the debate. I find it amusing because on so many occasions the same

Member, as well as other Members of his Party, have accused the Government of rushing legislation through when it is sometimes before the House for days, weeks and months. Today they want the Bill through without any debate. I find it very, very strange.

I am sure the Hon. Member for Fraser Valley West has very good intentions to present a Bill to find ways and means to pay less tax on income. This is quite typical of Members opposite. It is a wonder that they have not included in the motion all sections of the Income Tax Act which deal with collecting taxes. However, they cannot have it both ways. You cannot talk of reducing deficits and not collecting taxes and lowering the Government's revenues.

Individuals engaged in farming activity are placed in one of three categories under the Income Tax Act for the purposes of determining the extent to which farming losses may be deducted from other sources of income. Full-time farmers for whom farming may reasonably be expected to provide the bulk of income, or the centre of work routine, are unrestricted in their eligibility to deduct losses fully. At the other extreme is the person who engages in minimal farming or peripheral activity and who has no reasonable expectation of a profit. Any farming losses sustained by such individuals are not deductible. This is because the activity is a personal endeavour and is a hobby and not a business. This hobby criterion applies to all activities and not only to farming.

• (1740)

Individuals in the third category do not look to farming or to farming and some subordinate source of income for their livelihood, but carry on a farming business as a sideline. Such secondary farmers are restricted under Section 31 of the Income Tax Act which imposes a $5,000 annual limit on the deduction of farm losses against other income.

However, all farmers including those farmers who have a restricted farm loss, can carry losses back for three years and forward for ten years so that these losses can be deducted from farm income earned over this period. These more generous carry-over provisions were introduced in the April, 1983 Budget. Previously, farm losses could be carried back only one year and forward only five years. Hence, the restricted farm losses of such farmers are not lost if in fact the farming operation is profitable over this period.

The purpose of Section 31 is to set up a flexible boundary between the person who carries on farming activities for personal enjoyment and the genuine farmer. This boundary is essential to restrict access to the very generous incentive provisions available to farmers, particularly the ability to use cash accounting methods. Repealing Section 31 would make it administratively more difficult for Revenue Canada to distinguish between genuine farmers and those engaging in farming as a leisure activity.

Section 31 has been a controversial provision of the Act and has attracted a great deal of criticism. Arguments have been made that there is a feeling in the agricultural community that the restricted farm loss rules are discriminatory since they do not exist for other forms of business. Most typically, it is argued that Section 31 limits access to farming since it restricts the extent to which losses sustained in the early stages may be written off against other income and hence impedes the transition from part-time to full-time farming. It is also commonly argued that Section 31 imposes a hardship on bona fide farmers who temporarily take off-farm work during periods of poor farming conditions and who occasionally find themselves restricted by the provision.

Because of the controversy surrounding Section 31, the ramifications of the existence of the provision have been subject to extensive analysis in the Department of Finance. Although the arguments put forth are of concern, extensive research indicates that it is by no means obvious that reapeal of the Section or an increase in the annual limit would remedy existing problems.

Mr. Wenman: It would help.

Mr. Ethier: It would not remedy the existing problems. In fact, such actions might create major problems within the legitimate farming sector. Data indicate that the vast majority of individuals restricted by the provision have very low gross farm sales, typically less than $5,000 annually, and high average off-farm income. Furthermore, a large percentage of those who would be affected by the provision habitually report farming losses year after year.

The U.S. experience, as well as available data for Canada, suggests that removal or extension of the limits would make farming even more attractive to individuals whose main interest in farming was primarily the speculative and tax write-off possibilities available. In fact, a large portion of the agricultural sector in the U.S. has argued vociferously for tightening up of liberal loss write-off provisions already in existence there.

It has been argued by many agricultural economists in the U.S. that the existing situation has forced up the price of agricultural land, thus making expansion and entry difficult and has reduced product prices. It is also argued that rates of return in farming have been lowered by the influx of speculative capital to the point where legitimate farmers find it difficult to make a living.

In summary, there is need for the restricted farm loss provision. Farmers receive generous incentives, most particularly the ability to use the cash accounting method for tax purposes. It is important to restrict these provisions to full-time farmers and to prevent non-farmers from gaining unintended access to these incentives. Such access is undesirable as it adversely affects the economic conditions facing the genuine farmer.

The Government is very concerned to see that the restricted farm loss provision does not apply to genuine farmers. This provision is being reviewed to seek ways to prevent such genuine farmers from ever being affected by the restricted farm loss rules. At the same time, the Government is anxious to ensure that the generous tax incentives available to the agricultural community are properly targeted at those for whom they were intended.

I do not think that passage of this Bill is in the best interests of the taxpayers of the country. It is not in the best interests of the farming community of the country and I cannot support the Bill in its simple form.

Mr. Gerry St. Germain (Mission-Port Moody): Mr. Speaker, I rise today to speak on the motion of the Hon. Member for Fraser Valley West (Mr. Wenman) with great consideration and understanding. I know the problems that Section 31 of the Income Tax Act has created for a large segment of Canadians who made the extra effort by trying to establish businesses in the farming sector.

The motion proposes that we consider the advisability of repealing Section 31. Here again, the Hon. Member has clearly shown a responsible role by saying that we should consider its repeal. I think that this clearly points out that we on this side of the House are not trying to provide an avenue for those who are wealthy to escape paying taxes. We are merely trying to give those who want to enter into the farming community a chance.

In the area in which I live, which is part of the Fraser Valley in British Columbia, the price of land is very high. It is very demanding financially to enter into those kinds of enterprises. There is no other way to do so unless one is born with a silver spoon in one's mouth. Most of the people who want to enter into the farming community are born in poverty like most of the rest of us are.

On my own farm, there was a young man who was driving a chicken-catching truck who wanted to enter into the dairy business. He would never have been able to enter into that business had some form of reasonable taxation not taken effect. With Section 31 remaining a part of the Act, this man is really going to struggle.

The Hon. Member for Brandon-Souris (Mr. Clark) mentioned the matter of jobs. If one man is taken off the job and goes to a farm, a job opening is created. The lack of jobs is the biggest issue facing Canadians today. There are no jobs, whether it be for the young, the old, or anyone.

• (1750)

In the Budget speech, the Government promised to reconsider Section 31 of the Income Tax Act. What has the Government done? It has done absolutely nothing. Here it is saying that it is the protector of the minority—the small businessman and what have you. But, who does it worry about? It worries about the big businessman. The most unbelievable presentation that I have heard in the House was given by the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie). He did not even speak to the Bill. He did not consider the small guy. I do not know what he considered. He was speaking about the Amazon and Brazil.

This is an important issue. The context of entering into the farming community today has totally changed from what it was in prior years. Elderly people who must retire can no longer hand their farms over to their children. The children must purchase the farms so that the elderly can maintain a reasonable standard of living. In most cases, those young Canadians must go out and perform work other than the work which they perform on their farms. It has been proven time after time that the only way to do it is to hold down a job and farm x number of hours each day as well.

I believe that the Government has a responsibility to Canadians, and to small entrepreneurs who are trying to break into the farming industry. Without seriously considering the Bill put forward by the Hon. Member for Fraser Valley West, we will achieve nothing.

Mr. Paul E. McRae (Thunder Bay-Atikokan): Mr. Speaker. I have no concern about speaking this Bill out. However, I would not feel that way if the motion called for changes which would make it possible for small farmers and part-time farmers to get a better break and make it possible for them to survive. However, that is not what the Bill proposes. The Bill proposes that Section 31 of the Income Tax Act be repealed. That leaves it wide open for anyone to purchase a farm or a piece of property in order to obtain a great tax write-off. They do not really have to be concerned about farming at all.

One thing that bothers me about this Bill is that it has been characteristic of the Tory Party in the debates in the last several months to always be worried about the person who is not paying taxes. They should be looked after nicely and we should treat them well! I can truthfully say that in the last three or four months, there has been a great deal of concern in my community by the people who are earning wages and whose taxes are being paid at source that they will be forced to pay more and more taxes if more and more ways are found in which other people do not have to pay taxes. Therefore, I think that the deletion of Section 31 is one way to create a situation in which some people could beat the game and other people would have to pay more.

Taxes are a zero sum game. If there are segments of our society which are not paying their fair share, then those whose income comes from wages and who pay their taxes at source will have to pay more. I think the people in my constituency of Thunder Bay-Atikokan and the community in between are getting a little annoyed about the idea that there is this great inequity in the taxation system. This Bill is one way to create that inequity.

What are we going to do? The Tories are talking about the terrible deficit and how they want to reduce that deficit. What do they do? They say: "Let us make it possible for anybody to buy a farm, do what he wants with it and write his losses off". They do this without any compunction at all. They are not interested in farming. One of the consequences of this kind of measure—and there is evidence in the United States to suggest that this is true—is that it will increase the value of farmland, and it will put it in the hands of people who are only interested in using that land for a tax write-off. They are not interested in the kind of food production we need. This is the kind of thing which is happening.

I realize that there is a problem. However, Section 31 is there to solve that problem. If the Tories had submitted an

amendment or some suggestions as to how we might solve the problem of the person who has to work 35 hours to 40 hours a week to get his farm going and who wants to be a farmer, who needs help, and who really has some legitimate grievances, then I would suggest that an amendment be made to Section 31. They should deal with that particular problem—

Mr. Wenman: Mr. Speaker, I rise on a point of order. I think that it would be appropriate as a matter of order for you to inform the House, as you did by recognizing me as a speaker, thereby taking my rightful place from me on the floor of the House, that if in fact the Member of the Liberal Party continues to speak he will effectively kill this measure which will help the small farmer of Canada. Mr. Speaker, will you inform the Member that he will do that?

The Acting Speaker (Mr. Guilbault): The Hon. Member for Thunder Bay-Atikokan (Mr. McRae).

Mr. McRae: Mr. Speaker, I do not understand the last manoeuvre at all. I am trying to suggest that if there was an honest attempt on the part of the Opposition to seriously come to grips with the problem of the small farmer who is trying to get a start, who wants to spend the rest of his life on a farm, and who wants to pass it on to his son or daughter, that that kind of suggestion would receive support from this side. We are trying to do that very thing.

That is not what this particular motion proposes. It proposes to repeal Section 31 of the Income Tax Act. Repeal, as far as I am concerned, means to take it right out of the Act. That means that anyone could use the purchase of a farm as a loss against income. It means that someone else will have an opportunity to get away with beating the tax system and have an added tax expenditure. That particular person will not pay his fair share. My constituents who work at Great Lakes Paper or Canada Car, in the riding of Thunder Bay-Atikokan and across this land, will have to pay more.

There was a Budget a couple of years ago—which may have had some flaws—which the Opposition Party ran into the ground. The whole point of that Budget was to bring more equity into the tax system to ensure that every Canadian would pay a fair share, and there would not be people with incomes of $200,000 or $300,000 a year paying no tax at all.

If the Party opposite comes into power—and I hope that they do not—in the next six months, we will have changes. That is what it has been about for the last six months: tearing the tax Department down. We will have changes which will mean that all kinds of Canadians will not be paying taxes. The working man, the guy who earns a wage, is the guy who will have to pay more.

The Acting Speaker (Mr. Guilbault): Order, please. The hour provided for the consideration of Private Members' Business has now expired.

• (1800)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

METRIC CONVERSION—ENFORCEMENT OF REGULATIONS—MINISTER'S STATEMENT. (B) SALARIES OF METRIC COMMISSION EXECUTIVES

Mr. Bill Domm (Peterborough): Mr. Speaker, I refer back to some questions and answers which took place in the House of Commons on May 24. I asked the Minister of Consumer and Corporate Affairs (Mrs. Erola) to explain her recent news release communique which clearly states that because of pressures brought to bear on the Government of Canada by various organizations such as the Consumers' Association of Canada, the Retail Council of Canada and other industry representatives, it was made very clear to her that she was going to have to reintroduce certain regulations affecting the implementation of metric in Canada. It was my concern that there was a recent court decision in the Province of Ontario which clearly exonerated retailers in that Province against charges that they were using Imperial against the law.

It was the decision of Judge William Ross that both Mr. Halpert and Mr. Christiansen should be permitted in the Province of Ontario to continue the use of Imperial and metric, or either measurement in their retail establishments. I wanted to know how the Minister of Consumer and Corporate Affairs could reintroduce regulations making it illegal to use Imperial measurement in any form, in any retail establishment in the Province of Ontario, when she, as Minister of Consumer and Corporate Affairs, back on November 2, on page 28620 of *Hansard* said, and I quote:

> At the moment, of course, the law prevails and we will not be able to enforce any of those regulations in the Province of Ontario.

The Minister later extended that to include all of Canada. I asked how then could the Minister, in her communique on May 14, reintroduce amending regulations under the Weights and Measures Act which would make certain forms of measurement illegal in Canada? Her answer to me, I believe, corrects the problem, that is that she is not talking about the use of Imperial weigh scales. To use her exact words which are found in *Hansard* of May 24, 1984, at page 4010, I quote:

> In fact there were 242 member organizations at a metric forum that requested we put regulations in effect that would call for both metric and imperial advertising;—

She goes on to say, and this is the key:

> —advertising only. It does not refer to any use of metric scales.

That clearly means now that the Minister has decided that Imperial scales are now legal in retail grocery establishments. That means that it will not be against the law to weight in pounds with the use of Imperial weigh scales, or use metric weigh scales. The only regulation which the Minister is bring-

ing into place, to use her own words, are regulations affecting advertising. Under the new regulations both metric and Imperial are to be used in advertising. This is further explained in an article in the Toronto *Sun* on May 25, 1984, which states, and I quote:

Erola said yesterday Domm was "manufacturing statements" about the new regulations. She claimed there would not be new orders-in-council outlawing the use of Imperial weigh scales.

This means very clearly that the grocers, not only in the Province of Ontario but in all other provinces and territories, have won a great victory. They now have the use of Imperial weigh scales, to use the words of the Minister, in their stores. The only requirement is that they use both metric and Imperial in their advertising. I personally see nothing wrong with that. In fact, I am sure our Party in opposition could endorse very easily the use of both metric and Imperial in advertising until we become more familiar with metric, if that is the route we are to take. What we in the Opposition are objecting to is the mandatory use of metric weigh scales with prosecutions to follow if Imperial continues to be used. That clearly is not the position of the Minister.

What we have now in Canada with respect to metric and Imperial measurements is a clear case where one can use yards, as they are doing across Canada in the advertising of floor covering, and one can use metres if one wishes. That is perfectly permissible in all of Canada. There have been no prosecutions in three years. We now have that extended to the grocery sector where one can use Imperial weigh scales, to use the words of the Minister, and one can use metric weigh scales or you can use either or both. However, they would like you to use metric and Imperial in advertising groceries.

• (1805)

That leaves only the case of gas stations to be resolved. Until those cases are resolved through the appeal court in Ontario, which will be sometime in the fall, it is permissible in Canada to use gallons or litres in the advertising, sale and display of petroleum products at retail establishments. We have voluntary metric in Canada today. We have the right to use Imperial weigh scales or metric weigh scales. We have the right to sell by the yard or the metre. We have the right to sell by gallons or litres. To use the words of the Minister of November 2, 1983, there will be no prosecutions in Canada until we clear away the appeal case. It is safe to put on record that Imperial measurement is now legal in Canada. You can use Imperial weigh scales if you wish. We would just ask that you advertise in both metric and Imperial.

[*Translation*]

Mr. Jean-Louis Leduc (Parliamentary Secretary to Minister of Veterans Affairs): Mr. Speaker, last week, the Hon. Member for Peterborough (Mr. Domm) claimed it was the Minister's intention to ignore the law with respect to Judge Ross's ruling in the Halpert-Christiansen case (*Hansard*, p. 4010, May 24, 1984). As the Hon. Member is no doubt aware, this court case was concerned only with the regulations for the sale of gas and diesel fuel in metric units. On May 14, 1984, the Minister announced, following many requests from industry and consumer groups, that she had decided to allow the retail sector to indicate prices for goods weighed in both metric and imperial units. In recent months, consumers had trouble comparing market prices, since retailers were not taking a uniform approach. The change in the regulations allows the use of imperial units for the purpose of advertising prices. All food prices must include a reference to metric units, and it is up to the retailer to decide whether he wishes to include imperial units as well, provided that most of the space is given to metric units. The word "scales" is not mentioned, and the Minister made it clear that the change in the regulations applies only to the use of both units simultaneously when indicating prices and in advertising. This decision takes into account the views put forward by the Consumers' Association of Canada and the Retail Council of Canada. Since the Hon. Member attended the conference on the metric system held here in Ottawa, he must have heard more than 200 organizations and private individuals say it was absolutely necessary to make metric conversion a success.

As far as phasing out the Metric Commission is concerned, the decision was made in May 1983, after lengthy consultations with many representatives from various industries, associations and individuals associated with the conversion program. It is a fact that as a result of the work done by the Commission, the provinces, industry and consumers, the program's various phases have practically been completed. There is nothing secret or mysterious about the plan to phase out the Commission. Information on the subject is available from the Commission itself.

I would like to point out that the amounts set aside in the budget for the salaries of the Commission's seven members do not total more than $156,000, well below the figure of $270,000 mentioned by the Hon. Member for Peterborough in the House last week. Perhaps he would like to create a benevolent fund to help these unfortunates.

• (1810)

[*English*]

FINANCE—FUEL TAX PAID BY FARMERS AND FISHERMEN—REQUEST FOR REMOVAL

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, on May 9, I rose to ask a question of the Minister of Finance (Mr. Lalonde) regarding the Government's blind determination to continue charging the farmers and fishermen of our country an extra 9 per cent for the cost of fuel in the production of food. I should point out that in addition to that 9 per cent they have to pay a 1.5 cent per gallon excise tax which is refundable, but simply adds an extra burden to the fishermen and farmers. It is an extra burden of paperwork of which they must keep track. It simply adds to the bureaucracy of our land in computing taxes.

Furthermore, I was just informed that the 9 per cent tax will go up another 1 per cent in the fall. As I said to the Minister

of Finance at the time, that total amount of at least $200 million from the farmers and fishermen is a direct profit to the Government and a direct cost to the farmers and fishermen. Those costs must be passed on the consumer if these fishermen and farmers are to stay in business.

The answer I received to that question was a polite homily from the Minister of Finance, telling me that taxes are always necessary. He lectured me on the deficit of our country and that somehow the Government must cover the cost of that deficit. That was small comfort to the consumers who must pay that $200 million that the Government nets from that direct tax on the cost of production.

There is a choice in some industries of passing on that tax. For example, with respect to the plastics industry, which would have to pay that 9 per cent and soon 10 per cent tax because it is a petrochemical industry, the consumer will ultimately have a choice of whether he wants to buy a product. He does not have to buy the extrusions, molded plastics or throw away toys which that manufacturer is trying to sell to the consumer. There is a choice about whether a consumer wants to pay that tax. However, the consumer must pay the additional cost on the food because there is no choice.

The Consumer Price Index, which came out last week on May 22, indicates that it now costs $93 or $94 for the essentials of food for a family of four in this land. It was approximately $9 less a year ago. The Consumer Price Index keeps going up. The secret is that as much as the Consumer Price Index goes up, it is always going up less than the cost of food production. That means that the fishermen and farmers are in a cost price squeeze. They cannot pass on all the additional cost of production to the consumer because the price index does not go up that high, and they simply cannot afford to pay it. This means there must be some give somewhere.

I think you will agree, Mr. Speaker, that the fishermen and farmers in our country have to be the most efficient producers in all of the land. The multiplier of their efficiency has to be greater than any other in the country, yet the government is asking them to do more. It wants them to increase production, to become more efficient with a better means of production but not to charge the consumer.

If a fisherman uses 100 gallons of gas or diesel fuel to go to the fishing grounds, it will mean an extra $18 just to get there. If that fisherman uses 1,000 gallons of fuel in the fishing season, it means another $180 in the cost of production just for that one fisherman. Something must give and it certainly will not be the Government.

We only have to let our minds go back four years when the Government ran large ads during the election campaign. The present Secretary of State for External Affairs (Mr. MacEachen) was putting out large ads to "vote Liberal and the price of gas will stay down". That is hogwash. The Government has a short memory about that. It sent on the cost of fuels not only to the farmers and fishermen, but to all those who use that fuel, including senior citizens and low-income groups.

• (1815)

I would remind you, Sir, that when it comes to the cost of food produced in Canada, the products of the grain farmers and the fishermen are the staples for the low-income families of our land. Wheat, oats and fish are staples. This Government is asking the low-income people to carry the additional cost now 9 per cent, soon to be 10 per cent, on fuel. That is an injustice that Canadians will not tolerate.

Mr. Ralph Ferguson (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen) has raised again an issue which was debated before this House on February 17, 1984, specifically that the federal government provide a further subsidy for Canadian farmers and fishermen by eliminating the 9 per cent federal sales tax on motor fuels used in their activities.

I wish to point out that the federal Government has had this fuel tax in existence for many years. In fact, in the autumn of 1978 it was 12 per cent. Later that year the tax was reduced to 9 per cent. Further, I would like to put this matter into perspective. The estimated cost of farm fuels in relation to total farm input costs across Canada is 8 per cent of the total. What we are talking about is a 9 per cent tax on 8 per cent of total input costs.

The Hon. Member referred to the 1.5 cent per litre refundable excise tax. To eliminate this for one sector of the economy would require identifying the fuel to prevent abuses by other vehicles or for other activities. I hope the Hon. Member is not suggesting that we add colouring to the fuel such as the Ontario Government did a few years ago that subsequently caused the farmers to have clogged fuel filters, ruined injectors, and ruined motors. Of course, the Ontario Government disclaimed any responsibility for this, although it did change to a different type of fuel colouring.

I do appreciate the Hon. Member's desire to reduce the share of the tax burden borne by farmers by eliminating the sales tax on farm fuels. Nevertheless, the tax only represents a small portion of the price of fuel. It is less than 3 cents in the case of a litre of diesel fuel which sells for about 35 cents a litre to farmers. Thus, on an individual basis, the relief the Hon. Member seeks would not be substantial.

Furthermore, all other users of motive fuels, including trucking companies, railways, air carriers, municipalities, mining and logging companies and individuals are not entitled to a tax concession on their fuels. It would be difficult to grant relief for farm fuels without also granting comparable relief for others who could argue that they too are equally deserving. Clearly such an exemption would significantly increase the deficit.

Adjournment Debate

IMMIGRATION—RECRUITMENT OF FOREIGN EXECUTIVES BY BANK OF MONTREAL. (B) PERMISSION GRANTED BY GOVERNMENT

Mr. David Orlikow (Winnipeg North): Mr. Speaker, some weeks ago I asked the Minister of Employment and Immigration (Mr. Roberts) why his Department had approved the entry into Canada of about two dozen senior executives from outside of Canada for the Bank of Montreal and why he had also given authorization for the further recruitment of another 25 or 30 more people by the Bank of Montreal.

I pointed out to the Minister that no other bank was doing this, that this was being done at a time when we have a large number of Canadians who have graduated and taken post-graduate courses in economics, finance, in such fields as chartered accountancy and so on.

● (1820)

I pointed out further that no other employer was able to do that. Any other employer who wanted to bring in someone from outside Canada had to demonstrate to officials of the Department of Employment and Immigration that they had tried to recruit someone inside Canada and that neither they nor the Department were able to find a Canadian to do the job.

There were Canadians who could have done the work for which the Bank of Montreal recruited offshore. The Chairman of the Bank of Montreal, Mr. Mulholland, has been in Canada since 1969. He is still not a Canadian citizen. I assume it is Mr. Mulholland who has made the decision to recruit so many non-Canadians for senior positions within the Bank of Montreal.

Among the influential appointments made by the Bank of Montreal of non-Canadians are: Mr. Farstad, Vice-President in charge of credit at Toronto who came from Citibank in the United States; Mr. Allen C. Marple, Senior Vice-President and Division Executive in Toronto, from the Chase Manhattan Bank; Mrs. Elizabeth Wright, Vice-President and District Executive in Toronto from Chemical Bank; and Mr. Michael Cully who came from Citibank to be Senior Vice-President in charge of Corporate Planning in Toronto.

These influential appointments included: the senior officer responsible for the bank's corporate and government business globally, the senior officer of the international banking group, the senior trade finance officer responsible for promoting Canada's exports, the senior merchant banking officer, the senior petroleum industry officer, the senior planning officer and the senior loan syndication officer.

This policy of the Bank of Montreal means for Canada that a disproportionate number of key policy-making positions are involved, the result of which is a distinctly non-Canadian interpretation of the bank's responsibilities in Canada. The number of U.S. officers in senior positions in the Bank of Montreal exceed that of the other four major banks combined, all of which appear to manage their business with more success. I will deal with that later. Notwithstanding the bank's argument with immigration authorities that international post-ings are a two-way street, Greenwich Research Associates, a leading U.S. survey firm, reported that the bank "predominantly employs U.S. nationals in the United States, unlike the other Canadian banks".

More disturbing in the long run is the bank's recruitment policy. Each year a number of post-graduates are recruited for accelerated preparation for senior management. Again there is a heavy bias toward the United States. Extensive recruitement presentations are made at the better United States campuses, while a number of Canadian universities, such as the University of Saskatchewan, do not qualify. Harvard, Stanford, Wharton and several other universities in the United States receive official delegations of recruiters, but Canadian universities do not. Over a third of the jobs in the top tier of the bank's recruitment program go to United States recruits, while any number of young Canadians are not even given the opportunity to hear what is available.

The result is that morale in the bank has declined to a very great extent. One would expect that because of its recruitment policy the Bank of Montreal is more successful than other Canadian banks. Nothing could be further from the truth. In 1983, of the five major Canadian banks, the Bank of Montreal made the lowest profit. The Royal Bank had profits of $480 million; Toronto-Dominion $325 million; Bank of Nova Scotia, $347 million; Canadian Imperial Bank of Commerce, $314 million; and the Bank of Montreal, a mere $282 million. This is the bank which in 1982 paid no taxes and in fact received a tax credit of $22.4 million. This is the bank which in 1983 paid a tax rate equivalent to that of small businesses, a tax rate of 25 per cent.

● (1825)

The Minister should apply to the Bank of Montreal the same standards he applies to other employers who wish to recruit people from outside of Canada. He should make the Bank of Montreal prove that the vacant positions for which it wishes to recruit people cannot be filled by Canadians. We have spent hundreds of millions of dollars in recent years to support post-secondary education. We have turned out more Ph.D's in economics, finance, accounting and every other field having to do with banking than ever before, and I simply cannot and will not believe the contention of the banks that they could not find Canadians to do the work, which contention has been, I believe, very casually and literally accepted by the Government.

[*Translation*]

Mr. Jean-Guy Dubois (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, as the Hon. Member for Winnipeg North (Mr. Orlikow) is probably aware, generally speaking, the Canada Employment and Immigration Commission does authorizes Canadian employers to recruit foreign workers only under the following conditions: first, their admission does not prejudice employment and career opportunities for Canadians and other authorized residents; second, no qualified Canadians are available or want the

jobs; and, third, the employer accepts, if deemed appropriate by the Commission, to have foreign workers train Canadians.

These criteria are valid for small and large businesses alike and each employer must prove compliance in order to be authorized to hire one or more foreign workers. The application made in 1982 by the Bank of Montreal was accepted in principle under this policy. In fact, only 26 persons were admitted to Canada even though approval in principle was granted for 42.

The Bank spent $8.5 million in 1981 to train Canadians, emphasizing the chances for promotion and self-improvement of its own workers. In Canada, they hired a very large number of new employees, first on campuses, through the CEC's and the other college and university employment services, and also elsewhere by advertising in the media to attract qualified applicants, and through the National Employment Bank and 18 private employment offices. In spite of all its efforts, the Bank was unable to find and hire Canadians with the required qualifications and international banking knowledge for certain management and analysis positions.

Contrary to what the Hon. Member for Winnipeg North has stated, the Bank of Montreal was not favoured in this specific instance. In fact, a number of other similar applications were approved, similar in the sense that the jobs involved are very specialized and require unusual experience and expertise. Approval of such application promotes the planning of human resources by the industry, which operation stabilizes in return the employment sector and creates career opportunities for Canadians.

With respect to the hiring method used by the other banks or other employers in the same situation, it depends on the needs of each one. Some employers prefer to decentralize their international activities. On the other hand, the Bank of Montreal seems to have decided on centralizing its national and international operations in Toronto, and this requires the presence in Canada of experts in international banking operations, as well as specialists in banking systems and advanced techniques, and international economists with a detailed knowledge of certain areas of the globe. Their presence contributes to the transfer of technical knowledge and provides for a greater number of opportunities for Canadians, both here and abroad.

As I have just explained in answer to the question raised by the Hon. Member for Winnipeg North, the Bank of Montreal was not given more privileges than other institutions.

The Acting Speaker (Mr. Guilbault): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 2(1).

At 6.30 p.m., the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Tuesday, May 29, 1984

The House met at 11 a.m.

• (1110)

GOVERNMENT ORDERS

[English]

NATIONAL HOUSING ACT

MEASURE TO AMEND

Hon. Roméo LeBlanc (Minister of Public Works) moved that Bill C-37, an Act to amend the National Housing Act, be read the second time and referrred to the Standing Committee on National Resources and Public Works.

He said: Mr. Speaker, as Hon. Members are aware, the Government's housing policies serve all Canadians, whether they are home owners, tenants, members of housing co-operatives, et cetera, or whether they live in urban or rural areas. Federal programs are aimed at providing for the needs of people in all circumstances, be they women raising families on their own, the elderly, the handicapped, or people who cannot provide for themselves within the market system and need help. All these housing needs are of continuing concern. Before too long there will be opportunities to discuss some measures to deal with these problems.

The legislation before us today, Bill C-37, would give effect to the Mortgage Rate Protection Plan which was announced by my colleague the Minister of Finance (Mr. Lalonde) in his Budget address. Since the program was put forward on Budget night, there has been a fair amount of discussion about it in the news media. Hon. Members, as well as the general public, are somewhat familiar with its contents. They are essentially the same as those announced by the Minister of Finance.

The premium would be in the order of 1.5 per cent for the first $70,000 of the mortgage debt or the face value of the mortgage if it is less than $70,000. Claims will be paid to compensate for some of the additional costs related to an increase in mortgage interest rates at the time of renewal. There is no payment for the first two percentage points of increase. That is what I would call the deductible. After that, the program will pick up 75 per cent of the increase up to an additional ten percentage points.

• (1115)

The protection period corresponds to the basic term of the mortgage. A five-year mortgage can be insured against increases occurring during the five years following renewal. Since interest rates can be changed during the first five years of such a mortgage and the protection covers the next five, the borrower is, in effect, protected for ten years. There will be opportunities, of course, at committee stage of the Bill to discuss detailed provisions. We will be happy to provide Hon. Members with explanations they may require.

I would like to speak for a few minutes today about some of the principles involved in this legislation. I would like to make clear at the outset that this is not a subsidy program. The Mortgage Rate Protection Plan operates on the principle of user-pay. In other words, the premium charged is intended to cover any claims which are likely to be made against the program and the cost of operating the business. The Government stands behind the program's obligations, but it is not expected to put any drain on public funds.

In that regard it is different from the Canada Mortgage Renewal Plan which was introduced for quite a different purpose some years ago. The Mortgage Renewal Plan was designed to give temporary help to Canadian households that found, when they came to renew their mortgage, that they would have to make monthly payments amounting to more than 30 per cent of their incomes. In those circumstances home owners received a straight federal contribution of up to $3,000 to bring their payments down to a manageable level. Although the vast majority of Canadian home owners coped with rising interest rates without any help from the Government, some 21,000 households did receive help under the Canada Mortgage Renewal Plan and for them it was a timely and effective assistance.

The new program, the Mortgage Rate Protection Plan, is a new and unique kind of assistance. It helps home owners to help themselves by making provision ahead of time to reduce the impact on the family budget if interest rates should rise more than two percentage points above the original rate of the mortgage. Another principle which should be recognized, Mr. Speaker, is that the program is not intended to compensate home owners for the full amount of every increase in their mortgage interest rate. That is why the home owner is expected to absorb the first two percentage points of increase and one-quarter of the remaining additional cost up to 10 per cent.

There is one other important feature which I would like to draw to the attention of Hon. Members. I want to emphasize that the provisions of this plan will be retroactive to March 1, 1984, as indicated by the Minister of Finance in his Budget Speech. This means, in effect, that regardless when the Bill is enacted into law, anyone who entered into a mortgage or renewed a mortgage after March 1 is eligible to take part in the program. If, for example, a home owner took out or renewed a mortgage on April 15, he or she may apply for

coverage under the program as soon as it becomes law. Any claim will be based on the market mortgage rate prevailing on the day of that application, in this case April 15, the day the mortgage was entered into.

The Mortgage Rate Protection Plan is a protection against unaffordable losses. Some of the experiences which home owners have undergone in recent years with high and volatile interest rates have created a good deal of anxiety and shaken confidence in home ownership as a secure investment. The plan is designed to relieve that anxiety and to restore confidence in the housing market.

• (1120)

In that connection, Mr. Speaker, I would like to mention one other feature of the Bill which relates to mortgage and home owners' security. As the Minister of Finance mentioned on Budget night, there is widespread feeling that longer-term mortgages, mortgages to be renewed, say, every ten years instead of every five years or less, would contribute to the stability and growth of the building industry and alleviate people's worries about sudden disastrous changes in interest rates. One way of encouraging longer-term mortgages, the Minister of Finance suggested, would be a system of mortgage-backed securities. The Bill now before us facilitates the introduction of such a system by private enterprise. My colleague, the Minister of State for Finance (Mr. MacLaren), will speak on this aspect of the legislation before us.

[*Translation*]

Mr. Speaker, I think the vast majority of Canadians share my view that if the economy is given careful direction, we can be optimistic about our chances in the long term. However, it is no use pretending we live in a vacuum. Canadians cannot be insulated from the economic developments and realities in other countries and in the rest of the world. Since it is impossible to guarantee interest rates, we are offering a system that, if it performs as we expect it to do, will help us to survive or at least to keep our losses to a minimum.

[*English*]

One other purpose of this Bill, Mr. Speaker, is to serve people who find themselves in a very different position, people in the rural and outlying parts of the country who are in urgent need of safe and healthy shelter. For these people, the amendments which this Bill contains will strengthen the helping hand of the federal Government and allow us to act more quickly and effectively to help rural and native people achieve the cherished goal of so many Canadians, a home of their own. Furthermore, it will allow us for the first time to bring this urgently needed help to all qualified Canadians regardless of the province in which they happen to live.

[*Translation*]

Mr. Speaker, despite the fact that Canadians have some of the best housing in the world, there are still more than 600,000 homes in this country which are substandard. People are living in overcrowded conditions. Some are living in homes that are in a poor state of repair and for which they pay too much money. I am sure most Members of this House will agree this is unacceptable.

The Rural and Native Housing Program was implemented in 1974 and is intended for communities of less than 2,500 people. Forgivable loans are awarded for the purpose of rehabilitating homes and making them adequate from a health and safety point of view, and special loans are arranged for urgent repairs, especially before the onset of winter.

[*English*]

But the main emphasis has been on helping people to acquire their own homes by subsidizing mortgage payments and taxes and making a small allowance for utility costs.

• (1125)

The rehabilitation and repair services are funded solely by the federal Government. The Home ownership assistance and the small amount of rental assistance provided must, by the present law, be cost-shared with the provinces according to the terms of the National Housing Act.

While the program is intended to help all low-income people living in the designated areas, people of native ancestry—Métis, non-status Indians and Indians who live off the reserve—are unquestionably the most in need. They are among the worst housed people in Canada. Lack of decent housing is spoiling their health, shortening their lives and hampering their efforts to educate themselves. I can say, however, that the situation is not without hope. Approximately 150,000 homes have been acquired or rehabilitated under the Rural and Native Housing Program since it began ten years ago. I expect an additional 22,000 homes will be provided under that program during the current year.

Some improvements can be introduced within the terms of the legislation already approved by Parliament, but some very important changes can be effected only by the passage of the amendments to the Bill now before the House.

Perhaps the most important change is the amendment dealing with provincial participation. The Act now requires that assistance for home ownership under the program can be provided only on a federal-provincial cost-shared basis. This requirement has proven to be a serious drawback. I am inviting Hon. Members now to rectify the situation. Provincial participation in home owner assistance has been, I am sorry to say, somewhat haphazard. Prince Edward Island has not participated in this aspect of the program since 1977; New Brunswick withdrew from the program in 1983; British Columbia withdrew in 1984; and Quebec has never participated, although, to be fair, I recognize that the Government of the Province of Quebec has done a fair amount of work in the area addressed by this part of the Bill.

According to the 1981 census, more than 40 per cent of the rural households in need are in the four non-participating provinces. Even those provinces which are participating have specified terms and conditions under which they would not provide certain kinds of assistance to certain groups of clients.

In some cases, even with the best will in the world some provinces could ill afford their share of the cost.

Whatever reasons the provinces may have had for declining to participate, or for participating in a limited way, their decisions have made it impossible to achieve the original objectives of the Rural and Native Housing Program. I have given some importance to that part of the Bill because, although less dramatic than the Mortgage Rate Protection Plan, for a population which suffers the most from its present housing conditions, that part of the legislation is important.

Most of the provisions of the Bill before us regarding the Mortgage Rate Protection Plan and the mortgage-backed securities have been known for some time. They have been evaluated and publicly approved by organizations representing builders, investors, et cetera. The provisions of the Rural and Native Housing Program are also well known and I think respected by all Hon. Members who have an interest in social housing legislation.

The most significant aspect of the Bill is to make its provisions, for the first time in history, available to all Canadians. In the circumstances, I have no hesitation, in commending this Bill to the House for consideration. Hopefully, there will be a disposition to send it to committee where it can be fully discussed and given reasonably rapid passage.

• (1130)

[*Translation*]

Hon. Roch La Salle (Joliette): Mr. Speaker, I must say I have a special interest in the legislation presented in the House this morning by the responsible Minister.

First of all, I should emphasize that on this side of the House, my Party, which formed the Government in 1979, made a very specific proposal at the time to cope with the problems and dangers we were expecting even then. It is with regret that I must say in the House today that this Government prevented us from offering a guarantee, a homeownership plan, when we introduced a bill that would provide a tax credit to help homeowners, who as a result of the present Government's refusal to co-operate, experienced far more serious difficulties in subsequent months and years.

Mr. Speaker, I might add that the Progressive Conservative Party has also been concerned about improving the situation in the construction industry and giving thousands of Canadians a chance to own their own homes, and we expressed that concern in the proposal we made at the time. We have maintained our interest in these problems today, Mr. Speaker, and quite properly so, because we all know how much Canadians have suffered and the problems experienced by the construction industry, and the House is also aware that for millions of Canadians, the accompanying insecurity became almost unbearable at a given point.

I think the Minister will understand from our questions and our attitude in the House that we are very much interested in this Bill and that with him, we are very anxious to find ways to help more Canadians become homeowners. Home ownership is a concept that we value highly. Security in this vital sector of our economy is also very important, as well as stability, something I think we all want in order to create and maintain employment, for the sake of all Canadians.

I listened carefully to the proposals made by the Minister in this legislation, which is referred to as Bill C-37. I realize that the Government probably has very little room to manoeuvre regarding the amount of assistance it can offer homeowners, and the reason is quite simple: this Government, especially in the last ten years, has put this country deep into debt through its unbridled spending, so it is not surprising it cannot do more, as I believe the Minister remarked earlier. I know he would like to do more for all Canadians with his legislation on housing. However, we too are aware of the state of the Government's finances, and considering the doubts expressed by many sectors of our economy and the Government's uncontrolled spending and rising deficits, clearly the Government does not have much room left. The Minister said himself the government was not offering a subsidy. Thus, new homeowners or homeowners whose mortgage is coming up for renewal will, and the Minister made this quite clear, have to pay the cost of the program. The Mortgage Rate Protection Program tabled by the Government in the House this morning for the benefit of Canadians who are about to buy a home or who will have to renew their mortgage, is a form of insurance that will have to be paid for by the homeowners themselves.

I must add that the fact this Government waited so long before introducing its program . . . I wonder why it did not do so a year ago or two years ago, when it would have been far more beneficial, and the Minister realizes this, I am sure, for all homeowners in Canada. We would now be able to say that home ownership is available to all Canadians.

You know, Mr. Speaker, others often tell us: the right of ownership, the right of ownership! Of course, Canadians have the right of ownership, but can they afford to buy a house? That is why I would rather use the word "accessibility", meaning access to home ownership. However, access to home ownership means something only to the extent that Canadians can have affordable interest rates. It must be said as well—and I think the Government is aware of this, even though its Bill is long overdue—that it is important, necessary and even essential to have housing legislation. That possibility might have interesting effects depending on mortgage rates, and it is clear that home ownership can be achieved if interest rates are affordable, for housing is a key issue in Canada, particularly because of our winters. It is just as important as a policy for the survival of agriculture. Any Government which is accountable to the society it represents must bring forward what I would call very special measures in those two sectors. Since we are on the subject of housing, it has become quite clear that

the Government can no longer evade the issue, and I regret that we had to wait so long for this piece of legislation.

Mr. Speaker, I deplore this situation particularly because I think that, hardly six months ago, this Bill would have cushioned the impact of interest rates which are now climbing. The Minister did remind us that anyone who has renewed a mortgage since March 1 will be covered under this act. That is a good thing in itself, but the fact remains that anyone contemplating the possibility of buying a house in the next few months will be penalized to a certain extent because interest rates have been going up in the past two months and chances are this trend will continue. This Bill does offer some protection, but we are talking today in terms of 14 per cent, plus the 2 per cent operating margin set by the Government. So right now we are looking at minimum rates of 16 or 16.5 per cent, plus the contribution to the insurance program, since any such program obviously calls for premiums. But what the Government is doing is forcing Canadians to pay their insurance premiums without actually guaranteeing that interest rates will not be much higher than they are now, and that must be kept in mind if we are really intent on avoiding using the word "accessibility" as a mere catchword.

Still, Mr. Speaker, we on this side of the House will give serious consideration to the Minister's Bill because, as I said, we know it is important and timely to offer Canadians as much protection as we can. The Government could have done just that a year ago, but it did not. Did the Minister of Finance (Mr. Lalonde) or the Minister responsible then expect rising interest rates? I do not think so, but the truth of the matter is that this legislation is being introduced much too late and that Canadians will not get all the protection and assistance they need because the Government should have made its move a year ago. As I have already said, Mr. Speaker, four years ago, my party made a very interesting suggestion to help homeowners. Our proposal was rejected and nothing has been done ever since, except for the Bill introduced today. The Government is finally introducing a program to provide special assistance for homeowners; as a matter of principle, the Bill cannot be condemned because it provides special assistance to a certain group of people. Once again, Mr. Speaker, what worries me is that this assistance will not be enough to bring about a recovery in the building industry and to provide not just access to homeownership, but also the security which is essential for homeowners and stability in what we call the building or housing sector, which is vitally important to the Canadian economy.

Mr. Speaker, the Minister said earlier that, if the economy is managed carefully, interesting results will be obtained. The Minister himself is confirming that, if the Government had managed the economy carefully these last few years, it would now have more to offer homeowners. Because this same Government is to blame for not having managed the economy carefully, the Minister now has to introduce a Bill which will not have the results we would have wished or would have had, had the economy been carefully managed by the Government or, at the very least, had the same legislation been introduced 12 months ago. Access to home ownership would have been actually provided to Canadians at the same time as the security which Canadians need and the stability of the vitally important building industry.

• (1140)

The Minister said that this Bill also provides for the issue of mortgage-backed securities, for which subscriptions would increase the supply of long-term mortgage capital. Financial institutions with a mortgage fund could use this system to guarantee the subscribed securities. Of course, all opportunities must be explored to find money to finance those who need mortgages to buy a house.

The Minister also referred to the provisions of the Bill which deal with the Rural and Native Housing Program. Naturally, I have some reservations as concerns the provision which seems to exclude any financial participation of the Provinces, except wherever there is an agreement. The Minister has obviously deemed it appropriate simply to exclude the Provinces and let the Federal Government alone decide to help certain people. As for the principle involved—principles are always well and good, Mr. Speaker. In principle, the Minister is saying that all Canadians, wherever they live, are entitled to Federal Government assistance and subsidies. There is no doubt about that and we do not question this entitlement. However, we believe that, in a federal system, the National Housing Act should reflect the position and the needs of the Provinces and that the latter should have some input in what the Act provides. Of course, the Minister may be right in saying that certain Provinces are more or less interested in the type of grant that the Government is willing to provide. However, I take this opportunity to say that I would still like, and that my party will probably need, to know the real reasons why the Provinces have refused to participate. Perhaps they do not intend to participate financially and have no objection to the Federal Government implementing this legislation. We would still like to know the reaction of the Provinces. Are the non-participating Provinces not objecting to the Federal Government using this legislation to subsidize non-profit organizations directly or to provide them with assistance for home renovations? If the Provinces do not object, fine! However, I believe that it is important for the Provinces to tell us their views on the matter. Otherwise, Mr. Speaker, we would be most eager on this side of the House to see the Provinces participate in the national major decision-making process in view of the relevancy of this very significant piece of legislation. We should ask the Provinces for their view on what they need, and to what extent they are willing, in co-operation with the Federal Government, to help rural centres and categories of people which, according to the Minister, are faced with housing and housing quality problems. This is quite commendable. The Minister has

indicated to the House that there are in Canada some 600,000 houses in bad repair. I do not question his figures, Mr. Speaker, but I think we should encourage housing up-grading policies. It is all very nice to talk about new housing, but Hon. Members are aware that rehabilitating and repairing some of these houses which are really worth it could often cost a lot less. There is no doubt that we are clearly in favour of a very special type of assistance for these particular areas. However, Mr. Speaker, we insist that we should ask the Provinces what they think and find out whether they could come to a consensus, which would be in keeping with our current political system. As a National Housing Act most directly affects the social climate, we have no other choice but to urge all provincial administrations to go along with this legislation which at any rate should bring about interesting results for the Canadian people.

Over the past few years, Mr. Speaker, the housing situation has been seriously impeded by two serious factors, namely, high costs and shortages. They have been the results of high interest rates and unemployment, as well as economic uncertainties. It is a known fact that when new housing units fall short of the demand, shortages occur.

Current population figures in Canada indicate that 210,000 housing units per year with be needed during the first part of this decade. However, residential building has been clearly below requirements in recent years—159,000 units were built in 1980; 178,000 in 1981; 126,000 in 1982; probably 163,000 in 1983 and almost the same number is forecast for 1984. This leaves us with a shortage 200,000 units.

Due to cost increases, it is no longer profitable to build new apartment buildings. In Ontario, to pay for a new building financed at current rates, the landlord would have to ask $800 per month.

The Canadian Association of Housing and Renewal fears that in spite of increased assistance for the construction of rental accommodation provided in the last budget, the rent which the builder would have to charge to meet expenditures would be too high to remain a viable concern.

Economists generally believe that the desirable vacancy rate for rental housing is 3 per cent. Data on housing requirements were given in a 1981 review made by the Canada Mortgage and Housing Corporation. The term "a housing unit" applies to every kind of housing whether they are apartment buildings, detached or semi-detached houses, etc.

Data on vacancy rates deal with apartment buildings with 6 units or more in the private sector. The survey on vacancy rates by CMHC is made in April and October. The figures for April 1983 will be available at the end of May 1984.

High interest rates on mortages had an impact on the price of housing in Canada. During the fourth quarter of 1983, the average sale price of a house in Canada was $76,800. If we look at a 10 per cent down payment plus property taxes of $1,200—while bearing in mind that total payments for principal, interest and taxes should not exceed 30 per cent of gross income—Canadians now need a family income of $36,200 to pay the average price for a home in Canada. In Toronto, Mr. Speaker, people need a family income of $46,000 to be able to afford the average price of $100,300, a home that in Vancouver would cost $114,000 and thus require a family income of $52,000.

Mortgage rates have dropped considerably since the fall of 1981, but this is cold comfort for people who were forced to sell their homes or are paying mortgage rates as high as 22 per cent. In fact, since the beginning of March, mortgage rates have increased 0.75 per cent.

The information on prices was provided by the Canadian Real Estate Association. The income figures are based on a twenty-year mortgage at 13.75 per cent. Figures for other locations are available on request.

Mr. Speaker, I have been trying to describe the kind of situation we are in at the present time and the hardship this represents for the Canadian people.

Once again, Mr. Speaker, the Government's proposal can certainly not be rejected out of hand. I have the impression, however, that the sooner this Bill is referred to the Standing Committee, the better, so that the Committee can make a thorough study of this legislation. In considering the Government's proposal, in committee, we shall be in a position to hear relevant comments from the construction industry, the homeowners association, and probably, I hope, from the provinces. During discussion of the Bill in committee, we shall perhaps be able to produce amendments to improve the legislation and increase the likelihood that the Government's objectives, which in this case are ours as well, will be achieved. In fact, they must be achieved, and this has been obvious for some time.

Mr. Speaker, in the circumstances, I can assure the Government that we do not intend to waste Parliament's time irresponsibly, in considering the Bill now before the House. On the other hand, we shall probably expect a great deal more relevance from comments we shall hear in committee. Mr. Speaker, we shall insist that the parties concerned in the construction industry and in the business world ... We shall try, very objectively, together with the Minister and the Government, to examine the possibility of improving the proposals before the House today, in order to increase availability, security and stability in this area, for the benefit of all Canadians.

In the circumstances, the Minister will realize that many of my colleagues would like to comment as well and express the views and needs of their constituents. We must allow my colleagues a minimum of time to comment on this proposal. Generally speaking, I realize that the Government is trying to provide mortgage rate protection for all Canadians. However, Mr. Speaker, once again, it does not provide a response to the vital needs of Canadians.

• (1150)

I also realize that this Government, having put this country deep into debt, in a totally irresponsible fashion, has hardly any room to manoeuvre. This is really too bad, because if the country had had better government, we would now be able to do more to give Canadians a chance to own their own homes. As a result of its mismanagement, the Government has sunk the country so deep into debt that it simply has no room left to operate constructively when it has to deal with such basic and vital issues as home ownership. Members on this side of the House can certainly not be held responsible for that. But given the current context, Mr. Speaker, my colleagues and I will try in committee to call in credible witnesses who might be able to make to the Minister and ourselves more relevant and more challenging suggestions likely to make it easier for us to reach our objective, Mr. Speaker, which is to offer more assistance to Canadians whose ambition is to become homeowners. As a corollary, we know how important it is to enable more Canadians to own their home, because a Canadian homeowner usually has a more positive approach. In fact, he becomes a better citizen since he has a direct interest in his home, his municipality and his province simply because he owns something. There is a very significant social connotation with respect to the family, of course and a Canadian who owns his home has a different outlook on life. For all those reasons, including our Canadian climate and the economic impact, we will indeed be receptive to any housing legislation that provides assistance and implements a policy designed to meet the needs of Canadians.

Unfortunately, it is a little bit late to come up with the solution sought by Canadians. The Government has introduced a Bill which will offer some kind of protection but, as I said, it is not what Canadians have been asking for. I doubt that this Bill will have any impact on the recovery of the house construction sector. This legislation will probably only protract a problem which is already too serious, Mr. Speaker, but it will not succeed in rectifying the situation that we wanted to rectify as recently as four or five years ago; if people had listened to us then, they would at least have had a solution to meet the needs of the time and this solution could have been amended and improved. This would have helped avoid the problems thousands of Canadians have had to face and the difficulties they are still having.

The Minister introduced this Bill today. I can assure you, Mr. Speaker, that we shall examine it with all the objectivity we arecapable of and must have to promote home ownership for Canadians. As for consideration in committee within a relatively short time and then in Committee of the Whole, I am quite prepared to have a very interesting and serious debate. I think that consideration at the committee level will probably have to take longer than expected in view of the importance of the issue and of our desire to listen to those who could help the Government do more to meet our objectives, which are to help Canadians and make homeownership more readily accessible, as well as provide the stability and security needed in the housing industry.

In closing, Mr. Speaker, I say once again to the Minister that we view this Bill positively. We shall ask for further amendments at the committee stage. We shall insist on knowing the position of the Provinces as concerns the financial assistance the Minister wants to provide for native and rural housing and we sincerely hope, Mr. Speaker, that we shall succeed, in a very positive climate, in developing and approving amendments which would make this legislation even more helpful and encouraging for all Canadians who are trying not only to buy homes, but also to keep the one they have already bought. With this, Mr. Speaker, I leave the floor to other Members who will certainly show as much interest in this matter as I did myself and as the Minister did this morning, and we hope that, thanks to our work at the committee level, the Canadian public will hear proposals that are even more interesting and encouraging than the one we heard this morning.

[*English*]

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, we in the New Democratic Party will be opposing this Bill for a number of reasons. We oppose it mainly because we believe that fundamentally it provides a rationalization for higher interest rates by giving borrowers the illusion that they have some kind of protection when in fact their best protection—long term, stable mortgage rates—has been taken away. It has been taken away over a period of time as a result of the Government's actions. I will review what the Government has done in that respect later.

This Bill also provides the context within which public criticism of the banks for its high interest rates might be muted through the illusion of providing protection.

This Bill represents an admission by the Government of helplessness. It is an admission that it does not have the political or moral will, the economic knowledge or a combination of those factors, to have an independent interest rate policy and a lower interest rate policy in this country. Instead of getting to the heart of the matter, the Government has chosen through this Bill to get into the protection racket as far as mortgages are concerned. It is not challenging Canadians to work with their Government to develop a low-interest rate policy and an independent interest rate policy.

What is provided in this mortgage rate protection plan, or MRPP as it will be known by acronym? For a fee a home buyer will be able to purchase mortgage insurance to cover some of the increase in monthly payments if interest rates rise very quickly. On the surface this sounds as though the Government has finally come around to recognizing the problem faced by mortgage holders some three years ago. Thousands were losing their homes or giving them up voluntarily at that time because mortgage payments were increasing from $200 to $400 monthly.

● (1200)

If we look more closely at the Bill, Mr. Speaker, it is apparent that this will be very expensive insurance. Premiums will be 1.5 per cent of the mortgage value to be paid when the mortgage is taken out or amortized over the term of the mortgage. We are looking at $1,050 on a $70,000 mortgage, or $11 a month. The insurance will be 2 per cent deductible. This means that if mortgage rates go up 6 per cent between the time the mortgage is taken out and the date of renewal, the insurance will not cover the increases resulting from the first 2 per cent increase. The insurance will cover only three-quarters of the increase in monthly payments over 2 per cent. Therefore, if the rate went up by 6 per cent, the coverage you would receive would be only 3 per cent of the increase, or 50 per cent of your costs. You really only get a significant benefit from this plan, and even then a questionable one, if mortgage rates rise dramatically.

It is appropriate to ask the Minister, how far does the Government expect interest rates to rise? Do we have in this Bill an admission that the Government accepts forecasts by some economists that interest rates will continue to rise and that we are going to go through another period like the one we went through a couple of years ago? Is that the implicit assumption buried between the lines of this Bill? If that is the assumption of this Bill, Mr. Speaker, then Canadians ought to be very worried indeed because they have here an admission of defeat on the part of the Government. This insurance will cover only 25 per cent of increased costs if interest rates rise by 3 per cent, 45 per cent of increased costs if mortgage rates rise by 5 per cent, and 60 per cent of increased costs if mortgage rates rise by 10 per cent. This calculation does not include the cost of the premium. With a conventional five-year mortgage at 12.5 per cent, which would be hard to get now, the total MRPP benefit over five years is calculated at $2,280 assuming, say, a $70,000 mortgage. If you subtract the $1,050 premium, the saving has actually been only $1,230. Over the second five years of your mortgage, you will have paid an additional $6,780 in interest payments. This is the case if interest rates rise a mere 3 per cent.

If the Government were to require banks and other lenders to offer long-term mortgages for certain social needs such as housing, the home buyer would have real stability in his or her mortgage costs and would save over $10,000 over that same five-year period, rather than the $1,230 which he would save under the context of the plan which the Minister is introducing today. Governments could offer home buyers ten times the saving on mortgage payments if it were willing to put some conditions on the lenders.

An indication of the way the Government has tip-toed carefully around the concerns and privileges of the bankers and other mortgage lenders is the Government's assumption that the net cost of the program will be zero. Thus, neither the Government which sets interest rates in the first place, or allows somebody else to set them but is nevertheless involved in the setting of interest rates, nor the banks which make huge profits from high interest rates while pushing thousands of Canadians out of their homes, as they did just a few years ago, will be asked to contribute to providing better security in the future. The plan is expected to be self-financing, as the Minister mentioned a few minutes ago. Who will pay the cost? The consumer will pay the full cost.

We are talking about home ownership, Mr. Speaker, and the value Canadians place on the ability to buy their own homes and live in them in security and with a reliable future. This is important to people in my riding, as I am sure it is important to people in the ridings of all Members of Parliament. I come from a suburdan riding located at the northeast corner of Winnipeg, an area which is still growing. New houses are being built. Many families are taking on home ownership for the first time. They are vitally concerned about this issue. In areas of my riding such as Lakeside Meadows, All Seasons Estates, the east end of Transcona and all through North Kildonan, we see people building homes and becoming concerned about interest rates. They are concerned more than ever before because they know, thanks to the experience of a few years ago, that things can get as bad as some people in the past have said they can get. Up until 1982 people did not believe that you could actually have interest rates that were as criminally high as they eventually got in Canada. Having been through that experience, people once bitten are twice shy. They now believe interest rates can go through the roof. Even as we get all this talk about rising interest rates, I am sure that is having an effect on housing construction in the area I represent. Up until now it has seen a bit of revival in certain areas of the riding.

What we want in the final analysis is an affordable mix of housing options, home options, for Canadians. This will mean more attention being paid to co-op housing, for instance. This is opposite to the direction in which the Minister is moving. There are cutbacks in social housing and cutbacks in unit allocations for co-op housing. Regrettably, we do not see the Minister moving on the co-op front. Other members of my caucus, the Hon. Member for Vancouver-Kingsway (Mr. Waddell), the Hon. Member for Prince Albert (Mr. Hovdebo) and others who have concerned themselves about co-op housing will have more to say about that later on.

We need affordable rental accommodation. We have not seen any measures by this Government which went to the heart of that matter. We have seen lots of fancy programs like MURBs and things like that which even the financial community itself admits were not programs that reached the goals for which they were designed.

Finally, we need programs to encourage home ownership. I would say this is the option preferred by most people in my riding, and for this reason I shall pay more attention to this than I will to other areas, such as co-op housing. Home ownership is the preferable option for the people in the riding of Winnipeg-Birds Hill, as indeed it is for me and members of my family who live in the riding.

A home is usually the only major investment a family makes over the course of a lifetime. Most of the families in Winnipeg-Birds Hill are not worrying about the stock market or other

various forms of investment. Their first worry is home ownership. I sometimes feel that I am in a strange world here when I listen to other Members of Parliament talking about various forms of investment, this tax law and that tax law. Most of the people I know are people whose only major investment is their home. They are not familiar with, nor do they have any desire to be familiar with, nor can they afford to be familiar with, the intricacies of investments on the stock market, or anywhere else for that matter. The investment they make over the course of a lifetime is in their home. It is certainly the most important investment they will ever make, even if it is not the only one. That investment should be a reliable and secure one. It should not be a gamble. Yet that is exactly what home ownership has been reduced to as a result of the policies followed by the Government since the mid-sixties when it began to change the structure of mortgage financing and mortgage policy in the country.

● (1210)

I have heard many older constituents, say those of my parents' generation, remark upon a strange irony which is working itself out in the riding of Winnipeg-Birds Hill as well as in other areas of the country. Many of the people who reached maturity in the early to late forties had a deprived or difficult childhood economically because of the dirty thirties. After the Second World War they moved into a world in which, unlike their childhood, they found relatively full employment, long-term, stable mortgage interest rates, and an economic security of which they and their parents could only have dreamed prior to that time. This is the generation which understandably often reminded their children of what it was like in the dirty thirties.

The irony about which I speak is that the children of that generation had the benefit of post-war economic security in their childhood. Their parents knew what their mortgage payments would be until doomsday. Their fathers had secure jobs. There was predictability and reliability. There may not have been affluence or luxury, but there was economic security. These children who grew up in an atmosphere of economic security are now being subjected to economic insecurity in adulthood as a result of the policies of the Government and the changes which have occurred with respect to mortgage financing.

I often hear parents remark, in a way that strikes me as ironic, about the difficulty faced by their children in terms of home ownership, when they have long since paid off their homes because they had 25-year mortgages at 6 per cent. Many of them are now retired and in perspective, compared with the circumstances of their children, they are in pretty good shape. Their children cannot ever expect to pay off their homes. Their children do not know what the interest rate will be from one year to the next. And they have a government which is committed to allowing unpredictability and confusion to continue.

What is the history of mortgage policy in Canada? In 1967 the Liberals freed the bank rate for mortgages which had been set at 6 per cent. In 1969, on the advice of Liberal Cabinet Minister Paul Hellyer, who since then has been a Tory, something else and is now reported to be seeking a Liberal nomination once again, the 6.5 per cent ceiling on National Housing Act mortgages was released and permitted to be established by market forces. I am sure the Conservatives liked it, as they like anything having to do with market forces. Again in 1969, on Mr. Hellyer's advice, the five-year rollover was introduced, allowing renegotiation of the interest rate on the mortgage every five years. Prior to this the interest rate on a mortgage was fixed for the entire amortization period, generally 25 years.

In 1973 Bill C-135, the Residential Mortgage Financing Act, was passed by the Liberal Government with Conservative support. The guiding principle of the Bill was to enhance the attractiveness of mortgage investment. Its effect was that by generating an increase in mortgage funds at the unrestricted interest rates, builders and land speculators were encouraged to concentrate on high-priced houses where profit margins were greater and to destroy the moderate and low-income housing market.

In 1974 the Liberals introduced AHOP, another wonderfully successful Liberal program! It was designed to give moderate and low-income people with high earning potential a chance to become involved in home ownership by providing moderately-priced dwellings at a subsidized interest rate. This was an attempt to help make housing affordable, but it was a horrible failure. It is now referred to as "AFLOP" due to the number of defaults on AHOP units. Half the units in some AHOP areas have been vacated due to quit claims or defaults. This is happening right in my own riding. Many people have come to me with this experience. The Government is currently undercutting the remaining AHOP home owners by selling units which it has recovered for up to $10,000 less than the original selling price. The assumptions on which the program was based were incorrect and some types of houses were overbuilt because of this scheme. Interest rates were allowed to climb. AHOP mortgages were not protected from huge increases when the five-year term was up, and incomes did not rise substantially in relation to other costs. AHOP home owners were given no protection against the vagaries of the marketplace.

In 1978 the Liberal Government introduced the concept of a graduated payment mortgage, insured but not offered by CMHC. The GPM has all the worst features of the AHOP scheme in that initial payments do not cover the cost of borrowing, so that by year six of the loan the borrower owes more on the principal than he did when he first took the mortgage out. There is no equity gained until year 11. In effect, people are renting for 10 years. Now they are having great difficulty with mortgage renewals at rates about 5 per cent higher than what they have been paying. When that occurred the Minister responsible for housing, the Hon. Member for York-Scarborough (Mr. Cosgrove), talked about expanding the use of the GPM rather than providing assistance for people in need of help.

In 1979 the Liberals continued to disentangle CMHC from the housing market by withdrawing altogether their direct lending as well as cutting back substantially on assistance to middle-class and low-income housing. From that point on the role of the Government in the financing of housing was to be restricted to that of a mortgage insurer.

By 1979 we had housing firmly in the hands of the private sector and housing costs had risen dramatically. The Economic Council of Canada estimates that over the seventies as a whole dwelling prices increased about 130 per cent, outpacing the Consumer Price Index which increased by 86 per cent. The whole area of financing has become confused, cluttered and almost unintelligible for the layman.

What was the result of placing this kind of trust in the marketplace back in the early and mid-sixties? Since 1967 mortgage rates have steadily increased, with only minor drops of short duration. In 1969 the Minister responsible for housing said: "I think the Canadian taxpayers would get cheaper money if there were not a fixed ceiling at the present time". When the Minister said that, interest rates were 9 per cent. We have not seen 9 per cent interest rates since.

● (1220)

The AHOP Program which was designed to get lower-income families into home ownership turned out to be a failure, particularly in certain areas due to government economic policy. The graduated payment mortgage, which is basically the same as AHOP in that you can postpone payments, has been difficult for people to afford and has not been too popular because lenders consider it a risky venture.

Lengthening the amortization period has not been much of an advantage to the borrower either. It vastly increases the take of the lender. In many renewals this is becoming almost standard practice. The selling point is that monthly payments will be slightly lower. Let us look at the results. If a borrower took out a $50,000 mortgage at 11.5 per cent amortized over 25 years in 1976, the payments would have been $508.24 per month. Five years later the mortgage must be renewed. The balance remaining on the mortgage is $47,660. The mortgage is reduced by less than $3,000 after making $30,500 in payments. That is what I call criminal. I have never been able to understand how that can be legal, but that seems to be the way the world is. That is why I want to change it.

To renew the mortgage the home owner takes out a new mortgage of $47,660 at 21 per cent. He would now normally have a 20-year amortization period. To make the payment more affordable, he may be offered a longer term which would reduce his monthly payments by about $10. In this case the extra five years will cost the home owner another $48,000 net and will keep him on the hook for further renewals and unpredictable rates.

It is quite clear that bankers are doing the public no favours at all by making these options available to home owners. The Government is doing the public no favours by allowing those kinds of practices to continue. The Government is co-operating with the Official Opposition as it did when we were reviewing the Bank Act. The NDP moved amendment after amendment attempting to bring the banks into line to make them act in the interest of home owners, farmers, small businesses and others in Canada who are affected by interest rates and other policies of the banks. Time after time the Conservatives and Liberals voted together against the amendments suggested by the New Democratic Party with regard to the Bank Act.

We see this kind of cosiness again in the softness of the criticism levelled against this Bill by the Progressive Conservative Opposition. This Bill does not challenge the domination of the housing sector by banking decisions. It does not challenge the power and influence of the banks in Canada. That is why the Conservatives are not that disturbed by it. They prefer their own mortgage deductibility plan which they introduced in 1979. They will have occasion to say why they think that plan was better. Actually, that plan probably is preferable to what we are being offered by the Government here. At least with that plan consumers would have some direct benefit instead of paying the entire amount themselves. In fairness, I can understand why they may prefer their own plan to the Government's plan. Our criticisms of the Conservative plan still stand.

However, speaking objectively, what the Government has brought in cannot be construed as a benefit to the consumer in any way except, by analogy, the benefit which accrues to someone who is asked to pay protection money so that his business will not go under. If that is a benefit, the Minister is to be complimented for being the Al Capone of the housing market with regard to this Bill. The Government is not only trying to keep its hand in the lottery business; it has now entered into another form of illicit trade, the protection racket. What will the Government find its way into next? We leave that to the Liberals' imagination.

The current interest rate debate is really a debate about social and economic values. It is about who is going to carry the burden for what in the country. It is no secret that the Progressive Conservative Party would be doing exactly the same thing with regard to the relationship between the Canadian and American interest rates. The Progressive Conservative Party supports even more integration of the Canadian economy with the American economy. I hope members of the Conservative Party will not get up and pretend that they would do anything different with regard to interest rates in the country. They do not have the political or ideological capacity to do anything about it. The Hon. Member for St. John's West (Mr. Crosbie) has as much as admitted that on a number of occasions. I am sure his frankness gets him into trouble with some of his colleagues. At least he had the decency to admit on a number of occasions that the Conservatives would likely not be doing anything fundamentally different. We saw that when they were in government in 1979.

We need to return to the concept of usury. Usury was regarded as a sin according to pre-capitalist social and economic ethics. We must consider whether we should continue to admire the people who exercise this kind of power over our economy and our lives by owning the money and selling it to us

at these exorbitant rates. That is our value system presently. We admire the banks. We admire that kind of power and wealth. Should we continue to admire that kind of wealth? Should we continue to allow that kind of power and influence, wielded in a way which is not accountable to the common good and the public interest, nor for the effects that the decisions made in these so-called high places have on the lives of ordinary Canadians? The New Democratic Party feels that it is time we did something about that kind of power. We should find a way—and it is there—to subordinate the economy to the human ideal of fairness and to the well-being of humanity. After all, Mr. Speaker, the economy was made for man, not man for the economy.

• (1230)

I just learned this morning that the word "mortgage" means "pledge unto death" in Latin. I took Latin only in grade nine so I cannot remember whether that is correct or not; but that is what I am told. However, at current interest rates and under current circumstances, that is exactly what a mortgage in Canada is: it is a pledge unto death. A person's life will be at the mercy of the banks until the day he dies. He will never really own his home. It need not be so, Mr. Speaker.

The usurers should not be able to have their way in the world. All we need is the political and moral will to stand up to what I regard as organized theft by which people's very lives are owned by the banks. This kind of thing cannot be right, Mr. Speaker. I do not care what kind of moral gymnastics one goes through, Mr. Speaker; this kind of thing cannot be right.

We must rediscover the outrage that people once felt about this kind of thing. I think we have become too complacent about it. We have come to accept it as being like bad weather that goes on and on. It is not like the weather. It is a result of human decisions and it can be changed as a result of human decisions. It can be changed as a result of collective human and political decisions to do something about the way in which interest rates are set in the country and the way in which money is organized. In the final analysis, Mr. Speaker, it is not simply a technical question; it is a debate about values and about who will bear what burdens in our society.

The issue is too important to be left to the economists. In fact, almost any issue I can think of is too important to be left to the economists because economists are a dime a dozen. One can find an economist who will advance almost any particular view that one would like to have advanced because economists do not practise the kind of science that people think they do, Mr. Speaker. The art of thinking about the economy is, in the final analysis, a moral exercise and not a technical exercise because one must begin with certain assumptions about what constitutes the good of society and about what kind of goals we are moving toward when asking how to organize the economy.

In my view, we in this corner of the House are trying to get people to think about how the economy is not the result of neutral or mechanical market forces but the result of decisions made by human beings, decisions that could be made otherwise and decisions that are based on certain philosophical premises and assumptions about the nature of things. The sooner we can start thinking about the economy in that way, the sooner we will be able to devise an economy both nationally and internationally that meets the needs of the human race instead of meeting the needs of the bottom lines of the international corporate elite. If today's debate regarding a subject which affects so many Canadians so very directly can be an occasion for asking those wider kinds of questions, then I think it will be very useful. I hope that I have made some contribution to that this morning.

Mr. Doug Lewis (Simcoe North): Mr. Speaker, I join in this debate with a great deal of interest because after four and a half years of inaction on the part of the Liberal Party, I must say that it is refreshing to see some action being taken by the Government.

The House will know that during the early 1980s the Government instituted a deliberate policy to keep bank interest rates as high as possible. This naturally caused mortgage interest rates to climb to the intolerable level of 14 per cent, 16 per cent, 18 per cent, 20 per cent and even 22 per cent. As a result, families lost their homes through foreclosures or power of sale proceedings, and in a period of rising unemployment and wage and salary cutbacks people found that mortgage payments ate up an increasing proportion of their take-home pay. Real estate values fell as home owners were forced to sell and mortgage terms were reduced from the standard five-year to three-year, two-year, one-year and even six-month terms.

The Liberal Party's high interest rate policy created chaos in the housing sector and fear and panic in the minds of Canadian home owners. We in the Progressive Conservative Party continually called for measures which would create stability in the housing sector for the industry and for the home owner. The Liberal Party turned its back on the Canadian home owner and the industry.

Finally, faced with the harsh reality of public opinion and demand, the Government relented and in the February Budget the Minister of Finance (Mr. Lalonde) promised certain measures to assist the Canadian home owner. We in the Progressive Conservative Party take pride in finally having forced the Liberal Party to listen to the ordinary people rather than to the banks and other financial institutions.

I would like to express my shock in learning that the New Democratic Party does not care about the Canadian home owner. Members of the NDP are rejecting this legislation out of hand. We cannot understand why members of the NDP have abandoned the Canadian home owner. This legislation is far from perfect but as we are Members of Parliament, I would suggest to my colleague in the New Democratic Party that we owe the people of Canada an effort to improve the legislation rather than rejecting it out of hand and railing against the banks.

In the Budget to which I referred, the Government promised three things for which we had been calling. First, it promised protection for the Canadian home owner against rampaging interest rates. We called for measures to allow Canadians to

discharge their mortgage prior to the expiration date at a charge which was fair to both the mortgagor and the mortgagee. We referred in various speeches to the concern about short-term mortgages. In the Budget such measures were announced. However, we continued to call for the legislation.

I point out to the Government, the people of Canada and my friend from the New Democratic Party that during the course of the debate over bringing the legislation in, we pointed out to the Government a very serious error in its legislation and that was that the original provisions stated very clearly that the interest to be protected would be the market interest rate prevailing for the relevant mortgage term at the time the mortgage protection was taken out. That is the provision as it was originally stated in the Budget Papers. However, since March 1 mortgage interest rates have risen 1.5 per cent because of the Liberal Party's failure to control the rates and, as a result, Canadian home owners would have been prejudiced by the Government's delay in bringing in the legislation.

After we questioned the Minister of Finance in this regard, the Government backed down and announced that it would protect home owners at the interest rate at which they renewed or took out their mortgage after March 1 rather than the interest rate at the time their applications were finally approved. That is what I am talking about when I suggest to my colleague from the NDP that it is our job to improve legislation rather than simply reject it out of hand. The Government has now produced Bill C-36 which amends the Interest Act and Bill C-37 which appears to contain amendments to the native housing provisions of the National Housing Act, legislation which begins to put in place a plan to have mortgage-backed securities and legislation for interest rate protection.

In the time available to me, Mr. Speaker, I would like to deal strictly with the mortgage interest rate protection part of Bill C-37, and when I close I would like to make some reference to the amendments to the Interest Act as they relate to an over-all safety net which will protect the Canadian home owner. In preparing my remarks, I was fortunate enough to have the input and co-operation of real estate lawyers in Orillia and Midland and of the Orillia Real Estate Board. I went to the people who would be handling the legislation at the street level. At the present time I am trying to meet with the real estate board in Midland and Penetanguishene to get their input.

● (1240)

I understand from documents which have come to my attention that the Government has gone to the financial institutions for their input and advice. I would suggest that the Progressive Conservative Party is interested in the people who will be dealing with the Bill, and the people who should be protected, not the banks and the financial institutions. I would like to pay tribute in my remarks to the input which I have received from the people in the riding which I represent.

I think that the Government is proceeding with uncharacteristic haste in this matter. This Bill received first reading on Friday and we are now engaged in second reading debate on Tuesday. If we allow for the weekend and printing time, it is unfortunate that the Government has rushed into second reading debate without giving other interested parties an opportunity to review the Bill. I would like to review what the Government said it would do in February and compare that with the concerns of my constituents and Bill C-37.

First, we feel it is necessary that the Government clearly and unequivocally establish the difference between a base rate and a mortgage reference rate. I would suggest that CMHC should set the rates because there is a difference between the rate in Toronto and the rate in Vancouver as opposed to the rate in Orillia and the rate in Midland. In my area there is a difference between the rate in town and out of town. I think it is important that the Government think about how these rates will be set on a monthly basis so that everyone will know exactly what they are dealing with. My colleagues in the legal profession were concerned. They felt that CMHC should establish this rate with objectivity and have the interests of the Canadian home owner at heart rather than the interests of the Canadian banking institutions.

I would like to bring Section 34.81 to the attention of the Government. The wording makes reference to the rate at which a home owner obtains a mortgage if it is higher than the rate at which a home owner originally borrowed the money. I think this provision is open to loose interpretation and abuse. If a mortgagor were to renew a mortgage with a third party who wished to abuse the system, it is possible under that wording that the mortgage could be renewed at an inflated rate. The question would then become whether the mortgagor was taking undue advantage of the renewal provisions in the Bill because the Government failed to tighten it up. If the Government would consider that, it might better relate what the pay-out will be to the CMHC rate. In other words, if the rate at which a person originally borrowed was 12 per cent and they renew at a CMHC rate of 16 per cent, I would peg it to the 16 per cent, not a mortgage to a third party at 20 per cent. I think there should be some protection provided, or some tightening up, so that the Government is protected against unfair abuse.

The next matter which I would like to bring to the attention of the Government is the concern expressed by my colleagues that the original proposal and the present Bill seem to state that the premium for the insurance is the same whether it is a one-year, two-year, three-year, four-year or five-year renewal, rather than being prorated. It was suggested to me that there should be some difference between the premium paid for a one-year term and that of a three-year or five-year term. In other words, the premium should be prorated. It may be intentional to encourage long-term mortgage renewals, or it may be an oversight which penalizes the person who, for one reason or another, renews his mortgage for a shorter term. I would ask the Government to take a look at that.

I would now like to turn to the section which deals with eligible properties. In the original proposal only the principal residence of a home owner would be covered. That included

single and semi-detached homes, condominium units and mobile homes. In the case of duplexes and other jointly-held buildings, the qualifying mortgage would be apportioned to the unit being occupied by the owner. In Simcoe North there are a great many properties which qualify as duplexes—and I would suspect this is common across Canada—in which the owners occupy one half and rent the other half.

In addition, in Orillia and in my constituency of Simcoe North there are a great many properties which fluctuate between being a principal residence and a recreational residence. Many of my constituents retire from metropolitan areas, move to a recreational residence and make that their permanent residence. I would like to put a question to the Government: What happens to the owner of the duplex—if it is mortgaged as a duplex in which he is residing—when he moves out and sells it to a person who rents out both sides? Does the mortgage interest protection lapse because there is no owner occupancy, or does it extend for the term of the renewal? It might not be something which should be put into the Bill, but it should be dealt with by a regulation.

The next question I have is this. What happens when a person in a principal residence in a recreational area such as mine renews his mortgage, buys insurance protection and then sells to a person from out of town who uses it as a recreational property? Does the mortgage insurance lapse because the property has gone from being a principal rsidence to a recreational property? I am pointing these matters out because it is a question which real estate agents, lawyers, vendors and purchasers will be asking when they exchange properties.

I would like to refer to this matter directly. For practical and administrative purposes, the majority of the people I talked to felt that the payments under the plan should be between CMHC and the mortgagee. I realize that the person who is being protected is the mortgagor who owns the property, but from an administrative standpoint it would be easier for CMHC to deal with the institutions or the mortgages rather than having a third party involved—the owner. That would make it much easier, when a transfer of the property is made, to pin down where the payments are going and to have them immediately benefit the right people. I would suggest to the Government as well that that is a matter which should be dealt with, whether it be by regulation or by way of law.

I would like to pose a question about vendor take-back mortgages which were excluded from the Bill. I have been asked why they have been ignored in this legislation. My colleague from the NDP made reference to the fact that a home is often the major asset of a person. In a lot of ways it is the asset which is sold upon retirement. As a feature of that, the owners take back a mortgage. They take back that mortgage because they will receive regular payments on it and, as well, they can charge interest. Thus the question arises: Why are vendor take-back mortgages excluded? The purchaser of a vendor take-back mortgage will often find that they have a problem when they attempt to renew. In other words, if we are to protect them when they mortgage with an institution, why not protect them when they deal with the vendor on a vendor take-back mortgage? There may be a very legitimate reason for excluding that situation, but I would ask the Government to consider it.

The next question which arose from my discussions with real estate agents and lawyers was this. The Government does not seem to address itself to default. What would happen when the owner of a property which is mortgage protected under this plan defaults on his or her mortgage payments? If it is a technical default, which perhaps everyone has been guilty of at one time or another, of not paying taxes on time, would that eliminate the protection or would the protection survive that default?

• (1250)

Secondly, does the protection expire upon power of sale proceedings or mortgage foreclosures taking place? The question I have been asked is, where does the protection stand in case of default by an owner, either a technical default or an actual default where there is a power of sale or foreclosure proceeding? I cannot determine from my reading of this Bill last evening exactly how the measure stands on that.

The next concern which was expressed by real estate agents was that lending institutions would require the purchasers to take out this protection on a mandatory basis in order to protect the lending institutions rather than individuals. This would be an additional hardship which would discourage people from buying homes and the protection, because of the front-end mortgage premium. The real estate agents I have discussed this with feel that a mandatory provision—I do not suggest it is in this Bill and perhaps we should make sure it does not get in there anywhere—would decrease competition in the financial marketplace.

I suggested earlier, Mr. Speaker, that I would like to deal with the Interest Act, although it is another Bill, because when I talked to the real estate agents in Orillia they told me that as far as they were concerned those Interest Act provisions are of better benefit to the Canadian home owner than this insurance plan. Quite frankly, they feel that in times of rising interest rates this insurance will not be attractive. In times of low-interest rates, it will be attractive. However, where they felt the abuses were taking place were in the pay-out of the mortgages which, during the Liberal high interest rate period, were offered at 18 per cent, 20 per cent and 22 per cent. The Government's intent, as I read the Budget—and I have not had a chance to review Bill C-36—was that there should be a fair and equitable pay-out of mortgages, fair to the mortgagor and also fair to the mortgagee, on the basis that there are matched funds. But it was suggested to me that the Interest Act legislation will provide a better protection for the Canadian home owner than the Mortgage Rate Protection Plan.

In closing, Mr. Speaker, I would say that it has to be obvious to the Government that our Party has not had an opportunity to discuss the Bill fully and to take a position as to whether or not we support it. However, I can assure the House and the Canadian people that the Progressive Conservative Party has been in the forefront in calling for stability in

mortgage interest rates and a fair deal for the Canadian home owner. I suggest, Mr. Speaker, that our discussions in caucus and our debate in this House will be based upon that principle.

[*Translation*]

The Acting Speaker (Mr. Guilbault): Our rules now provide for a ten-minute period for questions or comments on the Hon. Member's speech.

[*English*]

Are there any questions?

Mr. Blaikie: Mr. Speaker, I have just a comment on what the previous speaker had to say very early on in his remarks. I believe it really goes without saying, but I would like to say it anyway, that it is completely unfair for anyone to suggest that the New Democratic Party, or for that matter anyone here in the House, does not care about the Canadian home owner. We may have disagreements with our Progressive Conservative colleagues and with the Government about how best that care ought to be exercised and what the real effect of certain policies will be. However, I believe it is certainly unfair and unwarranted to rise and suggest that we in this corner do not care about the Canadian home owner, although we have some very serious policy disagreements with the Hon. Member and his Party about how home ownership in this country ought to be fostered and increased and with respect to what other housing policies ought to be followed by the Government. We also share some of that Party's criticisms of the Government. I feel it is completely unfair to suggest—and I just want to put him on the record—that we in the New Democratic Party do not care about Canadian home owners. We obviously do, we always have, and we always will.

Mr. Lewis: Mr. Speaker, I listened intently to my colleague's remarks and I could discern from them no real effort to improve the Bill or to come to the defence of the Canadian home owner. I heard a lot about co-op housing, that kind of thing, but I did not hear any real effort to improve the Bill and that is why I was called upon to make that comment. It was from the heart.

Mr. Blaikie: Mr. Speaker, it goes without saying that when a Bill gets into committee, members of the committee from all Parties will make an attempt to improve the Bill. We are debating the principle of the Bill and I spoke about what principles our Party upholds when it comes to a housing policy. I feel the suggestion that the approach of the Progressive Conservative Party is somehow to be exalted is unwarranted. It is trying to give the impression that its approach to this Bill will be non-political, and that it has only the interests of the Canadian home owner at heart when those Hon. Members go into committee.

I know the Hon. Member is going to rise and say that I have summarized his Party's position exactly. However, I do not believe that to be the case, Mr. Speaker. As is often the case in this House, one can reject a Bill, indicating that one is going to oppose it and then in committee try in every way to make the Bill—if it is going to be passed by an arrogant Government over opposition to it—as good as it possibly can be. Some Bills, quite frankly, are beyond redemption. We will have to see when we get into the study of this Bill whether or not it belongs in that category and just what kind of amendments we may or may not move. That remains to be seen once we get into committee.

The Acting Speaker (Mr. Guilbault): Are there any other questions? Debate.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, I see that the greater part of my presentation will have to be given this afternoon.

However, in preface I want to bring to the attention of the House something which impressed me with respect to the whole housing question and public policy in the housing field. One of the first times I had anything to do with housing policy was when I attended a meeting in Yellowknife around 1965 or 1966. In attendance was the Hon. Jack Pickersgill, who is not a member of the Party which I support. Sometimes we on this side of the House have some rather nasty things to say about him. However, he was there at the head of this meeting listening to presentations on the subject of housing from many of the people who have now become my constituents. The people were coming forward and saying: "I live in a two-room house; I would like a four-room house". Or: "I would like to live in much better circumstances than I do at present".

To all of these inquiries and suggestions, most of which would entail the expenditure of public funds, Jack Pickersgill invariably said: "But you cannot afford it; your income is only so much. You cannot afford the type of housing which you would like. Is it proper that the rest of Canadians should make it possible for you to have the type of housing that you want? Because we all want the best kind of housing".

Therefore, in my presentation this afternoon I will keep in the back of my mind that housing, like everything else, has to be paid for; and to what extent should the individual be responsible for paying for his own housing, and where does the Government fit in? I look forward to debating this issue shortly after three o'clock, Sir.

The Acting Speaker (Mr. Guilbault): It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

S.O. 21

STATEMENTS PURSUANT TO S.O. 21

[*English*]

HUMAN RIGHTS

RESOLUTION OF DIFFERENCES BETWEEN TURKISH GOVERNMENT AND ARMENIAN COMMUNITIES

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, will Members of this House and, through them, the Canadian people, apply their minds today to one of history's tragedies and remember the suffering inflicted on the Armenian people between 1915 and 1918? Over one million men, women, and children were slaughtered in an act of genocide which must take its place with events like the Jewish holocaust and the Ukrainian famine. Some people wish this problem would just go away so that mankind's collective guilt may be lessened, but the Armenian slaughter is an act of history and we cannot wipe the slate clean for the Armenian descendants by pretending it never happened.

Just as we in Canada have on our conscience our treatment of our fellow Japanese Canadians, so the Turkish authorities of the day and their successors, along with the major powers by their sin of omission after World War I, and mankind generally, have the Armenian massacre on their consciences. Justice demands an admission of guilt and then an expression of regret, contrition, and penitence by all concerned. Active steps are then needed to give effect to the resolution passed unanimously by this House on February 25, 1982, that the outstanding differences in problems between the Turkish government and the Armenian communities in Canada and throughout the world be resolved in a peaceful manner. I might also add, in a just manner.

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HUMAN RIGHTS

ARMENIAN GENOCIDE—HOUSE OF COMMONS RESOLUTION

Mr. Jim Peterson (Willowdale): Mr. Speaker, last evening Members of Parliament were guests at a reception hosted by Canada's Armenian community. This reception served a number of purposes. Yesterday, May 28, was the 66th anniversary of the independence of the Republic of Armenia, which subsequently fell on December 2, 1920, to the combined invasion of communist and Turkish forces. It provided an opportunity to reflect on the genocide of 1915, when the Turkish government slaughtered 1.5 million Armenians. This was the first genocide of our century, yet, while documented and accepted as fact throughout the international community, it has not been acknowledged by subsequent Turkish governments. Lastly, it enabled us as parliamentarians to pay tribute to the great contributions made to our nation by the more than 50,000 Canadians of Armenian ancestry.

Such occasions as last evening serve to rekindle friendships, and re-emphasize the need for a peaceful resolution of the Armenian question, based on the spirit of the unanimous resolution of this House passed on February 25, 1982.

POOLS

CANADA SPORTS POOL CORPORATION—FIRST WEEK'S OPERATION

Mr. Joe Reid (St. Catharines): Mr. Speaker, no less than four Ministers of Fitness and Amateur Sport have had high-minded but false praise for the Sports Pool. Each Minister spoke of the great benefits the Sports Pool lottery would bring to fitness and amateur sport, the Calgary Olympics, arts and culture, and even medical research. Well, the reality is much different from the rhetoric. Eleven months after the passage of the legislation, following one week of sales, Sports Pool officials report that they do not have the foggiest idea how many tickets were sold, who is selling them, or where they can be purchased. However, they do know that no one won the jackpot.

Canadian taxpayers are on the hook to the Sports Pool to the tune of over $30 million. For that amount the taxpayers should expect something better than shrugs from Sports Pool officials. The beneficiaries of the Sports Pool were also expecting a good deal more. Instead of seeing cold, hard cash, they are seeing a patronage-ridden common betting operation tainting the image of all associated with it. Friends of the Government may not strike out with the Sports Pool, but it is clearly a wash-out for beneficiaries and taxpayers alike.

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[*Translation*]

AIR TRANSPORT

FUTURE OF NORDAIR

Mr. André Maltais (Manicouagan): Very shortly the Hon. Minister of Transport (Mr. Axworthy) will have to make a decision concerning the Nordair resale, Mr. Speaker.

In view of the fact that Nordair was born in Quebec, that it has expertise in the air transportation business and that it operates in the Manicouagan riding through the Montreal-Fort Chimo flight, Mr. Speaker, I suggest that the Minister of Transport should examine and weigh very carefully the various offers that have been made so far. As a matter of fact, I feel that Innocan has made a most interesting offer for the purchase of Nordair; besides, this firm wants to keep its head office in Montreal and is currently managed by Quebecers; therefore I think that all these historical and economic factors should be closely weighed.

Moreover, I think that in the context of this resale, we should look into a possible merger with Quebecair, or at least an agreement whereby both airlines could work together to the benefit of the people of both Ontario and Quebec, since these two airlines are operating in both provinces.

[*English*]

LABOUR RELATIONS

CALL FOR EFFORTS TO SETTLE BRANTFORD STRIKE

Mr. Derek Blackburn (Brant): Mr. Speaker, in my constituency of Brant a strike has been going on for over six months at Hussman Store Equipment Limited. The union has not been on strike for over 31 years. In that time there have been only three cases of arbitration. All the workers wanted was a continuation of the existing contract, plus COLA. The company countered with about 25 concessions which were totally unacceptable to the workers.

The reason I raise this in this Chamber is because the company is owned by Illinois Central, I believe, of the United States, and has been causing a great deal of anti-American feeling not only among the trade union movement in Brantford, but among the populace as a whole. In fact even the newspaper is sympathizing with the strikers. The union believes that the company is out to break the union, and the negotiator from the United States, Mr. Hawley, certainly has indicated that is possibly the direction in which they are going.

I call upon the Secretary of State for External Affairs (Mr. MacEachen) and the Minister of Labour (Mr. Ouellet) to get together and try to persuade the company to come back to the bargaining table so that these workers, who have not been on strike for 31 years, can get back to the negotiating table, get the strike settled, and get back to work.

* * *

[*Translation*]

FINANCE

DISPUTE OVER STATISTICS BETWEEN QUEBEC AUTHORITIES AND FEDERAL GOVERNMENT

Mr. Jean-Guy Dubois (Lotbinière): Mr. Speaker, the old saying: "Plus ça change, plus c'est pareil" fits the Quebec Minister of Finance, Mr. Jacques Parizeau, like a glove. When he brought down his Budget last week, Mr. Parizeau said once again that if there were any problems, it was all the federal Government's fault, because federal transfer payments were being cut by $100 million, which would destabilize Quebec's economy.

Mr. Speaker, I have before me a document published by the Minister of Finance of Canada, the Hon. Marc Lalonde, in which he says that on the contrary, federal transfer payments to the province of Quebec will amount to nearly $5.9 billion during the current fiscal year, which means an increase of more than $220 million over payments for 1983-84.

On the weekend and the days following Mr. Parizeau's Budget Speech, people were saying: Another squabble about figures started by the people in power in Quebec City, by those people in the Parti Québécois who are always saying the same old thing, and basically, blaming the other guy.

Mr. Speaker, I think Quebecers have had enough of these statements. The Department of Finance and the Minister of Finance of Canada set the record straight in a speech the Minister made not long ago. I should like to say to Quebecers that once again, some people are trying to start a war of figures, which is not justified because in fact some increases are involved. I would urge Quebecers to be discerning and see where the truth lies, and that is what they will do and that is what they are doing . . .

Mr. Speaker: The Hon. Member's time has expired.

* * *

• (1410)

[*English*]

MEDICAL CARE

HAZARDS POSED BY MALFUNCTIONING MEDICAL DEVICES

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, it was shocking to read in the media that almost 800 Canadian heart patients learned that their pacemakers are ten times more likely to fail than expected. Along with this, Canadian doctors and patients learned of defects in about 400 artificial heart valves.

What is equally astounding is that more than 10,000 new medical devices that flood the Canadian market every year get no pre-market screening. The only requirement for 95 per cent of devices used in Canada is that manufacturers be able to provide data on the safety and effectiveness of a product should the Government ask for it.

It is a situation that often sees health officials asking for data after someone has either been killed, seriously injured, or there has been a fatal malfunction of the medical device. Worse still, most hazards and misleading claims involving the devices still go unreported and therefore unresolved.

I find this a shocking state of affairs, to say the least. The constant worry alone by those whose very lives depend on these devices, not knowing when some malfunction may speedily and unexpectedly snuff out their lives, must be indeed a daily fearsome and traumatic experience. Therefore I appeal to the Government to take whatever action is necessary to resolve this enormous problem and to make certain that all medical devices can be used with dependability and safety.

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POOLS

CANADA SPORTS POOL CORPORATION—BRITISH COLUMBIA APPOINTMENTS

Mr. Gerry St. Germain (Mission-Port Moody): Mr. Speaker, a major league baseball team would mean $85 million of stimulus to British Columbia's economy. Yet the federal Government jeopardized B.C.'s chances for a major league base-

ball franchise by promoting and pursuing its questionable sports pool.

Major league baseball has deep, well founded concerns about gambling. So should the Canadian Government, but instead it continues to gamble with B.C.'s prospects for a major league baseball franchise.

Its actions raise deep questions about what the Government's priorities are. Its priority does not seem to be sport. It does not seem to be economic stimulus for B.C. which is sorely needed. Rather, its priorities seem to be a regressive tax and Liberal patronage, jobs funded by those least able to pay.

In British Columbia the Sports Pool Corporation hired Lauris Talmey, President of the Liberals' National Women's Commission, as its general manager; Bev Hendrickson, executive assistant to Senator Jack Austin, as its B.C. manager of administration, and Ian Howard, whose company handles the marketing and promotion for the B.C. Sports Pool, was the Liberal Party's public relations director.

Betting in the Sports Pool is a poor investment, as the laws of probability and statistics clearly demonstrate, for everyone but the Liberals who get the jobs. Instead of creating jobs and real hope for Canadians, it only provides another chance for the gritty piglets to eat at the Liberal trough.

* * *

VIA RAIL

CALL FOR RESTORATION OF SERVICE BETWEEN EDMONTON AND VANCOUVER

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, many western Canadians and western municipalities have appealed to the Minister of Transport to put VIA Rail back on track between Edmonton and Vancouver. This passenger service, which is part of the transcontinental railway system, should never have been reduced in 1981. It must be restored and modernized so that increasing numbers of tourists will join western Canadians to enjoy this practical mode of transportation through the glorious, scenic splendour of the Canadian Rockies and Jasper National Park. Full passenger rail service must be restored in time for Expo '86.

A modernized VIA Rail passenger service from Edmonton to Vancouver will demonstrate the many values of this practical and enjoyable mode of transportation. Trains save more energy, have fewer environmental impacts, are safer and more reliable than other modes of transportation. There is no jet lag and no flat tires. There are both economic and social benefits in creating jobs and serving communities.

Western Canadians deserve the same opportunity for train travel as those who use VIA Rail in the Golden Horseshoe. Restoration of western services is a national responsibility and must be a priority of the Minister of Transport. Canadians are tired of past subsidies to CN and CP and their lack of accountability. The history of CP rip-offs is a national disgrace.

Mr. Speaker: Order. The Hon. Member's time has expired.

HEALTH CARE

ADMISSION OF CANADIAN MEDICAL SPECIALISTS TO UNITED STATES

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the threat of Canadian physicians emigrating to the United States was ever present during the deliberations on the Canada Health Act on the grounds that many physicians would move away from a medical system which they felt curbed their independence and impeded their ability to practise their art under optimum conditions. It is too early to judge the extent of this resettlement. It appears that it is small in number to date.

But there is some evidence already that some prominent Canadian medical specialists, many of whom have gained international reputations by innovating new techniques, have left, or are planning to leave Canada. For these internationally recognized leaders, the United States Department of Immigration makes special provisions, granting them a blanket certification, and admits them under a subcategory of third preference. The number of these Canadian physicians moving to the United States is not great, but the loss to the development of state of the art medicine in Canada is quite considerable. These specialists have been stimulating teachers and have provided an exceptional quality of medical care.

The problem is a serious one. It must be addressed by a committee of the Royal College of Physicians and Surgeons, by representatives of the Department of National Health and Welfare, and by the Canadian Medical Association, in order to stem the brain drain of medical excellence from this country.

ORAL QUESTION PERIOD

[*English*]

EXTERNAL AFFAIRS

PERSIAN GULF—IRAQ-IRAN WAR—CANADIAN POSITION

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, my question is directed to the Prime Minister. With the increasingly troublesome situation in the Persian Gulf, would the Prime Minister indicate if the Government is prepared to make a statement to the House concerning this situation, and could he outline if the Government plans to take any specific action to try to resolve this terrible, alarming conflict? We know that there was support for the United Nations Resolution 540 last October on behalf of the people of Canada, but is anything new being contemplated to try to resolve this situation?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the situation in the Gulf is one which is certainly very serious and to which the Government has been giving constant attention. There is no statement planned at this time.

The Hon. Member and the House will know that the Secretary of State for External Affairs is meeting with his NATO counterparts now, as indeed we will be meeting in ten days in London at the Economic Summit. The Gulf situation will be discussed at both places. However, I know of no statement contemplated by the Minister at this time.

CONSULTATIONS WITH CANADA

Hon. Sinclair Stevens (York-Peel): Would the Prime Minister indicate if we, as a Government, have been consulted by the United States, Great Britain, France or any other country that may have an interest in that area and, if so, what has been the nature of those consultations? Have we, for example, been invited to participate in any ongoing negotiations with the hope that a settlement could be reached?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it would depend on what the Hon. Member has in mind as consultations. It is a matter on which I have consulted in the various meetings I have had with heads of government, particularly when I was in the Persian Gulf a few months ago. Therefore, it is a matter on which there have been consultations.

I know of no formal request made at this time of the Canadian Government, nor have we made any formal request of the United States or any of the countries in the area.

Mr. Stevens: Of course, I am referring to the consultations that may have occurred since the escalation of the conflict, the damaging of various ships, and the killing of so many people.

INTERNATIONAL CONCERN

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, when answering the question about consultations, would the Prime Minister also indicate if any arrangements have been made to remove the 50 Canadian workers who are in Iraq, and possibly our Embassy staff, in the event that Iran carries out its threat of a massive attack on Iraq early in June?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member seems to want to detach consultations about current events from earlier consultations. The war between Iran and Iraq is one which has been the object of attention by most nations for the past couple of years. We discussed it at great length during my visit to the area. I know that the Secretary of State discussed it at great length during his visit to the area.

I do not think that the current events are different, except maybe slightly in degree, from events which have worried the world and the people in the area for the past two years. We are continuing to consult and continuing to seek solutions to this problem.

I will be quite frank with the Hon. Member. We have no solutions. I have seen no solutions either in the minds of Governments in the area. They are faced with a war which everyone deplores and which no one seems to have the power to stop.

* * *

● (1420)

CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION

VANCOUVER TELEVISION STATION'S APPLICATION TO RELOCATE TRANSMISSION TOWER

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, my question is for the Minister of Communications, who is absent. There are only 14 Ministers in the House, and only two of them are leadership candidates.

Some Hon. Members: Oh, oh!

Mr. Friesen: Only two are interested in a British Columbia problem since only two leadership candidates are here. My question concerns a television station in Vancouver, and I will direct it to the Prime Minister.

Television station CKVU is planning, or is making application to relocate its transmission tower, thereby having the effect of dislocating channel 10, the community channel, as well as PBS channel 9, thereby putting PBS on either an impaired or a mid-band channel. Since the newspaper unions were on strike until last week, the public has been totally unaware of this application and, therefore, has been unable to prepare interventions. The closing date for the application is tomorrow. Can the Prime Minister direct the CRTC to postpone hearings in order to preserve some semblance of fairness and give the public a chance to prepare interventions with respect to that application?

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I am sure the Hon. Member is well aware that, first, the CRTC operates within its own guidelines as set down by Parliament. I would have hoped the Hon. Member, being a conscientious representative of that area of the country, would have made his own representations to the CRTC. It is not up to the Government of the day to make a specific response or to ask a specific question, as the Hon. Member is suggesting.

IMPACT ON PUBLIC BROADCASTING SERVICE

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, as CKVU is trying to negotiate a sale of that station, and since PBS is one of the most popular stations because from 40 per cent to 70 per cent of its subscribers along the border are Canadians, I would ask the Parliamentary Secretary why the public who want to watch PBS have to turn to an impaired or a mid-band channel in order to enhance the sale of CKVU for a higher profit.

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): Mr. Speaker, we have no evidence that

what the Hon. Member is suggesting is correct. On the one hand, I am surprised the Hon. Member is promoting the programming of PBS, an American channel, which is well recognized and received by many areas of the country. On the other hand, I would have hoped that the Hon. Member would be promoting Canadian content, Canadian programming, and the facilities of Canadian television stations.

* * *

NATIONAL FILM BOARD

EFFECT OF NEW POLICY ANNOUNCEMENT

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I would like to direct a question to the Prime Minister, in the absence of the Minister of Communications. The Prime Minister knows that I have been here quite a long time, and I very seldom complain. But I want to say to the Prime Minister that when the Minister of Communications makes an important statement on film policy and changes in film policy, outside the House when Parliament is meeting, and he is not here to answer questions, there is something wrong.

The Minister of Communications has announced changes in policies which will mean the virtual destruction of the National Film Board as we have known it. The Film Board over 45 years has built an international reputation in explaining to Canadians and to the rest of the world what Canada is all about and what Canada has to offer. The Minister is proposing in his new policy to gut the Film Board. He wants the Film Board to contract out film-making work, to contract out all federal department sponsored production, and to contract out technical services. These were the recommendations of the Appelbaum-Hébert Committee. Representatives of the industry, artists and educators appeared before the standing committee. They advised against this policy. The standing committee advised against it. Why has the Minister rejected the views of the standing committee, listened to the private sector, and is proceeding with a plan to gut the National Film Board?

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): First, may I say it is quite correct that the Minister of Communications today has unveiled a national film and video policy which will not only enhance the entire Canadian film industry but will also enhance the operations of the National Film Board. The Hon. Member knows full well, as a very dedicated member of the Standing Committee on Communications and Culture, that the recommendations made in this national film policy are the basis really of all the recommendations which the standing committee made in reply to the Appelbaum-Hébert report.

I do not know why the Hon. Member is saying that we are destroying the National Film Board. Quite the contrary, Mr. Speaker. The National Film Board will see no lay-offs; funds will be reallocated within the Film Board itself to enhance further not only the work it is doing but also to provide training and research for new film producers, writers, and actors.

Some Hon. Members: Hear, hear!

CHANGE IN PRODUCTION POLICY

Mr. David Orlikow (Winnipeg North): Mr. Speaker, if the Film Board is not to get more money, and that is what the Parliamentary Secretary says, if the money is to be reallocated toward training and research, obviously there will be less money for actual production.

The Minister said that a stronger Canadian presence on our cinema and television screens is what he wants, yet he ignores the strength of the Film Board's track record and he will depend upon the private sector. We know that the private sector, if it is going to produce to make money, and that is why it is in business, will have to angle its productions toward the American market. That means there will be fewer Canadian oriented and more American oriented productions. How can you do that and maintain the strength of the National Film Board?

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): Mr. Speaker, one of the major aspects of the National Film Board, the current Board, is Studio D, which is mainly responsible for the productions of programs involving women's issues. Studio D has a tremendous track record. As a matter of fact, it has won a number of Academy Awards. Studio D in the past has hired independent producers and writers to promote and facilitate the various issues and ideas it wanted to produce across Canada. There is nothing new in this area. We just want to expend this operation further to give the private sector, the independent producer, the film maker, the writer and the actor more access to funds and to the availability of the film expertise of the National Film Board.

PROPOSAL TO CREATE CROWN CORPORATION

Mr. David Orlikow (Winnipeg North): Mr Speaker, the Minister has said he would like the National Film Board transformed into a Crown corporation. This is in line with the Bill C-24 proposal to make the Canada Council a Crown corporation. This will undoubtedly increase the bureaucratization of the Film Board and, increase its sensitivity to political influence. How will this help the National Film Board to produce better films or better fulfil its cultural ojbectives?

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): It will make it more accountable, Mr. Speaker.

CANADA POST CORPORATION

HAND SORTING OF MAIL

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, my question is directed to the Minister responsible for Canada Post. As we know, Mr. Warren and the Canada Post people are running around like chickens with their heads cut off, trying to get the mail delivered. As an example, I would like to ask the Minister to check out the following. Effective last week all coded mail for New Westminster, Surrey, Delta, Port Coquitlam, and White Rock must be sent to those respective post offices for hand sorting. Previously that mail went to Vancouver to be put through the coding machines. Will the Minister inquire why Canada Post is not using the coding machines? After all, they cost the Canadian taxpayers millions of dollars.

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, I shall inquire.

[*English*]

REQUEST THAT MINISTER TABLE RESULTS OF INVESTIGATIONS

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, I have a supplementary question for the Minister responsible for Canada Post. There have been a number of investigations into the Canada Post operation. The Security Investigation Branch had an inquiry into the computer assisted learning program, and the RCMP have been investigating the Canada Post Corporation. Will the Minister obtain the documents on these two inquiries and table them in the House so we can actually find out what is going on within Canada Post?

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, last week or the week before that, the Hon. Member asked a number of questions when the President of the Canada Post Corporation appeared before the Parliamentary Committee. At that time, many of the allegations made by the Hon. Member were found to be entirely baseless. I do not think it is appropriate for the Hon. Member to use oral question period to ask questions that could have been answered perfectly well by the President when he testified before the Parliamentary Committee.

Considering the lack of truth in the Hon. Member's previous allegations, I am inclined to believe, if the Hon. Member would put his comments today in the same class, that his attempts to dig up examples of alleged mismanagement on the part of the Canada Post Corporation were not particularly successful.

• (1430)

[*English*]

ESTIMATES

DEPARTMENT OF ECONOMIC AND REGIONAL DEVELOPMENT— CANCELLATION OF COMMITTEE MEETING

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, my question is directed to the Minister of State for Economic and Regional Development. The Standing Committee on Finance, Trade and Economic Affairs has been trying to meet with the Minister for several weeks since the Estimates were brought before it. Indeed, the Minister has returned to the House today. He was scheduled to appear before the committee at five o'clock this afternoon to defend his Estimates for the first time since they were brought down over two months ago.

As these Estimates are to be reported back to the House automatically on Thursday if the Minister does not appear before the committee, would he tell us why the committee meeting for five o'clock today has been cancelled? Apparently, according to reliable sources, the meeting has been cancelled because "no Liberal Members could make it", even though that hour was set to suit the Minister's convenience.

Hon. Donald J. Johnston (Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, I apologize, but twice I have been here on days when I understood that there would be a committee hearing. In both instances they were cancelled. I suppose one has to ask the chairman or vice-chairman of the committee, but it certainly has nothing to do with my availability. Obviously I would be quite happy to appear to defend the Estimates.

Mr. Siddon: The Minister knows that many important matters relating to economic and regional development agreements, the Special Recovery Capital Projects and other programs should be discussed with the committee prior to Thursday.

SCHEDULING OF LIBERAL PARTY FUNCTION

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, would the Minister confirm, as we have been advised by reliable sources, that this evening at five o'clock there is a special event taking place called "Trudeau's Final Dinner"? Indeed, on checking with the Liberal Whip, there is a caucus party at that hour. That is the reason Liberal Members are unable to appear with the Minister before the committee today.

Some Hon. Members: Shame!

Hon. Donald J. Johnston (Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, I hope the Hon. Member was not reading from an invitation, but again I do not know. I am here—

Mr. Siddon: Then let us have the committee meeting at five o'clock.

Mr. Johnston: —and I think the committee work on the Estimates is important. The Hon. Member knows that I have always been co-operative in terms of appearing before the committee at any time.

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ENVIRONMENTAL AFFAIRS

STORAGE OF NUCLEAR WASTE

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is directed to the Minister of the Environment. I am sure he is aware that last week Mr. Donnelly, President of Atomic Energy of Canada Limited, stated that Canada has some interest in storing international nuclear waste from other countries. In light of the fact that not one ounce of the over 100 million tonnes of radioactive waste in Canada is properly permanently stored, would the Minister advise what is the Government's policy now on the storage of international nuclear waste in Canada? Would he table in the House any plans he or Atomic Energy of Canada has regarding the storage of waste anywhere in Canada?

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, the Hon. Member should know that we have conducted extensive studies on this matter over past years. Substantial sums of money have been made available in terms of research for the storage of nuclear waste. There is a process in place which needs to be triggered before any decision is made in this respect. Therefore, the matter is well under control in terms of research and of procedure.

Mr. Fulton: I hope the Minister did not confirm that his Department and the Government have plans to bring nuclear waste from other countries into Canada for storage. It seems that was his answer.

NUCLEAR REACTOR SITES

Mr. Jim Fulton (Skeena): Mr. Speaker, would the Minister advise us whether the Government shares the views of Mr. Donnelly, and it seems of the Hon. Member for Prince George-Peace River, on the lucrative nature of radioactive waste storage for other countries? I am sure the residents of Prince George will be interested to know more about that. Would the Minister also indicate whether or not it is government policy to finance and construct nuclear reactors along Canada's border for the export of power into the United States? Would he confirm those points?

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, it is absolutely ludicrous on the Hon. Member's part to suggest that my Department has the intention of bringing in any radioactive waste material. As far as his allegation of arranging, organizing or making plans for sites along the border is concerned, I should like him to substantiate his claims before even investigating them.

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[*Translation*]

POOLS

CANADA SPORTS POOL CORPORATION—REQUEST FOR LIST OF DISTRIBUTORS AND ADMINISTRATORS

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, my question is directed to the Minister of State for Fitness and Amateur Sport. It is quite obvious that the guidelines for selecting distributors or administrators for the new Canada Sports Pool Corporation are that if two candidates are equally qualified and one has links with the Liberal Party, the latter should be given the distributorship or position.

My question is as follows: Is the Minister prepared to publish today a list of the people working for the Corporation or who have obtained a distributorship? Could the Minister inform the House or the Canadian people whether it is true that Marie-André Bastien, Vice-President of the Corporation, has been guaranteed two years' severance pay?

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I would like to start by congratulating my hon. friend opposite on his excellent command of French. I think my hon. friend's premises are false. Unfortunately, he has not had time to hear what I said on the subject, but I said very clearly last week that being a Liberal, a Progressive Conservative or a member of the NDP was not one of the job qualifications. In fact, I hope it will never be used as indication that a person is competent or has sales experience with respect to sports pools or lotteries. In fact, that is a criterion! Previous experience in a similar environment is another. So much for the first part of the Hon. Member's question.

As for the second part, I would like to point out to the Hon. Member that the distributors have yet to be selected. The President of the Canada Sports Pool Corporation informed me last week that no distributors had been selected and that the people who were selling tickets were doing so under contract, with the proviso that they would withdraw as soon as distributors were appointed. That should answer your question. No one has been appointed distributor. As for Mrs. Marie-Andrée Bastien, she was appointed by order in council, and that is public information you can check.

REQUEST THAT MINISTER TABLE LIST OF EMPLOYEES

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, if that is true, why not publish a list of the people working for the Corporation and who have been given a distributorship? With the list, perhaps the Minister might care to sell me a

Sports Pool ticket, and we could then see whether there is a government in the free world that is more incompetent and more inclined to patronage than the Minister's.

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, speaking of patronage, perhaps I should quote what the Hon. Member's leader said a while ago. In New Brunswick he said publicly that if he were Prime Minister, he would wait fifteen years and then if there was only one Progressive Conservative left, he would appoint a Liberal. That is patronage. That is real patronage. And I am not about to get involved in that sort of thing, Mr. Speaker. All I have to say to my hon. friend opposite is: Do we have to publish names of all the people who work for Air Canada? Or the names of all the people who work for Canada Post? I do not intend to publish a list, and besides, I am told there are as many Progressive Conservatives in the Sports Pool as there are anywhere else. Except in the last election, when unfortunately, there were more Liberals than Progressive Conservatives.

* * *

• (1440)

[*English*]

REGIONAL INDUSTRIAL EXPANSION

DESIGNATION OF PORT COLBORNE

Mr. Girve Fretz (Erie): Mr. Speaker, my question is for the Minister of Regional Industrial Expansion. According to a recent issue of a newspaper in my riding, the Mayor of Port Colborne told City Council that it has a preferred position in the region's special tier one designation for attracting industries to the peninsula. Could the Minister tell me what that special designation is within the region's special tier one?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, perhaps the Hon. Member could give me a copy of the article. I have never seen the article or heard anything about the discussion. I will get back to him with a proper answer.

Mr. Fretz: Mr. Speaker, I will be pleased to supply the Minister with a copy of the newspaper.

REQUEST FOR CLARIFICATION

Mr. Girve Fretz (Erie): Mr. Speaker, the Mayor has said that within tier one a special designation was given only to the City of Port Colborne. It did not include the other 11 municipalities in the region of Niagara. I am merely asking for clarification on that point.

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, the IRDP program is based on census areas. An area is to be treated as a whole. No one part of a census area is to be treated differently from any other part of the census area.

ESTIMATES

DEPARTMENT OF ECONOMIC AND REGIONAL DEVELOPMENT—REQUEST THAT COMMITTEE MEETING BE RESCHEDULED

Mr. Scott Fennell (Ontario): Mr. Speaker, my supplementary question is for the Minister of State for Economic Development. It is supplementary to the question asked by the Hon. Member for Richmond-South Delta. The Minister stated that he would agree to go to the Committee meeting at five o'clock this afternoon. This is very important. Otherwise these estimates will be passed without any committee hearings. Will the Minister commit himself in the House at this time to get together with the chairman and re-schedule that meeting for five o'clock this afternoon?

Hon. Donald J. Johnston (Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, I had not thought it was my responsibility to manage the committee schedule. I have said that I would be available. I am here. Apparently the meeting has been cancelled. That is the only knowledge I have of it. I am happy to try to comply, but I have taken it off my schedule, as a result.

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CORPS OF COMMISSIONAIRES

GOVERNMENT POLICY

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, my question is for the Prime Minister. Uniformed commissionaires who are primarily veterans have served the federal Government for a long period of time. Is there a deliberate policy now to phase them out of use at federal institutions within the country?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker, I know of no such policy.

LAYOFFS AT TORONTO AND MISSISSAUGA

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, would the Prime Minister personally look into the situation? All of the commissionaires at the postal operations Gateway in Mississauga have been let go. At Toronto International Airport 40 of them have been laid off and they are hiring other security forces to replace them. More layoffs are expected very shortly. These veterans rely on this income to survive because they have very low pensions. Would he personally look into the situation to assure that they are not being laid off and replaced by others?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will be happy to look into the matter.

Oral Questions

REGIONAL DEVELOPMENT

WORKERS' CO-OPERATIVES—REQUEST FOR GOVERNMENT SUPPORT

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, my question is for the Minister of State for Economic Development. The task force report on co-operative development strategy for Canada was received today. In the last number of years the Government has poured a lot of money into industrial development in many areas and then turned the industries over to the private sector. A few years later, after skimming off the cream, those industries often closed down their operations. This leaves the workers unemployed again.

The Government has indicated some tentative support for workers' co-ops which give the employees a vested interest in keeping such plants in operation. Will the Minister address the model of workers' co-ops in industrial development and job creation and give the workers the support necessary, rather than passing that money on to the corporate sector?

Hon. Donald J. Johnston (Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, I have always been a big supporter of the co-operative movement. I think it has many exciting dimensions and is one of the greatest forms of free enterprise. I am delighted to hear the NDP supporting it so vigorously. I intend to make some statements about the co-operative movement in the course of my campaign.

HOUSING CO-OPERATIVES

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, since we have that unequivocal support by the Minister, would he support the idea of establishing an infrastructure and support structure for workers' co-ops which would allow those co-ops to develop? That kind of structure was in place for co-op housing and has been undermined by the Government in the last few months. Would the Minister re-establish that kind of support for housing, and also establish support for other groups of co-op development, particularly for worker co-op development as recommended in the co-op task force report?

Hon. Donald J. Johnston (Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, I have not had the opportunity of reading the co-op task force report. I certainly shall do so. I am told that the efforts of the federal Government in the housing sector have certainly not been reduced at all. It remains a priority. I have just discussed the matter with my colleague, and he would deny adamantly the suggestion that that is being done.

In terms of the co-operative movement *per se* I would be very interested in considering any structures which the Hon. Member may care to propose. Having wider ownership through the co-operative movement, or through shareholdings directly, and the kinds of incentives that were provided in the last Budget of the Minister of Finance, are all excellent. I would like to look at any proposals the Hon. Member would care to make to me.

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RAILWAYS

ALFALFA PRODUCTS FREIGHT RATES

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, my question is for the Minister of Transport. It relates to another chapter in what I could call the alfalfa products freight rate issue in southern Alberta. I hope the Minister recalls my question of last January regarding this matter. At that time he responded very positively that alfalfa products were indeed entitled to the new freight rate schedule.

The Minister should now be aware that the railways, specially the CPR, are charging Tirol Dehydraters of Tilley, Alberta, an extra $400 per container. They are attempting to make this surcharge retroactive to the first of the year. Would the Minister indicate how the railways can ignore the direct instructions which the Minister personally gave to the CTC western division and the railways on this alfalfa freight rate issue?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I have been looking into the second round of complaints which came forward on that particular issue. The railways are claiming that the containers are not railway property, but in fact belong to the marine company which has the actual outright ownership of the containers. They say that it therefore does not fall under the rules of the Western Grain Transportation Act, but rather under the Railway Act and they therefore do not have to apply for new tariffs. However, the Canadian Transport Commission does have the authority to rule that in fact the container tariff can be ruled on under the WGTA. The CTC has not yet ruled on that particular complaint. I expect that it should be able to do so. Therefore, it would have the discretion to determine to whom the containers belong. If it rules that the containers are an asset of the railways, it would come under the jurisdiction of the Western Grain Transportation Act. At this point in time that is up to the CTC to decide.

REQUEST THAT MINISTER CONDUCT INVESTIGATION

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, my supplementary question is for the same Minister. I would like to thank him for the substance of his comments. The Minister should be aware that during the adjournment debate on this matter last January 23, the Parliamentary Secretary on duty on that particular occasion speaking on behalf of the Government made this statement:

● (1450)

Alfalfa or any other eligible crop is entitled to move at the statutory rate, whether it moves in containers or by other more traditional means.

Tirol Dehydraters, in a recent letter to the CTC which was copied to the Minister, and I am sure the Minister did receive that copy, had this to say:

> We spent 10 years developing the market to Japan. If we have to pay anything over and above the new W.G.T.A. rate, we may as well cut back our production and lay off staff because we won't stay in business very long.

The railways are obviously playing games here, Mr. Speaker. Will the Minister please look into this matter once again?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I concur with the Hon. Member's sentiments. I think the railways are finding ways to get around the rules. However, in this case there is no doubt that the claim that containers are in fact subject to the railways' own discretion under the provision of the Railway Act is something we are looking at in terms of its legality. I have had legal officials in my own Department examining that, but at the same time the Canadian Transport Commission quite clearly has the authority to rule on the matter by declaring that the containers fall under the provisions of the Western Grain Transportation Act. I will immediately pass on the concerns of the Hon. Member to the Chairman of the CTC so that the CTC will come down with the ruling which, of course, we would both hope would be a favourable one.

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FISHERIES

DISPLACEMENT OF FISHERMEN FROM VANCOUVER WHARF

Miss Pat Carney (Vancouver Centre): Mr. Speaker, my question is addressed to the Minister of Fisheries and Oceans who told the House more than two weeks ago that, within a day or two, he would tell us what arrangements he had made for the 60 fishermen who were displaced from a fishermen's wharf in Vancouver when the Minister issued a private, individual, an exclusive lease for a wharf that the fishermen usually use. I am aware that the Minister may have issued this lease in good faith and that he may have been misled regarding the nature of the support for the lease. However, my question is quite central to the issue of conflict of interest. How can the Minister justify issuing an exclusive lease to a member of one of his own advisory councils, particularly when the advisory council itself never dealt with the issue in any sort of forum?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, as the Hon. Member has said, we do have a Minister's Advisory Council on the Pacific Coast, which is composed of about 18 people who are actively involved in one aspect or another of the fishing industry. It is precisely because they are active in the fishing industry in one way or another that they are members of that advisory council.

Regarding the particular case referred to by the Hon. Member, the reason why I approved that proposal was because many people, organizations and, if my memory serves me correctly, even the City of Vancouver, supported that project which, as the Hon. Member knows, was designed to help the fishermen sell fresh fish on the market. As well, we have taken measures to ensure that all fishermen will have proper berthing facilities in one way or another.

LEASING OF WHARF

Miss Pat Carney (Vancouver Centre): Mr. Speaker, my supplementary question is addressed to the same Minister. The Minister's answer has shown that he still fails to understand that he issued the licence for the lease on the basis of support which was not there. He issued it on the basis of a misleading petition which was signed in good faith by people like the head of the union and representatives of the vessel owners' association and the gill-handlers' groups, et cetera, none of whom knew that the result would be the issuance of a licence to a member of the Minister's Advisory Council and the displacement of 60 commercial fishermen. Since these fishermen will now be issued summonses by the Minister's own Department in violation of an agreement to find other facilities, will the Minister order his Department to cease and desist in the issuance of the summons until he and his advisory council can review this issue? Why does he not call for the resignation from his advisory council of the man who is benefiting from having access to the Minister?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, I think the Hon. Member would agree with me that we cannot condone vandalism and illegal vessel tie-ups at a float. I am sure the Hon. Member would agree that the law of this land applies to everyone and that under no circumstances can vandalism be condoned.

Miss Carney: What vandalism?

Mr. De Bané: Second, I cannot agree with the Hon. Member when she is insulting the intelligence of all those who signed that petition who, as she said, were union leaders and representatives of fishing organizations. I cannot believe that the City of Vancouver and the other organizations to which the Hon. Member referred supported that request, while today the Hon. Member is saying that they did not know what they were signing. I would never be tempted to have such little consideration for the intelligence of our people.

* * *

MEDICARE

PRINCIPLE OF UNIVERSALITY—DEFINITION OF A RESIDENT OF ALBERTA

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, my question is directed to the Minister of Health and Welfare and deals with the indication by the Government of Alberta that it may try to get around the universality requirements of the Canada Health Act by changing the definition of a resident of Alberta. I was wondering if the Minister had any views on this latest run-around of the Canada Health Act by the Govern-

ment of Alberta, and whether or not she has any contingency plans, either by amendment or regulation, to address this issue should the Government of Alberta proceed in this way?

Hon. Monique Bégin (Minister of National Health and Welfare): Mr. Speaker, I understand the Member's impatience to see the Canada Health Act fully implemented and respected. However, in the case to which he is referring, it is not a runaround by the Government of Alberta. Rather, it is a document from officials which has been leaked, and the Alberta Minister of Health has denied it. I must go by his word. In theory, if a province were to try to bypass the law of Canada by declaring residents of a province to be non-residents, it would be an obvious case against the Canada Health Act. My officials are monitoring the situation daily.

PROPOSED NATIONAL HEALTH COUNCIL

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I wonder if I might also ask the Minister a question with respect to the implementation of the Canada Health Act. Perhaps she could bring the House up to date on her plans for a national health conference out of which might come a national health council as recommended by the Canadian Nurses' Association and other groups. How are those plans proceeding? Can we expect that that kind of event is being organized and will happen shortly, so that we can get on with the debate about the future of medicare?

Hon. Monique Bégin (Minister of National Health and Welfare): Mr. Speaker, the answer is yes, we are working on it, but the top priority for my Department and myself in which we are investing most of our efforts and energies is the drafting of the regulations and the consultations with the provinces about the regulations under the Canada Health Act. Today I sent draft regulations to the provinces. That is my first priority. A small group of people within the Department has already started working on the next step, which is a national health conference. As soon as the work on the regulations is done we will invest all of our time and energy in this very important project.

* * *

PUBLIC SERVICE

COMPUTERIZED PAYMENT OF SALARIES

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, my question is directed to the President of the Treasury Board. What were the results of the test project on direct funds transfer, whereby public servants' salaries were not paid by cheque but were paid directly into their bank accounts by computer hookup? Does the Government plan to extend the use of direct funds transfer?

● (1500)

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, the pilot projects have not been completed. They are carried out on a very limited basis in a way which is voluntary for the public servants involved. We have not made a decision to extend these projects across the Public Service. A decision will not be made until the pilot projects have been completed and the results have been thoroughly evaluated.

* * *

FINANCE

ALCOHOL AND TOBACCO TAXES

Mr. Otto Jelinek (Halton): Mr. Speaker, my question is directed to the Minister of Finance, who is presently getting a Sports Pool tip on what to buy.

My question is not related to the Sports Pool. It is related to the task force report on alcohol and tobacco tax indexation. In early May the Minister stated in a press release that he would make a decision on the task force report after the Ontario and Quebec provincial Budgets were brought down. Now that both of those Budgets have been tabled—without any increases in alcohol taxation and only a minor increase in tobacco taxation in Quebec—can the Minister honour the commitment which he made in his process release? Can he tell the House and the industry what recommendations of the task force report he is prepared to consider or he is prepared to agree with?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I have already indicated that I will study the task force report. As the Hon. Member said, there was a tax increase on cigarettes in the Budget of the Province of Quebec. I am also considering the implications of that tax and will make my decision public in due time.

[*English*]

REQUEST THAT TAXES NOT BE INDEXED

Mr. Otto Jelinek (Halton): Mr. Speaker, it is because of this type of delay that the tourism industry is suffering so badly. I wish the Minister would act. He promised a decision after the Budgets were tabled. Those Budgets have now been tabled. May I ask the Minister if he could at least assure the tourism industry that the present unfair and unproductive *ad valorem* tax will not be indexed to the CPI, in order to give the industry some breathing room this year?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, perhaps one of the best ways the Hon. Member might make himself useful to the tourist industry would be to stop being ridiculous by making the kind of allegations we have just heard.

An Hon. Member: Ah, come on!

[*English*]

PETITION

MR. WADDELL—NUCLEAR DISARMAMENT

Mr. Speaker: I have the honour to inform the House that the petition presented by the Hon. Member for Vancouver-Kingsway (Mr. Waddell) on Monday, May 28, 1984, meets the requirements of the Standing Orders as to form.

* * *

[*Translation*]

POINT OF ORDER

MR. PELLETIER—MEETING OF STANDING COMMITTEE ON REGIONAL DEVELOPMENT

Mr. Irénée Pelletier (Sherbrooke): Mr. Speaker, I have just consulted the Minister of Regional Industrial Expansion (Mr. Lumley) and he has agreed to hold earlier the meeting scheduled for five o'clock which had been cancelled. All Members of the Standing Committee on Regional Development are expected to meet at 3.30 p.m. in Room 308.

ROUTINE PROCEEDINGS

[*English*]

WAYS AND MEANS

TABLING OF NOTICES

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, pursuant to Standing Order 64(1) I wish to table in both official languages notices of Ways and Means motions with respect to the imposition of a retail sales tax in the Nova Scotia offshore area and to amend to Income Tax Act. Pursuant to Standing Order 64(2) I would also ask the designate the Order of the Day necessary for the consideration of each of these Ways and Means motions.

I would like to take advantage of the situation to inform the House—

Mr. Speaker: Order, please. I would like to draw to the attention of Hon. Members who are standing that the President of the Privy Council (Mr. Pinard) has the floor and they are being most discourteous.

Mr. Pinard: As far as House business is concerned, I would like to inform the House that following the tabling of these Ways and Means motions, before resuming debate tomorrow on Bill C-37 that is under debate today, we will move concurrence in these Ways and Means motions after Question Period.

Introduction of Bills

COMMUNICATIONS

TABLING OF NATIONAL FILM AND VIDEO POLICY

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): Mr. Speaker, pursuant to Standing Order 46(2) I would like to table on behalf of the Hon. Minister of Communications (Mr. Fox) two copies in both official languages of the national film and video policy.

* * *

[*Translation*]

REGIONAL AND ECONOMIC DEVELOPMENT

TABLING OF MINUTES OF SPECIAL RECOVERY PROJECTS PROGRAM

Mr. Rolland Dion (Parliamentary Secretary to Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, pursuant to Standing Order 46(2), I wish to table, in both official languages, a copy of the minutes of the Special Recovery Projects Program entitled "The First Year".

* * *

[*English*]

Mr. Geoff Scott (Hamilton-Wentworth): Mr. Speaker, I rise on a point of order. I would like to echo the comments which were made earlier during Question Period with respect to the Minister of Communications (Mr. Fox), who saw fit to bypass Parliament and issue a major—

Mr. Speaker: Order. The Hon. Member is not making a point of order.

* * *

PETITION

MS. MITCHELL—PROTECTION OF CHILDREN

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I have the honour to present a second group of petitions signed by over 1,400 British Columbians, most of whom are parents of young children. They request that Section 175 of the Criminal Code of Canada be revised to prohibit known sex offenders from frequenting areas where children congregate.

* * *

WAR VETERANS ALLOWANCE ACT

MEASURE TO AMEND

Hon. W. Bennet Campbell (Minister of Veterans Affairs) moved for leave to introduce Bill C-39, an Act to amend the War Veterans Allowance Act, the Civilian War Pensions and Allowances Act and certain other Acts in relation thereto.

National Housing Act

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

[*Translation*]

OLD AGE SECURITY

MEASURE TO AMEND

Hon. Monique Bégin (Minister of National Health and Welfare) moved for leave to introduce Bill C-40, an Act to amend the Old Age Security Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read the second time? At the next sitting of the House?

Some Hon. Members: Agreed.

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OFFICIAL LANGUAGES POLICY AND PROGRAMS

CONCURRENCE IN FIRST REPORT OF STANDING JOINT COMMITTEE

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Mr. Speaker, I rise as co-chairman of the Standing Joint Committee on Official Languages Policy and Programs. I have had the usual consultations with all House leaders and there is agreement that I should as for concurrence in the first report of the Committee which was tabled in the House on May 24, 1984. Mr. Speaker, I think if you ask for concurrence in that report you would receive it.

I would move, therefore, that the first report of the Standing Joint Committee on Official Languages Policy and Programs, presented to the House on Thursday, May 24, 1984, be concurred in.

Motion agreed to.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 778 and 783.

[*Text*]

COST INCURRED FOR MEDIA MONITORING

Question No. 778—**Mr. St. Germain:**

Was any cost incurred by the government for media monitoring as a result of the announcement by the Minister of Energy, Mines and Resources concerning his intention to run for the leadership of the Liberal Party?

Mr. Leonard Hopkins (Parliamentary Secretary to Minister of Energy, Mines and Resources): No.

SPENDING OF DEPARTMENT OF ENERGY, MINES AND RESOURCES

Question No. 783—**Mr. St. Germain:**

Since April 1, 1983, did the Department of Energy, Mines and Resources spend any amount for (a) electronic media monitoring services performed by private firms or individual contractors (b) print media clipping services performed by private firms or individual contractors and, if so, in each case, what amount?

Mr. Leonard Hopkins (Parliamentary Secretary to Minister of Energy, Mines and Resources): Yes.

(a) electronic media monitoring services—$19,088.10

(b) print media clipping services—$13,138.27

* * *

[*Translation*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if Question No. 359 could be made an order for return, this return would be tabled immediately.

[*Text*]

CANADA INDUSTRIAL REVIEW BOARD

Question No. 359—**Mr. St. Germain:**

1. Since April 1, 1981 were any firms assisted by funds made available by the Canada Industrial Renewal Board and, if so, how many?

2. What is a list of the names of the members of the Board and, for each member, what (a) is their background and expertise (b) is the term of their appointment (c) remuneration, including salary or travel expenses, do they receive, and for the length of each appointment to date, what amount was received?

Return tabled.

[*Translation*]

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

Mr. Speaker: The question enumerated by the Parliamentary Secretary has been answered. Shall the remaining questions stand?

Some Hon. Members: Agreed.

● (1510)

GOVERNMENT ORDERS

[*English*]

NATIONAL HOUSING ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. LeBlanc that Bill C-37, an Act to amend the National Hous-

ing Act, be read the second time and referred to the Standing Committee on National Resources and Public Works.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, it is always necessary to get the right balance when it comes to matters of government intervention in the housing market. If one looks back over the last 20 years one will find that two things have happened, one as a direct result of the other. First of all, we can see that those people at the lower end of the market are probably better served today than they were 20 or 30 years ago. Those people who would normally have found themselves living in very poor circumstances, in shacks and what have you, have now, by and large, a reasonable standard of housing. But we have paid for this, because whatever one does in the realm of public policy there is always a cause and effect relationship.

On the other side of the equation we have lost a certain amount of individuality. We have become more dependent upon the state at various levels of government, whether it be federal through CMHC, provincial or at the local level and, of course, we have paid for this in increased taxation. It is always a problem as to where we draw the right balance when the Government becomes involved in the affairs of Canadians.

My approach to Bill C-37 this afternoon will be non-partisan. I would like to address the three main points in the bill which is before us today. The first issue with which I would like to deal is the Mortgage Rate Protection Plan which was promised earlier this year in the Budget of the Minister of Finance (Mr. Lalonde). In my opinion, this is a reasonable approach to take on the question of fluctuating mortgage interest rates. The only problem with it, Sir, is that it is brought in now instead of when it was really needed a year or two years ago. That was the time when people were experiencing a very rapid increase in mortgage interest rates. That was the time, Sir, when householders were leaving the keys to their domicile on the kitchen table and abandoning what equity they had in their house, walking out the door and leaving their house to the tender mercies of the mortgagee. That was when this provision was really needed. However, knowing the Liberal Government and its interest rate policies, I suspect that if it is allowed to continue in office we might very well have a repetition of those extremely high interest rates. Therefore, it is wise of us to address this matter today.

There are a couple of principles which I believe should be built into the scheme. First, the scheme should be voluntary. People should not be forced to pay the premiums. It should be their choice whether or not they want to insure their mortgage. At a time when interest rates are already high and the likelihood is that they will decline rather than increase, I see no real advantage to the mortgagor assuming this extra premium payment in order to insure his mortgage. Also, in my opinion, the scheme should be self-financing. I do not feel that it should put a further burden on the public treasury. With any insurance scheme, unless you get into some kind of re-insurance deal, there is always some risk. However, as far as possible this insurance scheme should be actuarially sound, as should any good insurance scheme.

When I read through Bill C-37, I find it a little hard to understand some of the details because, as is the case with so much of our financial legislation, it is couched in rather difficult terminology. There are a few items on which I would like further information and I will undoubtedly get this at the committee stage. My first question is how one computes the premium for face value of mortgages in excess of some $70,000? It is rather unclear how one goes about doing that. How is the premium to be paid? Is it to be paid as a lump sum when a mortgage is taken out? Or is it to be paid in monthly instalments?

The method of payment of the premium is something which gives me a little cause for concern. How will the payments be made out of the insurance fund if someone has paid the premium, the interest rates go up and he is eligible to collect back? Will a separate cheque be issued each month to the mortgagor? Is that the way it is going to operate? Will the payments be made to the mortagee rather than to the mortgagor so that the mortgagor pays the standard amount every month, apart from the deductible? Is that the way it is to operate? These are things which will have to be examined in further detail when we get to the committee stage. At the same time I would like to look at the various application forms and everything else which appears to be so necessary when we get into schemes of this nature.

Something else which is dealt with in Bill C-37 is the mortgage-backed securities. I have advocated this for some time as well as other Hon. Members on this side of the House. We believe it is an interesting concept. If one looks at the United States experience with its "Ginny Maes," I believe one will find that this has worked to the advantage of the housing market there. I am pleased that the Government is beginning to see the possibilities of fostering a greater availability of mortgage funds through this mechanism. I suspect that if the system is successful, it could attract substantial amounts of individual savings into the mortgage market. At the present time there are no vehicles in existence which allow the savings, especially in small amounts, of individual Canadians to be put into that mortgage market. By using as intermediary a financial institution, which is envisaged under Bill C-37, we could encourage that. It would be an attractive means of getting more money into this area of the economy.

I have some questions as well as to how the government guarantee might work. I had hoped that before I gave my presentation I could have heard from the Minister of State for Finance (Mr. MacLaren) who, we were given to understand, would speak on this issue and provide us with some of the details. Undoubtedly when he does speak, he will answer some of the questions which have arisen in my mind. How exactly will the guarantee system work? Is it contemplated that institutions issuing mortgage-backed securities will pay a fee into some kind of central fund which is used for insurance purposes? I suspect that that might be the most likely way of doing it.

If there is to be a central fund which can be used to defray expenses in respect of those institutions which do not make a

go of it themselves, how is this fund to be administered? It is obvious that the Government will have to have a large say in the control of this fund. But surely the institutions who put up the money would want some say in the administration thereof so their premiums, for want of a better word, can be kept to a minimum. I would not want to see that fund, as it builds up, used for government purposes. Their government would pay 4 per cent interest the way it does with the Canada Pension Plan funds.

● (1520)

A question that arises, Mr. Speaker, is, if the issuer of the mortgage-backed securities goes bankrupt or finds itself in grave financial difficulties, how will the Government exercise its guarantee to the small investor in the securities? Will the monthly return of principal and interest be made in a continuing manner, or will the Government want to keep to itself the option to pay out on a lump sum basis? I can see where that might be of advantage to the Government or the administrators of what might be called the insurance fund, if that is indeed the way the Government wishes to go about this program. Again, it would be necessary to hear the advice of those who wish to appear before the committee.

The third issue dealt with in this Bill is that of enhancement of the Rural and Native Housing Program. If I might summarize the provisions, the first is an increase in the funds available for these purposes. I do not know if this is included in the Bill, but it is certainly referred to in the Minister's press releases that went out with the Bill. The second point is the removal of the provincial contribution requirement. That could have good and bad points about it. The third is an initiative to allow subsidization of utility and fuel costs in remote northern areas.

I now have some comments on the Rural and Native Housing Program changes contemplated by Bill C-37. I do not pretend to know much about the situation as it exists in the provinces, so I will speak mainly of my practical experience in the Northwest Territories. It seems to me that the delivery of the services, whether they be health, education or, as in this case, housing, or any type of service, can better be done by the lowest level of government involved. They are the ones who are the most sensitive to local needs and conditions. When housing services are delivered to the public, my experience has generally been that the territorial government has done a better job of it than the federal Government. In the Territories this is done through the instrument of territorial government called the Northwest Territories Housing Corporation.

Despite difficulties it has had in the past, this corporation has on balance done a pretty good job. It is constantly looked at by members of the legislature, and I understand another study is going on of this corporation. But it is a sign of the interest the legislators take in matters of housing and in design of programs, which by and large are delivered in an effective manner.

If the federal Government is to get involved in housing programs of this nature, then it is probably better that it be through block funding rather than the actual delivery of services. I know that is very difficult to accept, especially by Members on the Government side, because you do not get the political credit and they are always anxious to receive that credit. If you just transfer funds in block from the federal Government to a territory or provincial government, you do not get that credit, but they like to think that they do if they deal with individuals.

As to housing in remote rural areas, I think one of the things that we should focus on is not so much the individual housing itself but the provision of proper municipal services such as water, sewers and paved roads. In much of southern Canada things are taken for granted, but in my area of the country there are very many residences that do not have sewers or running water.

The Minister of Public Works (Mr. LeBlanc), in his presentation this morning when this Bill first came up for discussion, talked of the need to improve health standards through improving housing standards. One way you do that is to have proper running water and sewers. It does not matter how fancy a house you have, you still have problems unless you can hook up to a proper sewage network. So perhaps a better role for the Government in these circumstances would be to help in the financing of these municipal-type services which, in the north in particular, in permafrost areas, are extremely expensive. It can cost eight to ten times more to lay a mile or kilometre of sewer there than it would in southern Canada. Perhaps public funds are better spent in this area rather than trying to do something for every single individual.

In the Northwest Territories, again under the surveillance of the territorial government, the SSHAG, commonly referred to as SSHAG housing projects, have been fairly successful. My predecessor from the Territories, a gentleman by the name of Wally Firth, advocated this type of program for some time. One of the very few things he spoke on in this House was his advocacy of building houses out of local materials using local labour. As a result of his representations and those of many more people, this program came into being and has been reasonably successful. The idea is that you get a grant of maybe $15,000 to $20,000 and build a house out of local materials such as logs using your own labour. That is the theory. Sometimes in practice the amount of government funds which have gone into these things has been way in excess of the amount stipulated.

These are some of the things I wanted to talk about. There was a lot more, but there is not enough time, so I will give you the benefit of my other observations in the future, Mr. Speaker.

The Acting Speaker (Mr. Guilbault): A ten-minute period is now provided for questions or comments related to the remarks of the hon. gentleman. Are there any questions? Debate.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I would like to thank the Hon. Minister for giving us this opportunity to discuss housing generally under this Bill. Housing is a very important part of our life. I would not say everyone, but most

Canadians cherish the hope that they will some day own their own home. Because of the economic conditions which have existed over the past few years, many have come to the conclusion that they will never be able to own their own home, so they want to get security through the next best way, that of renting a home.

● (1530)

On the other hand, there are people who do not want the responsibility of owning a home, paying the taxes, cutting the grass and shovelling the snow. That is their privilege. A former colleague in the Alberta Cabinet said that he got to the point where he just did not want to be bothered with owning a home. He would much rather have someone else cutting the grass and shovelling the snow. He was quite happy, during the last part of his life, to live in rented accommodation. There is a place for both ownership and rentals.

I want to focus my remarks today on the various means by which the Government should make available the opportunity for Canadians to either own or rent homes with some security. I will do so from a broad point of view.

First, I would like to deal with one or two points raised by the Hon. Minister about the Mortgage Rate Protection Plan. When I read this Bill last night and heard the Minister speak this morning, I questioned why the Government is getting involved in this program. It is an insurance scheme. Did the Government contact the insurance industry in Canada to determine if it was prepared to develop an insurance policy that would provide some protection? If not, I suggest the Government has missed one of its responsibilities. We have a very viable insurance industry in this country which I believe would be quite capable of devising a plan that would give protection from interest rates if it thought there would be enough money for it to operate successfully.

Although the regulations have not yet been published, it appears that the premiums for this plan are very high. They may or may not be reasonable in contrast to the estimated cost or potential cost of the program. However, the fact that it may cost $1,050 as a maximum premium on a $70,000 mortgage will in itself prevent many people from buying this protection since they will have used all of their money to buy the home. Second, I do not see any indication in the Bill about whether this premium has a duration of six months, as many insurance policies are now, or for a year or, as the Minister stated this morning, if the coverage would be for ten years, at five years with a five-year renewal.

If this premium is to be semi-annual, I do not foresee anyone except the very rich buying this particular policy. A few more may be able to afford it if it is an annual premium, but certainly we should be trying to help those who are least able to help themselves. I question whether those families can afford $1,050 to buy the protection.

Let us use the example of hail insurance on a crop. A farmer depends on that crop for his income after a year of work. There are some farmers who have other income and do not insure the crop because they can absorb a loss for one or even two years. They will take a chance by not insuring against hail or frost in a particular year and consequently save that premium, which is a substantial amount of money, if there is no hail or frost. Others cannot afford to buy the insurance because their cash flow is almost nothing and they are therefore forced to take a chance. It will be the same situation with regard to this insurance scheme.

Those who are hardest hit with rate increases on their mortgages will be the ones who are unable to take the protection. That is one of my objections to this Bill.

I would also like to see the regulations since this is only the bones of the Bill. I want to see what the figure will be once all of the regulations are contained in the Bill. It will make a difference as to whether these regulations are sensible and designed to help the poor and middle class or will simply be a gesture that will not help people who really need it.

I want to see the rest of this proposal before it decide to support it or whether my constituents, whom I have the honour to represent, will be able to afford it or if it will help those who need it. With respect to the Mortgage Rate Protection Plan, the Minister said that this is protection against "unaffordable losses", in his words. Of course, the Bill does not protect against unaffordable losses when the interest rises because there is no protection whatsoever when it goes beyond ten points. Therefore, it is not really protecting against the unaffordable losses, only against some losses.

I would like to spend a few minutes speaking about the next item which is a very important part of the Bill. That is the section on the Rural and Native Housing program. It is called the RNHP. Certainly this program was designed to help those who need it the most. Apparently, it has not been working very well because a number of provinces withdrew from it and the Province of Quebec did not participate at all; that province could not see any advantage to the program. Prince Edward Island went into the program, but withdrew in 1979 because it did not find that the program worked satisfactorily. New Brunswick withdrew in 1983 and British Columbia withdrew in 1984. The Minister did not give us any reasons why these provinces withdrew, and I have not checked but we must assume that the provinces did not believe it was working to the advantage of their people. I think we generally agree that provincial governments should be working for the benefit of their people. Apparently, these three provinces did not like the plan and consequently withdrew. The Minister said that 21,000 people received help, but did not specify over what period. However, 21,000 is a reasonable number of people to have received help under this program.

I believe there is a need for this type of legislation. For example, there is a single parent in my riding who has three children. She is doing her best to raise her family properly. She asked me if there was a program that could help her because her house needs shingling and new doors. The winters are rather cold in Alberta. The temperatures sometimes go down to 40 and 50 degrees below zero with a wind chill of 70 below when the wind is blowing. That may not last for many days, but that temperature on one day could freeze someone if

there is not the proper protection. This lady is worried about how she is going to meet the costs of renovating, rehabilitating her home. I hope this program will help this person and people like her. There are quite a few people in these circumstances.

• (1540)

RRAP is of assistance. RNHP, according to the Minister this morning, should be another avenue of assistance for the very needy and single parents, particularly women, who have to work and keep their families. They have a tough job making ends meet. Day in and day out they worry whether their health can stand it. They do not make enough to rehabilitate their homes. When they have the advantage of owning a home, it is far better than having to pay rent. If they can get assistance to rehabilitate their houses so they can live in them for a few more years, it is an advantage. Perhaps a roof needs attention. Maybe shingling has to be done. Perhaps they need to put a furnace in the basement to distribute heat throughout their homes to keep warm. They may need proper windows or storm doors. Plastering may be needed. These are things I would like to see included in the Rural and Native Housing Program.

There are people in Canada, and we can find them in every constituency, who have a tough time. In some cases it may be partly their own fault, but largely it is through no fault of their own. People are left with children and burdens. They do their utmost to pay their own way, but some cannot make it. These are the people we all want to help. The single parent who I mentioned is an example. I hope this program can help to shingle her roof or to fix up her house so that she and her children will not be cold every time the wind blows or every time there is a storm.

As the Minister said this morning, this Bill is also for the native people. I cited a case two years ago concerning people on one of my reservations. I have three reservations in my riding of Bow River. In this case 22 people were forced to live in a house that was built for a family of five or six at the most. Imagine, Mr. Speaker, 22 people living in a house. It is not healthy, hygienic, or sound. In a country like Canada, it is neither sensible nor reasonable. Our Indian and native people should not be subjected to that type of thing.

I hope the Government will present a program that will help our native people to rehabilitate their homes. There should be other programs giving our native people and Indian people incentives to build homes in which they can raise their families. Indian women like a nice home just as much as white women do. Indian women like their children to be warm and properly looked after, just as any other mother does. Indian women cry when their children are cold and hungry. They bleed when a needle pricks them. They are human beings. Many people forget that our Indian people are human beings. I once told a chap that a son of a certain Indian had passed away. He shrugged his shoulders and said "so what". He was the son of a native person and that was the biggest loss he ever had. Anything we can do to provide our Indian people with an incentive for them to have homes and to help them rehabilitate their homes so they can have proper living conditions will make this country greater. This is desperately needed and I agree with the Minister on that point.

We should try to help people to own their own homes. Some people have given up hope that they will ever be able to buy homes. With the prices today many people in their 20s, 30s, and 40s have given up hope of ever being able to buy a home. When you talk about $79,000 or $110,000, you might as well say a million dollars because the amount is meaningless to people who are working day by day and living on pay cheques from week to week. They have never been able to earn high salaries. They would like to have a home. They decide to do the next best thing, which is to rent a home. It gives them a little security.

There are programs available. I want to deal with only one. I am very interested in the co-operative program. I believe the co-op program is a free enterprise program. When the men of Rochdale started the first co-operative, they did not say "we will cut prices". They said that they would charge the regular prices and profits made would go to the people involved. That is free enterprise as far as those people are concerned. It may not be free enterprise for others outside the co-op, but people can secure rental housing, run their own affairs and have security. I want to commend the department for help it has given so far on co-operative housing.

I was very disappointed with the answer given by the Minister the other day when he said that he was cutting back on that program. That program is helping hundreds of people. It is hurting the free enterprise system. Houses are put up for tender. Every dollar given to that program creates homes. When the homes are built, there is no longer a worry to the Government. People run their own affairs. People have some security because their rents are set. If the utilities, the taxes or the interest rate on the mortgage goes up, they know what they have to do, and they run their affairs accordingly. They are all managers of the business. They increase their rents. There is no blame put on the Government. If the rent, the fuel costs, or the mortgage rate goes up, they realize they have to pay a little more. It gives people the freedom to run their own affairs. They do not come to the Government wanting a hand-out. They pay their rents and they run their own affairs.

There is a co-operative in my constituency. This co-operative has some very poor, some not-so-poor, some middle class and a few who are well off in it. As a matter of fact, 72 per cent of the people earn less than $10,000 a year. Eighty per cent earn less than $20,000 a year. The other 20 per cent earn over $20,000. These people have no social stigma at all. No matter what they earn, they all live in the same place. They are members of the same co-operative. They run their business. This is an avenue I would like to see the Minister look at again. It does a tremendous service. Every dollar put into that program goes into building another house. Many of the programs of subsidies and rentals build no new homes.

• (1550)

I see Mr. Speaker indicating that my time is almost up. Obviously I will not be able to deal with the other rental and

subsidy programs, all of which have their place. I like programs which enable people to help themselves and to run their own affairs. I think there are few other matters more important than housing; housing and food are the basic requirements of our people.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments relating to the Hon. Member's remarks? Resuming debate, the Hon. Member for Hamilton Mountain (Mr. Deans).

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I cannot believe the Government would act so foolishly by bringing forward legislation such as this. In the course of the last three years or four years the Government, with the assistance of Governor Bouey and following the lead of the United States, has allowed interest rates to rise to a point where the majority of Canadian families are afraid to purchase homes. As young people look out their apartment windows—and if they are looking out apartment windows in places like Ottawa, they are paying far too much for them—they think of a day when they might have been able to purchase a home of their own. Families always believed that homes were important and that some day they would not only put a down payment on a home, but finally pay it off. They believed that would provide them not only with an investment for the future but with a place within which to live as long as they wanted. The actions of the Government since 1980 have resulted in that becoming much more of an unreality and much less of a reality than it had been previously.

The Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie), in speaking to the Bill this morning, set out chronologically the way in which the Government has pursued its policy going back as far as 1967. I will not go over it verbatim, but starting in 1967 the Government made the first of a number of terrible errors in terms of mortgage interest rates. I know, Mr. Speaker, you are not quite old enough to have actually been involved in it, but I am sure you will remember the day when people could assume mortgages with fixed interest rates over a reasonable length of time. They were reasonably secure that they would be able to pay them off. It was not a fluctuating interest rate; it was a fixed-term mortgage. People paid a certain sum from the date of purchase until it was paid off. Starting in 1967, the Government eroded that system to the point, if we look back only two years, where young families and not so young families were faced with mortgage interest rates of 20 per cent and 21 per cent. I want to make it quite clear that the proposed solution does not address the fundamental problem.

The Bill guarantees that interest rates will rise. It makes it possible for financial institutions to allow interest rates for mortgage purposes to increase year over year, claiming that in fact the burden is not being carried by the families involved, that they could have purchased insurance and, therefore, if they did not, it is their own fault. The Bill requires that interest rates rise by 3.5 per cent from their present position, whatever it may be for individual mortgages of individual families all across the country. Interest rates have to rise by 3.5 per cent before any benefit accrues to individual families. In essence, this means that interest rates in the case of one-year mortgages, which are approximately 12 per cent, can rise to 15.5 per cent before a single benefit accrues to the individual paying the mortgage.

In the case of five-year mortgages, with interest rates at 14 per cent, the interest rate can rise to 17.5 per cent or nearly 18 per cent before any family would benefit one iota from the particular plan. In fact, interest rates can fluctuate substantially without a single person being able to take advantage of the program. People must put their money up front, 1.5 per cent of the outstanding mortgage. They may be able to pay it by attaching it to the mortgage, in which event they are paying not only the 1.5 per cent, but the interest on the 1.5 per cent over the amortization period. The facts are clear. Interest rates will not be held to an acceptable level for Canadian families as a result of this piece of legislation.

It is fraudulent to say to people that somehow or other this legislation will solve or go even part way to solving the terrible dilemma which confronted so many of them between the years 1980 and 1984. I cannot help but feel that somehow or other the Government has missed the point.

Who is responsible for interest rates going up? If we are to believe the Government, the fault lies with the United States Treasury Board. If we are to believe the Government, it was the fault of the U.S. administration that people in Canada were forced to abandon their homes as a result of mortgage interest rates rising to a point where they could not afford to make their payments. If that be the case, there is something terribly wrong with the relationship between our financial institutions and U.S. financial institutions. More important, there is something wrong with a government which allows the kind of relationship to develop in Canada *vis-à-vis* the United States that permits something as crucial as mortgages for housing to be determined in another country.

I see the Government House Leader and the Minister responsible for housing present in the Chamber. I put to them that we have to confront interest rates. We do not need fancy schemes. We have to find ways to hold down interest rates for the purpose of assuring that families in Canada will be able to purchase homes of their own at prices they can afford. If we are to encourage the maintenance and further development of what has always been not only the dream of Canadian families but the reality of Canadian families, that is the ability to buy their own homes, we must establish instruments to ensure that people who work in Canada can afford the cost of their homes and their mortgages. This legislation does not do that.

Mortgage interest rates can be set in Canada. Instruments can be found to provide the necessary capital from all investment capital currently made available through all financial institutions, to guarantee a sufficient pool of mortgage money so that Canadians will be able to purchase homes and pay for them.

That was the first commitment we required from the Government. The first commitment was that it would address the

fundamental problem, and the fundamental problem was that we could not allow mortgage interest rates to fluctuate in the same way as interest rates for all manner of other less important things.

● (1600)

Mortgage interest rates must be treated differently from interest rates on loans for the purpose of purchasing luxury commodities. Mortgage interest rates must be considered an integral part of the Canadian lifestyle. They must be addressed by the Government and its agencies in such a way as to ensure that Canadian families of average income are able to continue to purchase homes and to pay for them. That is the commitment we asked of the Government. That is what we suggested to the Government ought to be done. That is what we have been arguing for all along. It is difficult, but everything is difficult.

It is essential, however, that we separate money to be made available for mortgages from money to be made available for all other kinds of investments. That is the crux of all of this. You would not have to sell insurance against Government incompetence if you set up a program to guarantee that there will be mortgage money available. You do not have to insure yourself against increases which are both unacceptable and undesirable if you have established the principle that out of all the available capital in the country which is currently being used for investment purposes, a significant proportion must be made available for the purpose of providing mortgages for the building of Canada's future. You start from there and make the determination that that is going to happen. Having done that, you begin to address the serious question of how to ensure that there will be decent and affordable housing in all parts of the country at prices which are within the capacity of Canadians to afford.

When I began my speech, I said that this is fraudulent. It really is. This is not only my opinion. You may expect me to rail against the Government for its incompetence and stupidity. The views which I express are views that are being expressed by others. Mr. Claude Roots, the Vice-President of the Canadian Real Estate Association, when referring to this piece of legislation said: "It almost concedes that we have to look forward to a period of higher interest rates." He is a man who deals in the business. He says that this legislation will, in itself, result in higher interest rates.

Andrew Cohen of the Consumers' Association of Canada said that he would not recommend the plan for everybody. The reason he would not recommend it for everyone is that the vast majority of people will never be able to take advantage of it. More importantly, they will find themselves continuing to pay ever-increasing rates of interest to those who loan the money.

Frank Clayton is well known for his expertise in housing. He is a housing economist. He studies the field and provides excellent background material which is used by almost anyone with any interest in the housing business. He says that the plan will be of little help to present home owners. It will be virtually useless to someone taking out a one-year mortgage since the premium cost is the same regardless.

These are people who work in the field. It is not a matter of me speaking against it for political reasons. I recognize the political risks. People will be told by the Government in a variety of different ways during the course of an election campaign that we spoke against something called protection for mortgagees. We speak against it because it is wrong. It will do exactly the opposite of what is required to be done. By itself it will encourage interest rates to rise. Because of the cost and the fact that there is a 2 per cent allowable interest rate increase, chances are that interest rates can and will rise by 3.5 per cent with impunity. On a 12 per cent mortgage an increase of 3.5 per cent is in excess of a 25 per cent increase. Mortgage interest rates will be able to rise 3.5 per cent before any single home owner will be able to benefit one iota from this. This is happening in the time of six and five.

The reason we are opposed to this is because it creates a sense in the public that something is being done which will be beneficial when in fact it will be detrimental. How far do you go in selling insurance against government incompetence? Is the next step to sell insurance against the Government's mishandling of the financial affairs of the country so that there will be insurance against tax increases? It is ludicrous. Our opposition to this Bill goes right to the core of the question of housing. Affordable housing is a necessity. It cannot be treated in any other way. You may be able to get by without a number of other commodities, but in Canada you cannot get by without a place to live.

In Canada we must begin to debate how to provide that affordable housing. It is not done by conceding that already high interest rates can continue to rise. It is not done by conceding that insuring people against inevitable increases will solve the problem. I feel aggravated by the fact that the Government has done this. There can be no support for this kind of a program.

I could have seen marginal merit had the program kicked in immediately, if the insurance had been against any increases. Deficient in principle as this approach is, in order to make it marginally beneficial, there cannot be a 2 per cent allowable increase. The program must kick in right away or you will find yourself with increases of 3.5 per cent, or even higher. Every single person who has been sucked into buying this will find themselves receiving absolutely no benefit.

I see you are signalling that I do not have any more time, Mr. Speaker. I am sorry about that because there is so much to be said about this. I will close my remarks by saying, through you, to the Minister of Housing (Mr. LeBlanc) that this will not work. It will create false expectations. It will work to the detriment of the housing industry. Of itself it will encourage higher interest rates. It will place a penalty on people who can ill afford it. It will add to the mortgage to be carried by the majority of people when in fact the Minister knows that the level of mortgage indebtedness is now at a serious level. It will do nothing to solve the current problem of people who are locked into mortgages that they cannot afford.

I am surprised that the Minister brought this forward. I thought he had more commitment than this. I want you to know, Sir, that we do not intend to support this Bill.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments? The Hon. Member for Burlington on a question.

• (1610)

Mr. Kempling: No, Mr. Speaker, I have a comment.

Mr. Hovdebo: I have a question, Mr. Speaker.

Mr. Kempling: Go ahead.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Prince Albert (Mr. Hovdebo).

Mr. Hovdebo: Mr. Speaker, I would like to ask the Hon. Member for Hamilton Mountain (Mr. Deans) if he could give us some insight into what effect this Bill will have on the securing of affordable housing for those people in the lower income groups who should be getting housing because they need it. Will this particular Bill make housing more widely available across the board?

Mr. Deans: Mr. Speaker, my colleague, of course, has asked one of the most crucial questions. He has asked if this Bill will do anything to improve the housing stock for the lower-income groups and, of course, the answer is quite clearly no, it will not. It will not add to the number of houses being built nor will it make one single family eligible to purchase a home that was not eligible previously.

In order to qualify for the assumption of a mortgage today, one must commit approximately 30 per cent of one's income. The same will be equally true after this Bill has been passed. Those people who do not qualify for mortgages today because of the interest rates which are currently in effect will continue to be unable to qualify for mortgages. The Bill will do absolutely nothing to increase the number of housing units available in the country.

Ms. Mitchell: Mr. Speaker, I would like to ask my colleague a question. In his remarks, he made it quite clear that this Bill will indeed encourage mortgage interest rates to rise rather than control interest rates, which is what most people who are purchasing a home would certainly want. Looking back at the history of the housing policy in the country, I would like to ask the Hon. Member if he feels that the Government should return to the policies that were in place quite a number of years ago.

Perhaps the Hon. Member remembers the years in which it was the practice to have long-term mortgages and set rates of interests which allowed people to plan for the future of their families, to pay off their mortgages and eventually own their own homes in the earlier part of their lifetimes. I wonder if the Hon. Member feels that it is possible to return to that kind of a policy and what suggestions he might have for the Government in that regard.

Mr. Deans: Mr. Speaker, I believe that I am speaking on behalf of the entire Party, but I certainly believe that to begin with, mortgage financing must be treated quite differently from any other kind of financing. That is not unusual, and I say to the Parliamentary Secretary to the President of the Privy Council (Mr. Evans) who is looking at me quizzically, that it is not unusual to treat certain kinds of financing differently from others. He knows that as well as I do. For example, we in Canada have made money available to certain fields of endeavour at a variety of different interest rates with different structures and different time periods of repayment. The Government has pursued that as a matter of practice and as a matter of principle. I suggest to the Hon. Member that that is necessary in this case.

We must look at the benefits of putting money into housing and weigh them against those of putting money into other things. When money is put into housing, the risk of loss is considerably reduced. When money is put into housing, the asset or the house itself is always in existence. It is not an asset that one can put under one's arm and take away. Therefore, the risk to the collateral is much less for homes than it is for a number of other purchases which might be made.

I believe that you can appreciate, Mr. Speaker, as can others, that there is a greater risk involved in financing certain luxury items that can be purchased at interest rates that are in some instances lower than the interest rates that are now being charged for mortgages. I begin by recognizing that in the field of mortgage recovery, the actual loss ratio is very small. The overwhelming majority of mortgage holders continue to make their mortgage payments. More important than that, even those who default on their mortgage payments cannot take the asset with them and, therefore, the asset is available for resale.

We must recognize that every penny invested in housing is returnable in a number of different ways and is perhaps returnable even far in excess of the actual dollar value itself. The money is returned first through the mortgage payments themselves, plus whatever the interest is or the money is returned through rents, depending on whether the home is a rental accommodation or a purchased accommodation. The money is returned through taxes that are paid at the municipal level on the appreciated value of the property as a result of an apartment or single-family dwelling having been built. The money is returned in the form of income taxes that are charged against those who build the accommodation.

Workers who are presently unemployed could be building these accommodations and would be paying perhaps 30 per cent or 35 per cent of their income back in taxes to the federal and provincial Governments. The money is returned through corporate taxes, paid by the corporations, which enter into the business of building the homes that we require. The money is returned through the sales taxes that are applicable, where they are applicable, on materials that go into the building of the homes. When money is invested in a home, an overwhelming benefit is derived. Not only is every penny returned that is put into building a house, but there are tremendous spin-off effects as well.

That is one of the reasons why we argue with the Govenrment that it must address the problem of affordable accommodation in a way far different from the way it is presently being addressed. For example, the Minister of Public Works (Mr. LeBlanc) knows that there have been dramatic cutbacks in funding for co-operative housing at a time when we need more housing. We will deal with that issue on another day in another way.

I would say to my colleague yes, we must establish that pool of finance that will enable us to meet the social need that can be met by the production of homes at an affordable price. If all of the other benefits to which I have referred are taken into account, housing is probably the single greatest economic motivator available to us. I do not have to tell you this, Mr. Speaker, because I know that you are an expert in the field, but for every one job that is created on-site when building a home, almost three jobs are created for the people who must make the various component parts that go into that home.

When a publicly financed, privately financed or a combined publicly and privately financed pool is established in such a way as to open up the field so that more people can afford to buy homes, thus holding interest rates down, then you can see that the evidence is abundant to show that we benefit in many ways. My colleague's question pertains directly to the subject before us and I think she is absolutely correct in saying that we must do that.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Prince Albert (Mr. Hovdebo) has time for a short question.

Mr. Hovdebo: Yes, Mr. Speaker, it is a very short question. The Government would not have put this Bill forward if no one were to benefit from it. I wonder if the Hon. Member for Hamilton Mountain could indicate to us who will really benefit from the passing of this Bill?

Mr. Deans: Mr. Speaker, I will answer the question in lieu of making a 40-minute speech on the matter. I think that my colleague is probably aware and I think that most would agree that it is only the financial institutions that will benefit from this Bill. The financial institutions will be able to increase mortgage interest rates by 3.5 per cent and the—

Mr. Evans: Oh, Ian!

Mr. Deans: My colleague, the Hon. Member for Ottawa Centre (Mr. Evans), disagrees. They will be able to increase mortgage interest rates by 3.5 per cent and every single penny of that increase will be charged back to the home owner. That is the problem.

Mr. Evans: You think they will raise interest rates right out of thin air?

Mr. Deans: I do not blame my colleague for asking if I think that they will raise interest rates out of thin air. I think that financial institutions fail to distinguish between their obligation to provide affordable capital for absolutely essential works and their right within the free market system to expand additional capital on other than necessary works.

The Acting Speaker (Mr. Guilbault): Resuming debate.

• (1620)

Mr. Bill Kempling (Burlington): Mr. Speaker, to say that I am disappointed by this Bill would be an understatement. I had hoped that we would have had something more substantial than what is before us today.

The only way we are going to have competitive interest rates in the mortgage field is by having real competition in the mortgage field. That is the only way we are going to do it. In order to do that, we must have a good supply of money from a variety of sources; not necessarily just from banks and trust companies. We must have more sources for mortgage funds.

In looking at the minutes of the hearings which were conducted by the Finance Committee in 1968, I discovered that the Canadian Bankers' Association appeared before the committee. I was not a Member at that time, however, I read the minutes of the hearings which were held from 1978 to 1981. It was through the Bank Act Amendment of 1968 that banks were allowed into the mortgage field. Representatives of the Canadian Bankers' Association said that if they were allowed into the mortgage field, mortgage rates would drop. They indicated that there would be increased competition because of the amount of money that would be available to place in the mortgage field.

However, the rates did not drop. The rates increased. I am not saying that they should not have increased, but they did increase. The drop which we were supposed to see did not happen. When the Canadian Bankers' Association came before the Finance Committee for the next revision to the Bank Act, I made a point of asking the Chairman of the association why the rates had not dropped as the association had said they would in 1968. The Canadian Bankers' Association had left the committee, the House and the country with the impression that by allowing the banks into the mortgage field, the amount of money available for mortgages would vastly increase. Therefore, according to the supply and demand theory, mortgage rates would drop. If that had happened, the consumer would have benefited, the mortgagee would have benefited, housing would have benefited and the appliance industries and the spin-off of that tremendous, invigorating industry would have gone to the people of the country.

I asked the Chairman of the Canadian Bankers' Association why the rates had not dropped. His reply was interesting. He said: "If we had reduced the rates, we would have been accused of forcing the trust companies out of business." That was his reply. It is on the record of the Finance Committee meetings. He said that the banks would have been accused of lowering the rates and putting the trust companies in jeopardy because of their actions. His answer bothered me. It was not very satisfactory, but he was not about to give us something else.

I recall not too many months ago rising in this House time and time again to ask questions of the Minister of Consumer and Corporate Affairs, the Minister responsible for housing, who is in the House today, and the Minister of Finance about mortgage rates. I especially recall the 1981-82 period when mortgage rates were rising very rapidly and the subsequent actions of some of the trust companies. I was concerned that some of the trust companies—in fact, the larger ones were the major culprits—seemed to be able to circumvent the laws of the country and get away with it. I was concerned about the 750,000 Canadians who were trapped into high interest rate mortgages.

I heard various Ministers tell us to wait. They would bring in some relief. Legislation would be brought in to sort out the problem. That is what I was looking for. I remember the Minister of Consumer and Corporate Affairs telling the House that if we would be patient, legislation would be forthcoming. The Minister responsible for housing expressed similar views. He was concerned, and I appreciate that. The Minister of Finance stated that the rates were high enough and that he would speak to the banks and the trust companies to see what he could do about getting them down. Well, we know that in that 1981-82 period interest rates rose to 21.4 per cent. I think that is the highest official record which we have. There may have been a few rates which were higher than that, but the listing which the Bank of Canada provides indicates that 21.4 per cent was the maximum rate. There were, however, interest rates at 20 per cent, 19 per cent, 18 per cent, 17 per cent and so forth.

Thousands of letters came to my office. I was amazed as I had never experienced it as a Member. Obviously, my questions on interest rates had hit a responsive chord across the country. I received letters from every province in Canada. People told me about their mortgage problems and asked whether we could not do something about them. They indicated that they were trapped into high mortgage rates. The rates were dropping, but they could not renegotiate their mortgages. They were also concerned about the interest differential penalty which they would have to pay in order to renegotiate their mortgage.

I began to think back about what had been done in the House during that period. I recall that in late 1974 and early 1975 legislation was before the House which was passed by House and by the Senate. However, I do not believe it was ever put into operation. That legislation would have established mortgage investment corporations and a mortgage bank.

Mr. Ellis: That is right.

Mr. Kempling: As my colleague said, "That is right". He remembers this, as we all do.

At that time pension funds were in financial jeopardy because the yield on the securities in which they traditionally invested was dropping. The idea was that we would put together mortgage investment corporations. Those corporations would invest in residential mortgages and would sell the mortgage portfolios to pension funds. If the pension fund wanted to cash in that portfolio and put the money into something else, it would come to Ottawa and go to the mortgage bank where it would negotiate. The mortgage portfolio then would be turned into the mortgage bank in Ottawa, the pension fund would get the money and go on with whatever other investment it had in mind. That mortgage portfolio would then be recirculated through the mortgage investment corporations and placed with another pension fund or another institution. That was the theory. It was not original. It had been done in the United States for years. The Bill was one of the best drafted pieces of legislation which I have seen. Witnesses from the United States, who had similar legislation, looked at our legislation. Those witnesses liked some of our features and informed us that they would amend their legislation to make it equal to ours. It was that good in their minds.

We waited with a good deal of anticipation to see the results. It passed the House and it passed the Senate. We rose regularly and asked the then Minister of Finance, who happened to be John Turner, when the legislation would go forward. His reply was that the Government could not find a suitable person to head the mortgage bank. I do not want to be political, but even in those days I am sure that there were a few defeated Liberals around who could have been put in charge of a federal mortgage bank. Mr. Turner used that excuse for a number of months. Then, as we all know and as history has recorded, he departed the hallowed halls of the House of Commons and went to other climes. Then we asked his successor, Donald Macdonald, who now heads a royal commission, what was happening to the legislation.

• (1630)

He waffled on it several times but finally he said, "Well, we have discussed this matter with the financial institutions and they have convinced us that this sort of legislation is not required". Can you imagine that, Mr. Speaker? A Bill was passed by the House of Commons, it went through debate and into committee, back into debate, then to the Senate, was passed by the Senate, and was all set to go, then the financial institutions told the then Minister of Finance it was not necessary, and the whole thing was dropped. The tragedy is that that Bill had in it a "truth in lending" section which I thought might have been in Bill C-37 and in the subsequent parallel Bill on amendments to the Interest Act. That legislation had it all there and I wonder now if we had just gone ahead with it, whether we would be in the mess we are in today.

I took some interest in that Bill. I recall going to the Library of Parliament and it was not even on the computer. I have one of the few copies of the Bill, I am sure. In fact, I drafted a Private Members' Bill of my own by lifting sections out of that Bill because it was such a good piece of legislation. If we had only gone ahead with it, we would not need this legislation today.

I believe the difficulties that many mortgagees faced in 1981-1982 would not have had to be faced. We would not have had this terrible argument about interest differential charges

and all the nonsense surrounding that. We would not have the trust companies spouting such terrible rhetoric as, "You see, we have some money out there and we only have it in a GIC for a year or for five years and that is the money we are going to give you on a three-year or five-year mortgage". That is nonsense. Anyone who knows anything about GICs and how they are invested knows that that is just nonsense. However, that excuse is still being used today. I talked to a banker the other day and he gave me the same story.

Therefore, when I say to the Minister that I am disappointed in this Bill in the way it has been presented, I am serious. We are going to pass it on into committee, I am sure, and I hope that we can make some changes to it in committee which will give it at least a bit of life. However, I am terribly disappointed that it is not going to do what I thought was the intent of the Minister and his colleagues, the Minister of Consumer and Corporate Affairs (Mrs. Erola) and the Minister of Finance (Mr. Lalonde). It just does not address the problems with which many people are still faced. I am still receiving letters from people who are trapped in five-year mortgages with interest rates at 17.5 per cent or 19.5 per cent which they cannot get out of.

I talked to the Minister of Consumer and Corporate Affairs and the Minister of Finance at various times about this. I was particularly incensed at some of the verbiage in the mortgage renewal contracts. I do not see anything in Bill C-37 or Bill C-36 which is going to stop similar verbiage from being put into new mortgage renewal contracts. I was incensed that these institutions would put in their mortgage renewal contracts clauses which made the granting of mortgages conditional upon the mortgagees waiving rights which had been established for them by the Parliament of Canada and by the legislatures of at least two provinces in this country. It cut me to the quick to think that a corporate body could insert a clause into a renewal contract for a mortgage which says, "You waive your rights under Section so and so of such and such an Act", or that they could change the dating of a contract and thereby wipe aside a judgment of the Supreme Court of British Columbia.

I am at a loss for words to describe what I think of that. It is beyond credibility that these institutions would do that. I took the two particular clauses in the mortgage renewal agreements to people who I thought were very learned counsel, who practised in the high court, and asked their views on it. Their view was that it would not stand up in court. That is fine, but it is no consolation to a person who has signed the mortgage renewal agreement. It is no consolation whatsoever.

As late as a couple of weeks ago, the Superintendent of Insurance was before a committee of this House and I asked him about this. He agreed with me that these clauses should not be in there, but they were in there. The legal opinion he had received from his authorities was that those clauses, if they went to court, would not stand up. What a terrible thing to put a mortgagee through. If someone goes into the investment community and asks what is the best thing to invest in, he is told, "If you own a home, pay off your mortgage. You cannot have a better investment", and here we are allowing corporate bodies, trust companies, banks and others, to put these kinds of clauses in contracts and we do nothing about it.

We are allowing corporate bodies to take an Act of Parliament and just brush it aside. They can take an Act of the provinces and just brush it aside. They can take a judgment of the Supreme Court of British Columbia and brush it aside. This Parliament, the Government, the Ministers and the officials who are charged with that responsibility, do nothing whatsoever about it. They say it is too bad. They say it will not stand up in court. However, that is no consolation to the person who takes the mortgage. That is my point. We have failed the Canadian home owner. Some of the trust companies, I must say some of the smaller ones, have recanted. A couple of the larger institutions, when pressed to the wall with court action, recanted and allowed mortgages to be rewritten at a lower rate of interest in payment of penalties as prescribed in our legislation.

However, this legislation falls far short of what I thought it was going to do. I cannot really see anyone going out on the basis of this legislation and buying a five-year mortgage. I just cannot believe that they are going to do that. There are some other features in this legislation which we are going to get into in committee and I will tell the Minister now that he had better be well primed and briefed, as I know he usually is. I am sure he will have his officials there. There are going to be some pretty hard questions put to the Minister at that time because I am not at all convinced that this legislation is really going to do that much. It will generate a good deal of publicity if people do not read beyond headlines such as, "Government introduces a mortgage protection plan". It sounds great until you read the fine details, and when you do, you find it is really not going to help that many people.

I will conclude by saying that I believe our intention is to let this legislation pass on to committee at the appropriate time in the hope that at that point we can convince the Minister that some changes should be made in the legislation which will give a break and a benefit to the mortgagee and not just give the mortgagor more and more protection.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments?

Mr. Evans: Mr. Speaker, I was reading something here for a moment when the Hon. Member was speaking and mentioned a Bill that he was quite taken with. I believe it was in the Thirty-first Parliament?

Mr. Kempling: The Thirtieth Parliament.

Mr. Evans: In 1976? Was that the Bill of the Minister of Consumer and Corporate Affairs called, "The Borrowers and Depositors Protection Act"?

• (1640)

Mr. Kempling: I do not believe it was called that.

Mr. Evans: C-69?

Mr. Kempling: No.

Mr. Evans: Did it come from the Department of Consumer and Corporate Affairs?

Mr. Kempling: I believe it was a finance Bill. But at any rate, Mr. Speaker, I will give the Hon. Member a copy of it if he wishes. I have not looked at it for probably a couple of years now, but it was a good Bill. It was one of the best Bills ever introduced in this House.

Mr. Evans: What did it deal with specifically?

Mr. Kempling: Well, first it dealt with truth in lending and it dealt with the establishment of the mortgage investment corporations and a mortgage bank. I will be very pleased to supply the Hon. Member with a copy. It should be introduced and brought through instead of this Bill. It is not in the Library of Parliament, I know that, but I will get you a copy.

The Acting Speaker (Mr. Guilbault): No more questions or comments?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Guilbault): It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Broadview-Greenwood (Ms. McDonald)—Criminal Code—Presentation of obscenity amendment; the Hon. Member for Medicine Hat (Mr. Hargrave)—Trade—Beef imports from common market countries (b) Government policy; the Hon. Member for Richmond-South Delta (Mr. Siddon)—Science and Technology—Macdonald Commission's approach to challenge of technology (b) Government investment in research and development.

GOVERNMENT ORDERS

[*English*]

NATIONAL HOUSING ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. LeBlanc that Bill C-37, an Act to amend the National Housing Act, be read the second time and referred to the Standing Committee on National Resources and Public Works.

National Housing Act

Mr. J. R. Ellis (Prince Edward-Hastings): Mr. Speaker, like my colleague from Burlington, I intend to put a few comments on the record regarding this legislation. We have been looking forward to this Bill since last February when it was first announced. I had the privilege of taking part in a seminar on housing sponsored by the Guaranty Trust Company in Belleville some six or seven weeks ago. The item most frequently discussed was interest rates. I should digress briefly, Mr. Speaker, to tell you that at that seminar there were municipal, provincial and federal politicians. There were civil servants from the Ontario and federal housing bodies. There were lenders, in this particular case Guaranty Trust, and there were contractors involved. It was a very interesting seminar and the morning passed very quickly.

Those people who were there, to a man, were interested in knowing what the impact of this particular piece of legislation would be. It had been promised in February and here we were in late April and we had not seen the Bill yet. Now we have it before us and I am sorry to say that it raises probably more questions than it answers. There are some very real problems with this legislation. I think it is fair to say, as my colleague has said, that while we will express our concerns to the Minister, nonetheless he best look to his laurels when it comes to committee because there is going to be some very careful questioning at that time.

Some of the questions which come to mind have to do with potential costs of this program. We are given to believe that the program should be self financing, but it seems to me that assumes home owners will always buy mortgage insurance. I have to think that that is a fallacy. I would think that anyone who did not take out mortgage insurance today would be very foolish. All of us have watched in the past two or three weeks as interest rates have gone up and the value of the Canadian dollar has gone down. I would think any modestly careful person today would take out some form of coverage or any form of coverage available to protect them from the possibility of having to renew at a higher rate.

However, if, as we suspect may happen, interest rates and therefore mortgage rates peak either over this summer or into next year and start coming down again as they did recently, I would doubt that person would take the chance of buying that coverage. After all, if I were in the position of buying a new home and I were faced with a 15 per cent, 16 per cent or 17 per cent mortgage rate, and I had to buy then in order to get the location and the kind of home I wanted, I would gamble on a very short mortgage on the assumption that rates would come down and I could renew at a lower rate.

I have not had a chance to study the Bill as carefully as I would like. I looked particularly at the Minister's remarks in his press release dated May 25, which is only a few days ago. The second page says home owners who took out mortgages or renewed mortgages after the date—now, Mr. Speaker, I fully understand that someone renewing a mortgage would be able to obtain the benefit and, indeed, if I understand the legislation properly, those who renew. In other words, if I have a mortgage today at 12 per cent and I am forced to renew at 17

per cent, then I do gain some considerable advantage. But I am a little curious as to how someone entering the market for the first time today benefits today by the coverage. He or she benefits when it come up for renewal, but obviously they do not benefit as a first-time buyer. I have some difficulty with that statement in the press release put out by the Minister's office. I am not entirely sure where it is going to go.

In any event, back to where I was, the cost of the program could escalate rather severely because if people, as I have said, were to take out the insurance on the way up, they would surely not take out the insurance on the way down. They would gamble on the short term. When they renew at the lower level, they would then take out the insurance. Surely there is a potential for the escalation of the cost of this program. That is not to say that I or my Party will oppose the program, but there is a potential for an escalation in costs that does concern us.

• (1650)

Furthermore, there is the question of the premium rate being the same regardless of the term of renewal. There has been some suggestion that this will help the lenders provide more long term money and would encourage the mortgage holders to go for a longer term. It is not always a good idea.

Let us suppose I was renewing a mortgage today and the mortgage interest rate was 15 per cent, which it almost is today. I would have to look at the cost of insuring and take into consideration that it must go to 17 per cent before I qualify at all. If it goes beyond 17 per cent, I will be compensated for three-quarters of the extra. If it goes to 18 per cent, I am compensated for three-quarters of one per cent. If it goes to 19 per cent I am compensated to 1½ per cent or three-quarters of 2 per cent. Given those considerations, perhaps I should take out a short term mortgage and gamble that the rate will come down a year from now. That is not an unreasonable gamble, considering the recent cyclical mood of mortgages. Therefore, I must ask why the rate is the same for a one-year mortgage as it is for a five-year mortgage. That is the problem that I see.

I am also concerned about the regulations. This Bill, more than most that we have seen recently, leaves everything to the regulations. I believe that we should have some of those regulations before we go to committee. I appreciate that this is a cry that is heard from the Opposition on a regular basis, but we should have some of those regulations before committee and certainly when we get to committee. Since there is a question about the cost of the insurance and whether it will be worth the gamble, we could determine that ahead of time if we could see all of the regulations. I handed my colleague my mortgage interest book so he could do some calculations on this, but he has been unable to tell me if a savings could be appreciated by the mortgagor. It is very difficult to know whether there is a savings without having the regulations available.

Some industry analysts have suggested that it might be better to reduce the size of the mortgage. Has a program been devised to study the regulations? The Minister can correct me if I am wrong, but I believe it is still possible to get a one-year mortgage at approximately 13¼ per cent. Can such a program be used in such a case to determine where it becomes worth the gamble for someone to put the cost of a mortgage insurance out of his pocket for a year in the gamble that the interest rates will come down? At what level does it become worth someone's while to put the money out for insurance coverage? Where does it become worth while for the Government in this insurance program, when someone whose mortgage is at 12 per cent must renew his mortgage at 17 per cent or 18 per cent, to say to the lender that if it has to subsidize this mortgage for the next three or five years, it will pay so much in subsidization? While the home owner must pay some, the Government will pay a substantial amount of money and obviously more than it took in as insurance. What is the level at which the Government can pay off a portion of the capital to bring the payment down to the level at which the borrower is paying the same, but the lender is not reaping a horrendous profit as a result of those high interest rates?

We must be careful in this instance because it became very obvious in the seminar of which I spoke a moment ago that the mortgage companies will say that they would much prefer a market with constant rates over a long period of time because when rates fall dramatically, those companies and their depositors run risks and tend to not make much money in that instance.

It is difficult to do these calculations on short notice and, indeed, it may take a computer program to properly determine whether there is a point when the federal Government should reduce the principle of a mortgage rather than make payments to a lender over a number of years. However, I suspect that there may well be a point when it will be worth while.

Finally, I want to spend a moment outlining some issues this Bill does not address. The Minister will recall that not long ago the federal Government backed out of support to municipalities for the installation of sewers and other programs. It was his department that was involved at that time. I believe this is an area where the federal Government might well have stayed involved and continued its contribution to municipalities. Normally, I would rather see these functions carried out by the provinces but this is an area of which I, as the Mayor of Belleville, took advantage.

The second most serious complaint that the builders at this seminar spoke of was the cost of servicing. In Belleville it costs approximately $5,000 more per lot, partially because of rock and partly due to stringent imposition by the local bureaucracy, to service than in other similar communities. When those federal Government programs were in place, it kept the cost of those lots down and we were much better off. I see, Mr. Speaker, you are rising. And that the clock has reached five o'clock. Please be careful, Mr. Minister, when this bill comes to committee because there will be a lot of people looking to ask many questions.

• (1700)

The Acting Speaker (Mr. Herbert): I regret having to interrupt the Hon. Member. He has two minutes more remaining at the next sitting of the House.

[*Translation*]

Order, please! It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*Translation*]

The Acting Speaker (Mr. Herbert): Shall all orders and items preceding item 106 stand by unanimous consent?

Some Hon. Members: Stand.

The Acting Speaker (Mr. Herbert): Stand.

* * *

[*English*]

NUCLEAR DISARMAMENT

ADVISABILITY OF DECLARING CANADA A NUCLEAR ARMS FREE ZONE

Mr. Baker: Mr. Speaker, I rise on a point of order. In listening to motion No. 106 on the Order Paper, "that, in the opinion of this House, the Government should consider the advisability of declaring Canada a nuclear arms free zone", to my recollection a similar motion was dealt with last week in the House by general agreement of Members. The motion as I read it is similar in substance and intent to that dealt with last week. Perhaps the Speaker cannot rule on this immediately, but I am pretty sure, Sir, that you were in the chair at the time. Does it meet with the rules of the Chamber that we can deal with the motion again?

Mr. Young: Mr. Speaker, I rise on the same point of order. I think if the Hon. Member reads *Hansard* for the day in question last week, he will find the question debated was a private member's bill and not a private member's motion.

Mr. Baker: The reason I pointed this out and regardless of what the hon. gentleman says, Mr. Speaker, both are motions and the rule applies to motions. A bill is a motion, a resolution is a motion. This is dealt with in Erskine May and in Beauchesne under motions. The point of order I raised deals with the sections on motions. Could Your Honour, who was in the chair at the time, rule on the question now?

The Acting Speaker (Mr. Herbert): The Chair has been looking into this matter in the last while. Our records indicate

that the motion referred to by the Hon. Member for Gander-Twillingate (Mr. Baker) could be one of two Bills that have been debated in the House, namely Bill C-204, which was defeated, and Bill C-203 which is essentially the same as the Bill which was debated.

The Chair at this point is in some difficulty inasmuch as one can now express some reserve as to whether Bill C-203 should have been debated in view of the fact that Bill C-204 had already been defeated. However, that brings up the problem we have at the start of a session when Bills are put on the Order Paper and by our system it is possible for Members to be putting similar bills on the Order Paper at the same time.

The motion which is before the House today is essentially of the same substance as the Bill. The Chair would like a little more time to look into this matter, just a few more minutes, and it proposes to allow the Hon. Member for Beaches (Mr. Young) to complete his remarks on the motion before the House. We will then render a decision on the point of order that has been raised.

Mr. Neil Young (Beaches) moved:

That, in the opinion of this House, the Government should consider the advisability of declaring Canada a nuclear arms free zone and that it should consider the advisability of prohibiting the deployment, testing, construction and transportation of nuclear weapons and associated equipment through and within Canada and that it should consider the advisability of prohibiting the export of goods and materials for use in the construction and deployment of nuclear arms; and

That, the Government should consider the advisability of encouraging cities, provinces and states throughout the world to undertake similar action.

He said: Mr. Speaker, this motion is indeed similar to the measures proposed in the private members bills introduced by my colleagues, the Hon. Member for The Battlefords-Meadow Lake (Mr. Anguish) and the Hon. Member for Selkirk-Interlake (Mr. Sargeant). All three measures would prohibit the deployment of nuclear weapons in Canada. They would also prevent the transit of nuclear weapons through Canadian territory and waters. They would make it unlawful to develop, test, or produce nuclear weapons or components of nuclear weapon systems in Canada or the export of same.

My motion is somewhat different from the other two measures proposed by my colleagues, but nonetheless equally important. My motion calls upon the Government of Canada to take a leadership role in encouraging others throughout the world to follow the example set by this House of Commons if this motion is adopted.

I do not think I overstate the case when I say that the arms race has brought us face to face with our own annihilation. There are now some 50,000 warheads in the arsenals of the two superpowers alone. Some may think it trite to make reference to the maxim that you do not put a smoking gun on stage unless you intend it to be used, but I think that maxim sums up for us the dilemma we have forced upon ourselves in the rush to augment national security by threatening the security of another nation with nuclear weapons.

Until recently the theory that governed the strategic thinking of the superpowers has been that of deterrence, that it

would be suicide for the other side to launch an attack so long as we retained a credible threat of a retaliatory strike. However, with the advance in nuclear weapons technology and changing attitudes in the White House and the Kremlin, the theory of deterrence is beginning to unravel. The weapons being developed today can be launched from thousands of miles away and still hit their target with almost pinpoint accuracy. Their value is not so much as retaliatory second strike weapons but as counterforce, first strike weapons; weapons that can take out the nuclear missiles of the other side before they can be launched. Pentagon strategists are shunning mutually assured deterrence in favour of Nuclear Utilization Theories, NUTS.

The act of declaring Canada a nuclear weapons free zone would be one of complying with the oft-repeated call of the United Nations for the establishment of such zones. Regardless of what some Members may think of the United Nations, it would be foolishness to dismiss U.N. recommendations for nuclear weapons free zones throughout our planet. The first nuclear weapons free zone was established in the Antarctic in 1961. The treaty for the prohibition of nuclear weapons in Latin America was concluded in 1967.

Here are two areas of the globe where through negotiations and agreement we have been able to prevent nuclear weapons and the threat of their use from casting a shadow. Since then, serious proposals for the creation of nuclear weapons free zones have been advanced for Africa and for the Balkans, for the Middle East, the Mediterranean and for Central Europe, for South Asia, the South Pacific and for the Nordic countries of Europe. We, in Canada, have a unique opportunity to add another large region of the globe to the area now free from the threat of nuclear weapons, without the complicated negotiations to include other countries in the nuclear weapons free zone.

I want to quote from the Final Document of the 1978 United Nations Special Session on Disarmament. It reads:

● (1710)

The establishment of nuclear weapons free zones on the basis of arrangements freely arrived at among states in the region concerned constitutes an important disarmament initiative. The process of establishing such zones should be encouraged with the ultimate objective of achieving a world free of nuclear weapons.

We as Canadians can and must do a great deal to influence the political climate in a way which encourages disarmament agreements. We can and must do a great deal to put political and technical constraints on the nuclear strategies of both the U.S.S.R. and the United States. I am confident that creating a nuclear weapons free zone in Canada would do both.

Recently I read that Emergency Planning Canada wants to spend some $40 million on a network of 650 nuclear fallout shelters. In my view, planning for these kinds of civil defence measures is perpetrating a cruel hoax on the Canadian public. One comment which caught my attention was that our emergency planners think this network of shelters will do the trick, because they assume Canadian territory they would not be the target of a Soviet nuclear strike.

Our emergency planners better think again. How can they possibly assume when we in Canada develop, test and produce nuclear weapons components and when NORAD is providing targeting information to nuclear-armed aircraft, that Canadian territory would not be targeted? What logic would spare Canadian territory when nuclear-armed Trident submarines pass back and forth through the Strait of Juan de Fuca *en route* to their base at Bangor, Washington? When we have three Loran C stations in Canada providing navigational data to pinpoint the accuracy of U.S. submarine-launched nuclear weapons, and when Canadian patrol aircraft provide precise targeting data for American hunter/killer submarines to attack Soviet nuclear weapon submarines, it is foolish and naive to think Canada would be spared in a superpower nuclear exchange. The major threat to our national security comes from the potential of a nuclear war between the two superpowers. It is only in our own self-interest to do everything possible to prevent that from happening.

Many Canadians have been convinced by the Government that Canada in the last 15 years has steered a non-nuclear course. Many Canadians have come to see the arms race as something perpetrated by the superpowers. However, how many of them know about Canada's role in the arms race? How many of them know that our Department of Energy, Mines and Resources gathers gravitational data in the Arctic which is used to improve the accuracy and the counterforce capability of U.S. ballistic missiles? How many of them know about the anti-submarine warfare training and the torpedo training for U.S. nuclear submarines at Nanoose Bay, Vancouver Island? How many Canadians are aware that nuclear capable British Vulcan bombers do low-level flight training at Goose Bay, Labrador? How many Canadians know that we still store U.S. air to air nuclear-tipped missiles here and, if called upon, we would launch them from Canadian Forces Voodoo interceptors? Not too many Canadians, I should think.

While it is true that Canada has never developed nuclear weapons on its own, its nuclear free course is a bit of sham. We are tied into the United States nuclear weapons program militarily and industrially through a myriad of bilateral agreements between the two countries. Under the terms of defence production sharing arrangements, Canadian companies have gained access to the lucrative American weapons market. Many companies trying to win production subcontracts on American weapons systems are given financial asisstance through the federal Government's Defence Industry Productivity Program. It should come as no surprise that neither Canadian arms contractors nor Canadian government officials have made a distinction between nuclear and conventional weapons production. The $166 million federal aid budget is equally available to companies bidding on nuclear and/or conventional weapons contracts.

In addition, Litton Systems was granted $49 million to secure the production contract for the Tercom guidance system of the Cruise missile. Boeing of Canada now has an application before the federal Government to sweeten its bid on a production subcontract for the MX missile re-entry

system. Boeing and Bristol Aerospace, both Winnipeg companies, have been doing developmental work with an eye toward production contracts on the MX missile for the last year.

Over the years the Government has given money to Canadian Vickers to produce parts for American nuclear submarines, to Hawker Siddeley to produce the launcher for the Lance nuclear missile, and to Heede International to build loading equipment for Trident and Poseidon nuclear weapon submarines. We would be better off without these contracts. If the concern of the Government is jobs, let me say that American studies on industrial conversion show that we could create twice as many jobs by investing in health care and education than by investing in weapons production.

Canada has not kept its hands clean of the arms race. The unwillingness of successive governments to begin even to strike an independent strategic policy has allowed us to drift into complicity in the nuclear weapons program of the United States. Declaring Canada a nuclear weapons free zone would not require us to end the long friendship between the two countries. I have no doubt that the friendship would endure. After all, what kind of friendship is it that could not endure our decision to take a strategic policy which promised to help reduce the threat of nuclear destruction?

Declaring Canada a nuclear weapons free zone would only be consistent with the Government's rhetoric about our non-nuclear role in the world. It would be an act consistent with the efforts of the United Nations to establish such zones in the world. It would enhance our reputation internationally as a country willing to take action in its advocacy of peace. By declaring Canada a nuclear weapons free zone, we would be taking concrete steps toward reducing the nuclear threat which hangs over the heads of all Canadians, which hangs over the heads of all people of the world.

There is another dimension to the nuclear arms race with which I should like to deal because in my view it goes to the heart of our concern. I am referring to our ability to achieve global peace while we fail to recognize adequately the existence of widespread social and economic injustice in the world. The U.S. Arms Control and Disarmament Agency recently reported that we will spend a total of some $1 trillion in 1985 in the global arms race. We could make a significant step in the direction of achieving global peace if we were to direct some of those moneys, if not all, toward eradicating the sources of that economic and social injustice to which I have just referred.

The United Nations has estimated that one half of the Third World countries have no safe drinking water supplies, yet we have the means available to provide clean water within 10 years if we had the political and moral will to do so. We could do the same for the hundreds of thousands who are dying of hunger throughout the world. We have the technology and the expertise to achieve it.

It is estimated that some 130 million children are denied access to any kind of education and that 800 million adults are considered illiterate throughout the world. If we used some of the armament expenditures, we could provide the schools and teacher training which would alleviate that sorry condition. In addition, we know that air and water pollution is responsible for the increase in deaths from such diseases as cancer, asthma and heart disease. We could implement a global cleanup of our environment. We have the technology which would put a stop to our environment being used as one of the biggest sewage disposal systems the world has ever seen.

● (1720)

In addition, the World Health Organization estimates that some ten children die each minute of measles, diptheria and tuberculosis. Only 10 per cent of the Third World's population of 18 million people are immunized against disease. In addition to that, some 50 million young people enter the workforce each year. Because there are no jobs, they face prolonged periods of unemployment.

If we believe that Third World problems are totally disassociated from our problems in Canada, perhaps we should consider spending some of the billions of dollars we set aside for death and destruction to solve some of our social problems. It is a known fact that three out of every five single women over the age of 65 in our country are living in abject poverty. More often than not, our native population is living in conditions which should not be ignored by any civilized society. Ten per cent of all Canadians are disabled or handicapped. In that group the unemployment rate is between 70 per cent and 90 per cent. Some 11 per cent of our total workforce is unemployed and 18 per cent of our young people are out of work.

Those facts surely tell us that our priorities are all screwed up. Why do we find it necessary to spend $1 million a minute on arms to kill, maim and destroy when we could better spend those resources for socially useful purposes? It was only several months ago in Private Members' hour in the House that we were discussing cancer, the dreaded disease which nearly every Canadian has been touched by in one way or another. If we were to take a sizeale chunk of the money we spend to destroy the human race and property and put it into cancer research, the people I have spoken to in that field feel that in all probability we could come up with successful treatment of that disease which touches every family in the world.

For all those reasons I hope that the House will agree to this motion and refer it to committee where witnesses can be heard and it can be examined in more detail than we will have time for in the House. I urge Members to support this motion.

The Acting Speaker (Mr. Herbert): The Chair would like to comment further on the point of order raised by the Hon. Member for Gander-Twillingate (Mr. Baker). The Chair proposes to read from Erskine May's Twentieth Edition a paragraph which is found on page 379 under the general heading "Rules governing subject-matter of motions". Under the heading "Matters already decided during the same session" one reads:

> A motion or an amendment which is the same, in substance, as a question which has been decided in the affirmative or negative during the current session may not be brought forward again during that session.

Whether this rule would apply as between a motion and a bill is a difficult matter to decide, but it is unlikely that substantially the same question could be raised by a motion and a bill as a whole. A motion can do no more than affirm in general terms the desirability of legislation while a bill is likely to contain qualifying provisions and conditions, sufficient to differentiate its subject-matter from that of a motion. In any case a bill and a motion have different purposes. The question has been raised, but so far no case for the application of the rule has been made out.

The Chair has looked at the motion and at the two Bills to which reference was made. As the Chair has said, Bill C-204, which was presented to the House by the Hon. Member for Selkirk-Interlake (Mr. Sargeant), was defeated. Bill C-203, which on the surface appears to be essentially the same but has a few changes in paragraphs, was presented by the Hon. Member for The Battlefords-Meadow Lake (Mr. Anguish). Inasmuch as the motion which is before the House contains the key words "in the opinion of this House, the Government should consider the advisability of", and under those circumstances it is just an expression of opinion of the House, the Chair has no difficulty in allowing debate to continue on the motion.

However, the Chair will take this opportunity to suggest that it will be looking closely at the similarity of the two Bills, Bill C-204 which was defeated, and Bill C-203 which has been brought forward already for debate in this session. The Chair will consider whether there can be resumption of debate on Bill C-203 at the appropriate time. Therefore, for continuing debate on the motion, the Hon. Member for Thunder Bay-Atikokan (Mr. McRae).

Mr. Paul E. McRae (Thunder Bay-Atikokan): Mr. Speaker, I find myself rising for the second time in three days to debate essentially the same motion. I respect the ruling of the Chair on this. I find the motion supportable and support the intent of the motion, but I worry about why we are debating a Bill three times which really will do nothing to prevent the holocaust which I think is going to occur if we do not bring the super powers together to stop the warring which is going on.

I do not think that our being pure is going to influence either of the super powers in the direction in which they must go. In response to a question asked of the very distinguished Rear Admiral Carroll at a gathering in Toronto in March, he said that the armaments, the computerization of arms, the speed and so on would make a nuclear war very probable in about six to eight years. We all know there is no possibility that human life could continue in any normal fashion after such a war. The social values which we all appreciate would cease to exist under these circumstances. It seems that a hardness has developed between the two super powers at this point which could very well continue, depending upon what happens in the American election. I have no qualms about talking about American internal politics because the Ambassador from that country has no qualms about talking about how we run our operation.

I believe that unless there is a change in the scene in the United States, this hardening will become much worse. I would be much happier if I heard Members of the NDP talking about this very serious problem rather than seeing the answer as our being pure.

• (1730)

The problem possibly stems from the attitude of Hon. Members on the other side. Because they essentially have not held power or been close to power for the last 20 years, they find it hard to deal with reality. When we have to deal with our relationship with NATO, when we have to deal with the Government of the United States and the Government of the Soviet Union and when we have to try and move those Governments, the problem becomes very different.

Let me give you an idea of that. Let us suppose that tomorrow, a motion is put before the House to support the ten points common ground that were listed by the Prime Minister (Mr. Trudeau). Suppose that motion contains some additional points calling for no first use and no testing of the Cruise. Those are things that I support. However, if we along with the other countries presented such a motion to the two super powers, something which I think should be done, then the same thing would happen as happened to the motion of the four-continent group, a motion into which I have been very proud to have had some input. Within 20 minutes, the U.S. Government would reject the entire thing. How would that do anything in terms of closing the gap between the two super powers?

Mr. Young: What do you suggest?

Mr. McRae: If we do not close the gap, then the war occurs. We are pure, we are not doing anything wrong, but how are we closing that gap? It seems to me that we would then invalidate anything that could happen because the two super powers would not speak to us.

I would like to begin to understand the dimensions of this issue. I simply do not believe that in this world, Canada will be able to change anything. One might think that we could change things by bringing the two super powers together. In those ten points of common ground to which I have referred many times, there are areas about which both sides can agree and there are more to those areas than what appears on the surface. Then, with the right negotiating techniques, we may be able to change things.

I would remind Hon. Members on both sides of the House that the issue we are dealing with today will be a very large issue in the elections in both the United States and Canada. Both countries will be holding elections during almost the same period of time. If there is a change in the U.S. Government after the November election, then we will be faced with a new situation and we will have a chance to develop these things. I believe that that is what will happen. However, I am opposed to trying to inject ourselves into a situation in which we would hope for some successful negotiations between the two super powers in such a way that we would automatically and without any question be rejected. I do not think that that will achieve anything positive. In fact, I think it may achieve the very opposite.

Let us talk about what is happening now. I would like to talk about this hardness that exists. There is a group called the Arms Control Association in the United States which has a very distinguished board of directors. That board includes people like Admiral Gayler, the former Commander in Chief for the Pacific of the United States Navy; Gerard Smith, a former arms-control director for the U.S. Government; Paul Warnke, a former arms-control director for the Carter U.S. Government; Robert McNamara, a former Secretary of Defence; and others. These people recently commissioned a study and a report which indicated that the Reagan Government has basically destroyed arms control negotiations. It indicated that such arms-control measures as the START talks and SALT I and SALT II will be destroyed.

Mr. Benjamin: Mr. Speaker, I rise on a point of order. The resolution of the Hon. Member for Beaches (Mr. Young) deals with establishing nuclear free zone in Canada and with Canadian non-participation in the testing, construction, deployment and transportation of nuclear weapons. The Hon. Member has yet to address himself to the contents of the resolution and I am wondering if the chair would be prepared to caution the Hon. Member to speak to what Canada can do and not to what former American Ministers of Defence can do.

The Acting Speaker (Mr. Herbert): Order, please. I will accept the point raised by the Hon. Member if he is attempting to suggest that the Hon. Member for Thunder Bay-Atikokan (Mr. McRae) is not speaking to the motion. However, the Chair finds that the subject matter is sufficiently broad. The remarks of the Hon. Member are in order.

Mr. McRae: Mr. Speaker, perhaps I might explain to the Hon. Member for Regina West (Mr. Benjamin) that I am trying to deal with the questions of where we must go and of what is fundamental. I support what Hon. Members of the New Democratic Party are trying to do. However, I think that the issue is not fundamental. We have spent four days discussing this particular issue when there are far more fundamental issues dealing with the arms control business at stake.

One thing that has bothered me for a long time is that I have never been able to accept the idea that I can come to the House, stand up and be pure and say that I want this and that without having one iota of consideration for how I will make the change that I want. If I believe in something, then I must fight to make a change. If I am standing back being pure, taking absolutely no notice of what is going on around me and not doing my best to change things, then I do not think that I am doing my job.

I feel that we are facing the most dangerous situation that one could imagine on this earth and I do not think that this motion will change it. I think that there are far more serious things we must address, and that is what I am trying to say. I am trying to break down the issue and I am trying to show that there are far more important things that we can do. If we do some of the things which we all want to do, we might very well wreck our chances of doing something more important. That is what I am trying to explain to the House. I think it is very relevant to the motion before us.

I would like to return to this serious issue. A two-track decision was made through negotiations on behalf of NATO countries and Warsaw Pact countries by the two super powers. The two super powers came to no solution and the Arms Control Association has indicated that one of the prime reasons for that was that the Government of the United States presented a series of ideas that sounded great to the uninitiated public and made the government look like it was really going after arms control and really making big concessions when to those who understand the issue and have spent years dealing with the issue, the ideas were totally meaningless. These kinds of ideas go on and on. These are the kinds of things that happen, and so we are faced with a situation that is far different from the one with which we thought we were faced, so those talks broke down.

The same thing happened with the START talks. The President of the United States promoted the idea that the U.S. and the Soviet Union should come to an agreement to get rid of most of their land-based ICBMs. That sounded like a reasonable proposition. He said: "We will get rid of ours, you get rid of yours". However, the President admitted to a group of Congressmen in October that he did not know that the Soviet missiles were four-to-one land based and the American missiles were four-to-one sea based. By asking the Soviets to back down on all of their land based missiles he perhaps, as he said to some Congressmen, sounded one sided. Those are the kinds of negotiations that were going on at the START talks. I condemn people in our Government for refusing to push hard to have the START talks and the INF talks together. There were all kinds of quid pro quos in there if one got away from the simple notion of dealing only with talks on intermediate missiles. These are the serious things which have been going on.

• (1740)

When the President of the United States initiates an idea about star wars and states that missiles can be prevented from entering the United States when he knows perfectly well that there is an anti-ballistic missile agreement which will be broken if the star wars program goes ahead, he and this very important group of tough Americans—not soft non-Soviets or anything of that nature—are undermining world peace in a very serious way.

These are the issues. It is not a Canadian problem. I do not think that we as Canadians are going to create a war. Peace is an international problem. I get very worried when I hear that if we as Canadians remain pure and stay within ourselves and do not worry about the rest of the world we are doing our share. That is what is happening in the peace movement. We are becoming less and less concerned about what is happening out there.

If I were looking for a nuclear free zone to create, it would be in central Europe. It is absolutely essential that we reach very shortly that situation so that we will not have Pershing II

missiles, SS-20s, SS-21s and SS-22s sitting on the border across from each other, four to six minutes from the other side. That is where a nuclear free zone is so important. The very essence of the problem will be the accidental use of a Pershing missile; not so much the accidental use of the missile, but the assumption that it is being used because of a computer breakdown or a time shortage. These are the vital issues which we should be dealing with.

It would be nice to say—and I have fought as hard as anyone to have this happen—that we will not build these weapons in Canada. The fact is that the danger will come from outside and we will have to be a part of it. I have mentioned some of the things which the distinguished group of Canadians who are involved with the Arms Control Association have been worried about. If I were an American today, and I was—

Mr. Benjamin: Mr. Speaker, I rise on a point of order. I wonder if the Hon. Member would permit a question as he is a Canadian and not an American. We are not interested in what he would say if he were an American. Would he permit a question?

Mr. McRae: I will do that.

The Acting Speaker (Mr. Herbert): Ordinarily there is no provision for questions. However, if there is unanimous consent, the Member has two minutes remaining in the time allotted to him. Does the House give its consent?

Some Hon. Members: Agreed.

Mr. McRae: If I have only two minutes, Mr. Speaker, I think that I can get along without the question. I have a very serious point that I want to ensure the House understands.

If I were an American today and was centre to centre-right in my leanings, which I am not, I would be very, very concerned about the policy that the Reagan Government is taking in the United States. I do not think that the United States stands taller than it did before. I think that it stands weaker. It stands weaker because it has created far, far more dangers: the deployment of the Pershing II, the flight trajectory, and the threat of four to six minutes. These kinds of things are the tensions which create a war. There are far more SS-20s than there were before. There is a very large build-up in the Sea of Japan, the Kuril Islands and the surrounding areas of Soviet Typhoon submarines. Each submarine has 80 warheads. That kind of build-up is there.

There is a breakdown in the NATO alliance which is very serious, certainly at the political level. There is great concern among people in NATO about whether the alliance will continue in the way it has. I am speaking from the point of view of an American who would be of the middle to middle-right persuasion. We have a Lebanese situation which is frightfully dangerous and ridiculous. As well, there is the Grenada scene and the situation in Central America.

The most important issue is not whether we declare ourselves a nuclear free zone and test the Cruise, it is what will happen in the United States in the next six months. Anything we can do to help that situation, I am in favour of that. But, I will not count on us getting involved in something which will discredit Canada or create a situation in which we are turned down again. We cannot afford that situation. Although I agree with the Hon. Member, I am worried about other things which his Party does not seem to be worried about.

The Acting Speaker (Mr. Herbert): Order, please. I regret to interrupt the Hon. Member but his time has expired. Is the Hon. Member for Regina West (Mr. Benjamin) rising on a point of order?

Mr. Benjamin: No, Mr. Speaker, for debate.

The Acting Speaker (Mr. Herbert): For continuing debate, the Hon. Member for Victoria (Mr. McKinnon).

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, I am sorry to cut out the Hon. Member for Regina West (Mr. Benjamin), but having been faced with the choice a few moments ago between having to listen to his question or listening to the Hon. Member for Thunder Bay-Atikokan (Mr. McRae), it was a difficult choice to make.

I would like to compliment the Hon. Member for Beaches (Mr. Young) for producing the motion which is before the House today. I thought that he spoke very well on the subject. He has obviously done a lot of research and has presented a case which has some merit. There is quite a debate raging across the country at this time on the subject. I think that it deserves the time of the House. It is one in which people have opinions which are not diametrically opposed, but opinions which are at some variance from each other. A person would have to be a maniac not to be in favour of nuclear disarmament with the number of nuclear weapons in the world. Anything that can bring those weapons under control and disarm them is acceptable.

The Conservative policy for years has been that we would vote in favour of any measure for nuclear disarmament that would lead to a mutual, balanced and verifiable disarmament.

The resolution before us in part reads:

—the government should consider the advisability of declaring Canada a nuclear arms free zone—

I am grateful that the Hon. Member did not make the mistake that is frequently made which is to leave out "arms" and just ask for a nuclear free zone. That would no doubt upset Ontario Hydro considerably.

I think it would be in order to ask how Canada became a nuclear arms zone with nuclear arms. This is particularly important considering the sanctimonious protestations made by the NDP against the use of nuclear arms. If one reads *Hansard* of February 4 and 5, 1963, one will find out why Canada has nuclear arms. Those were in the days of the Right Hon. John Diefenbaker, who was then Prime Minister. Debate raged in that Cabinet. There are still least two Members of our Party who were in that Cabinet and who could provide the information if it were not for the Privy Council oath. However, it is obvious from the *Hansard* of the day a serious debate had

taken place in Canada during that time as to whether Canada should accept nuclear arms. The Right Hon. Lester B. Pearson, who was the Leader of the Opposition at the time, had a miraculous conversion. I believe that his speech was given in Scarborough, Ontario, which will be familiar to the mover of the resolution.

• (1750)

One night Mr. Pearson decided, after some 20 years of being opposed to nuclear weapons, even winning a Nobel prize for his peace activities, to suddenly be converted to nuclear weaponry for Canadians and the Canadian Forces within Canada. Then followed two days of very strong debate on the resolution which was introduced on February 4, 1963. Hon. Members interested in this subject would find it a fascinating two days of debate. The Hon. Member for Thunder Bay-Atikokan reminded me of some of the speakers whose speeches appeared in *Hansard* at that time. Mr. Pearson, who I believe was really quite sincerely dedicated to peace, was trying to explain why he was going to vote out the Diefenbaker Government which was insisting on not accepting nuclear weapons in Canada, namely the warheads for the Bomarc missile of that day. The debate went on with Mr. Pearson being rather devious about the motion and he was severely criticized by the Government side of the House for not being more specific about his motion. It was a supply motion. It was interesting to read the contributions made by Mr. David Lewis and Tommy Douglas who spoke for the NDP in that debate indicating that while they also greatly loved peace, they were going to vote for the Party which was going to bring nuclear arms to Canada.

Mr. Benjamin: He never said that!

Mr. McKinnon: So the only Party in the House which was opposed to nuclear arms in Canada was the Conservatives, and the New Democratic Party joined with the Liberals to vote it out of office, knowing full well that Mr. Pearson was going to bring in the nuclear warheads for the Bomarc missile. The Government was defeated in a subsequent election. The Liberals formed the next Government and allowed nuclear warheads into Canada, and they are still here today.

Mr. Benjamin: Point of order.

The Acting Speaker (Mr. Herbert): On a point of order, the Hon. Member for Regina West (Mr. Benjamin).

Mr. Benjamin: Mr. Speaker, I am sure my good friend, the Hon. Member for Victoria (Mr. McKinnon) would not want to mislead the House or misconstrue the record knowingly or unknowingly. I am sure he would want to include in his remarks that that was a vote of non-confidence in the Government which, he will agree, any opposition party would vote for. It was not a vote in support of nuclear weapons for Canada as advocated by Mr. Pearson. Would the Hon. Member be prepared to complete the record?

The Acting Speaker (Mr. Herbert): Order, please. That is not a point of order. It is just a point of debate.

Mr. McKinnon: Mr. Speaker, of course it is not a point of order. The Hon. Member for Regina West has not read the debate, obviously, and forgets completely that the New Democratic Party, being an opposition party, for 19 successive times in a row in 1973 and 1974 did not vote the Government out of office when it had the opportunity to do so.

Mr. Benjamin: We did so!

Mr. McKinnon: So he is just talking a lot of nonsense to support an unsupportable case.

Mr. Benjamin: I rise on a point of order, Mr. Speaker. That is clearly incorrect. It is not true. It was in 1974 we voted the Liberals out of office.

Mr. Young: We did it again in 1979.

Mr. Benjamin: The Tories!

The Acting Speaker (Mr. Herbert): Order, please. The Hon. Member for Regina West may have a difference of opinion. It is not a point of order.

Mr. Benjamin: Mr. Speaker, in the interests of accuracy—

The Acting Speaker (Mr. Herbert): The Hon. Member for Victoria.

Mr. Benjamin: —it was the NDP who voted the Liberals out of office in 1974.

The Acting Speaker (Mr. Herbert): Order, please.

Mr. Benjamin: I was here even if he was not.

The Acting Speaker (Mr. Herbert): Order, please. The Hon. Member for Victoria.

Mr. McKinnon: There is always a smidgen of truth in what the hon. gentleman from Regina West says. His Party supported the Conservatives after failing to support us in 19 successive votes of non-confidence in the Liberal Government. After voting with the Government 19 times, they eventually saw the light and voted with us in 1974, at long last, having missed all those other chances. It is always interesting to hear these inane comments and unknowledgeable questions from the Hon. Member for Regina West, but time is precious to those of us who have something to say, and I would like to press on. The last paragraph of the resolution reads:

> That, the Government should consider the advisability of encouraging cities, provinces and states throughout the world to undertake similar action.

Presumably that is a nuclear arms free zone action. However, I failed to notice in his remarks any reference to the Warsaw Pact countries which are states of the world. I wonder whether he intended to encourage them to undertake similar action and just how he intends to encourage them to do so. Mr. James Stark, the head of Dismantle, gave evidence on the referendum in front of the Standing Committee on External Affairs and National Defence in, I believe, 1982. I would like to read an excerpt from the committee report:

Nuclear Disarmament

MR. MCKINNON: I have just a couple of questions. Mr. Stark, if I understood you correctly when you were answering Mr. Wenman, you said the Warsaw Pact nations all assured you they would support your motion at the United Nations and would conduct a referendum within their countries. Did I understand you correctly?

MR. STARK: Yes.

MR. MCKINNON: What level was the Russian who told you they would conduct a referendum in their country?

MR. STARK: In new York I met with two representatives; the ambassador and one other. In Canada, I have discussed this with Ambassador Alexander Yakovlev at the Soviet Embassy and with the ambassadors of other Warsaw Pact nations. We had a representative of the Soviet Union at our conference last November on a panel with an American who said—stressing that they do not need a referendum in their country. He said publicly that they would support it in the UN and conduct it in their country. As I mentioned earlier, it would be a very inefficient, in fact, misleading initiative unless we were sure the Soviet nations would also participate. Frankly, we would have folded up the organization, Operation Dismantle, in 1979 had we not had an indication that the Soviets would participate.

Everyone knows that the Soviets did not participate and are not going to participate. The final proof of that might be a news item in *The Globe and Mail* dated May 23, and I quote:

Soviet dissident jailed for circulating petition

A member of an unofficial Moscow peace group has been jailed for 15 days for collecting 300 signatures on a petition calling for improved U.S.-Soviet relations, dissident sources said yesterday. Alexander Rubchenko, a 24-year-old artist, was sentenced Monday on charges of hooliganism. He was one of four members of the "Group of Trust" picked up on Friday. The others were released after police warned them they will be ordered to live away from Moscow if they petition people again. One member of the group said they will continue collecting signatures.

Therefore, this is going to be a one-sided effort if it ever did come to pass that we would declare ourselves to be a nuclear free zone, and convince other states to do likewise. So that I do not get accused of talking out this Bill, I will draw my remarks to a conclusion before six o'clock, Mr. Speaker.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Mr. W. Kenneth Robinson (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, unfortunately the time is about ended for this debate. However, I would like to go on record as saying that I support in principle what the Hon. Member for The Battlefords-Meadow Lake (Mr. Anguish) has been trying to say. Unfortunately, the Bill is substantially the same as the Bill we had last week, namely, Bill C-204. However, there are a couple of differences in the Bill and I suppose you might say that Bill C-203 does in effect improve Bill C-204. In any event, I believe the topic we are discussing, that is, the motion for a world referendum—

The Acting Speaker (Mr., Herbert): Order, please. I sincerely regret to interrupt the Hon. Member—

[*Translation*]

—but the hour provided for the consideration of Private Members' Business has now expired.

• (1800)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

CRIMINAL CODE—PRESENTATION OF OBSCENITY AMENDMENT

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, on April 18 I asked the Minister of Justice (Mr. MacGuigan) to consider taking out of the Criminal Code amendments in Bill C-19 the clauses on obscenity and bring them into the House for swift passage. I raised this because we know that obscenity is getting worse, pornography is growing, it is getting more violent and the police are saying that they are helpless to do anything about it. We have had examples in Toronto of stores selling video tapes, including very violent ones, to children. I do not want to get into the argument as to whether "snuff" movies, which have been reported to be sold, are real or not. Certainly we know that the violence is bad enough.

However, the Minister was very complacent. He said there are many parts of the Criminal Code which are of the utmost urgency. We need all of that Bill, not just parts of it. Well, there are other parts of Bill C-19 I would like to see passed as well. But certainly one of the most important must be the obscenity section. I remind the House that the Minister has had an entire year. He brought in draft legislation to this effect last June, yet we have not actually had any debate on the Bill. He is not moving ahead on this specific and very important part, nor is he moving ahead on the other parts of Bill C-19.

[*Translation*]

I am wondering whether the Minister of Justice and Attorney General of Canada (Mr. MacGuigan) is more interested in publicity for his Liberal Party leadership campaign than in concrete improvements or in amendments to the Criminal Code.

Two committees and one subcommittee are now considering that issue, but the Bill in question, Bill C-19, remains on the Order Paper and has not come up for debate. The Bill was given first reading in January, but since then the Government has not even set a single day aside for debate. In the meantime, pornography problems are growing worse. Yesterday, a representative of the *Réseau d'action et d'information pour les femmes* tabled before the subcommittee a brief describing his attempts to file a complaint against pornographic magazines in Quebec, and I had an opportunity to examine magazines depicting very violent scenes.

The police in Quebec have refused to act on those complaints because of loopholes in the existing legislation. It is quite obvious that legislative amendments have become neces-

sary. Those examples include pictures of naked and tied up women with a knife or a razor close to them. According to the present legislation, that is not obscene because no men are seen in the picture. In another example, a woman is shown fully dressed, but on her hands and knees and held on a leash like a dog. That is degradation, of course, but it is not obscene!

The debate on pornography has recently taken a very constructive turn, in my opinion. In its brief to the subcommittee, a delegation of the National Action Committee on the Status of Women has called for legal protection on grounds of the right to equality or non discrimination. Those women have told us that it is a human right to be represented as a human being, and that it would be a breach of that right to be shown as a dog or a vile being without self-respect who agrees to be tortured or enjoys vulgarities. I would suggest that the links between pornographic and real violence are strong enough to justify legislative amendments, particularly more severe sanctions. According to that line of reasoning, there is no need to establish such links to justify stronger legislation. The right to equality, human rights, call for that kind of protection.

● (1805)

[*English*]

The obscenity provisions brought forward in this legislation, which we have not debated, do go in the right direction and deal with degradation, and we need them, but I believe there is one thing that is wrong with the Minister's proposal. It would seem to be a loophole on account of the expectation that all provinces have censorship laws. This is a provision to require the permission of the Attorney General to prosecute when a film or video cassette has gone through a provincial classification censorship board.

However, not all provinces have censorship. The Province of Manitoba does not. It only has classification. Quebec, in effect, does not censor films or cassettes. This would impede prosecution for films or cassettes which could be extremely pornographic. I do not think that is a step in the right direction.

To conclude, I would ask the Minister again to move quickly on this issue. The problems are important. If he is really serious about dealing with violent pornography, we do not want more press conferences or promises, we want to get legislation in the House and have it passed.

Mr. Al MacBain (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, in response to the intervention of the Hon. Member for Broadview-Greenwood (Ms. McDonald), I just want to point out that the subject matter of Bill C-19, the omnibus Criminal Code amendments Bill, is before the House Leaders at this time. They will be deciding if there can be an agreement between them about how to deal with this Bill. I would not want to prejudice those negotiations at this time by any remarks I might make.

Adjournment Debate

TRADE—BEEF IMPORTS FROM COMMON MARKET COUNTRIES. (B) GOVERNMENT POLICY

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, I am pleased to respond in the adjournment debate this evening with respect to my question to the Minister for International Trade (Mr. Regan) which I posed last May 24, which appears at page 4010 of *Hansard*. At that time, the matter concerned beef imports into Canada from the European Common Market.

I want to take a moment to thank the Minister for International Trade, even though he is not in the House, for what I would call his careful answer on this subject at that time. I would point out as well that he was previously briefed several weeks ago by myself during a meeting of the External Affairs Committee when the Minister was a witness and I was on the committee.

I will give the Minister credit for a much better response last week in the House than the Minister of Agriculture (Mr. Whelan) provided on this same beef import issue when it was raised just one day earlier, on May 23, by my colleague, the Hon. Member for Portage-Marquette (Mr. Mayer). On that occasion the Minister of Agriculture deliberately avoided the beef import issue and instead gave us all a sermon on the benefits of marketing boards with supply management powers for our Canadian beef cattle industry. That subject was not the issue at all.

My personal concern about this matter is that we in Canada are the only country in the world with an established and significant beef cattle industry of our own that imposes no meaningful restraints on subsidized foreign beef exports. Our only practical limitation on this matter is our global beef quota of 145.1 million pounds under our Beef Import Act plus the companion Guaranteed Minimum Access, generally known as the GMA under the GATT Agreement.

Canada's total beef cattle industry is presently very upset and angry over the dramatic increase in European Common Market exports to Canada from countries such as the Irish Republic, Denmark, Holland, West Germany and possibly others. Such imported beef is presently entering Canada with export subsidies of 50 cents per pound or higher. That is in Canadian currency, paid for by the exporting country within the Common Market. We are understandably concerned about that huge stockpile of over 600,000 tonnes presently in storage in the common market.

● (1810)

I was particularly pleased with the Minister's response to my supplementary question when he extended a personal invitation in this House for me to visit with him in his office to discuss this issue later that same day. I was pleased to accept that invitation. I am sure the ensuing session was well worth while to both of us. As a result of that excellent private meeting, I would seriously suggest that the Minister for International Trade has received some inaccurate background information from his advisory staff on two items.

First, the Minister seems to feel that while our total beef imports may have changed as to their country of origin, the general total level of imports had not increased and was not excessive. This is certainly not the case. Our traditional imports from Australia and New Zealand have dropped somewhat, it is true, but this drop off has been replaced with huge amounts from the Common Market, all with export subsidies.

The second item that needs comment and correction is that the Minister seems to have been advised that Canada's global import quota of 145.1 million pounds will not be filled during the 1984 calendar year. Therefore, there should be no serious reason for our Canadian concerns. This is certainly not the case. The Canadian Cattlemen's Association has monitored these imports from all countries very carefully. The Association does this year by year. It is a very good source of information on this type of statistic. The Canadian Cattlemen's Association has always done this as a service for Canada's beef cattle producers and the total industry.

The CCA's considered opinion is that our global quota could be filled as early as August or September of this year, after which we can expect our live cow prices to drop rather sharply as a result of being forced onto the United States market in larger and larger numbers at that time of year. It is important to note that I think the Minister has the best of intentions. That was obvious to me when we had our private conversation. I think, however, he has not been properly advised, at least along those two lines. Admittedly it is difficult to keep on top of the pounds of imported beef coming into Canada. But this can be done. The Canadian Cattlemen's Association over the years has done a superb job of monitoring the numbers. Most of the figures come from the Government of Canada, from Statistics Canada. It is a matter of the Minister taking the time to assess the total situation and get a variety of expert opinions. That is available.

Mr. W. Kenneth Robinson (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, the Hon. Member for Medicine Hat (Mr. Hargrave) does make some very telling points. It is accurate to state that imports of beef into Canada have increased greatly when measured on a year over year basis. The information I have indicates that imports from all sources during the first four months of this year were 45.2 million pounds compared with 36.7 million pounds during the same months last year.

The Government shares the Canadian Cattlemen's concern about the rapid increase of subsidized beef imports into Canada from the European community. Since the beginning of the year, officials of the Department of External Affairs, in consultation with those from other Departments, have been monitoring and evaluating the situation closely in view of the potential destabilizing effect such imports could have on Canadian markets and trade patterns.

● (1815)

Strong representations have been made to the European Economic Community, urging it to cease the undercutting of the Canadian market. Canadian representatives to the GATT have also raised the issue. Although Canada has not received a formal response, I am informed that on May 12, 1984, the European Community reduced its export refund by 6.6 per cent. This is welcome, but the European Economic Community needs to do more. Canadian officials shall be raising this issue again with the European Economic Community next week on June 7 and June 8 in the regular review of Canada-European Economic Community problems.

Moreover, I believe that the Canadian Cattlemen's Association is preparing a submission requesting the application of countervailing duties on imports of Irish beef products. This submission will provide the Government the opportunity to evaluate if the industry is suffering injury due to these imports. Should this prove to be the case, appropriate action, consistent with Canadian law and our GATT obligations, will be taken.

SCIENCE AND TECHNOLOGY—MACDONALD COMMISSION'S APPROACH TO CHALLENGE OF TECHNOLOGY. (B) GOVERNMENT INVESTMENT IN RESEARCH AND DEVELOPMENT

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, I welcome this opportunity to elaborate upon the questions which I asked on April 17 in the House of the Minister of State for Science and Technology (Mr. Johnston), as reported at page 3136 of *Hansard*. At that time I was disturbed by the interim report of the Macdonald Commission which failed to recognize the importance of the new technologies that are now transforming global economies from one end of the planet to another. This represents a significant challenge to Canada. I must clarify that I am talking about the challenge to use technology to increase the wealth and income to be extracted from our traditional strong suits—our resource-based industries and our manufacturing enterprises. I am not just talking about high technology or micro-electronics in a narrow sense, but the equalization process which is under way in the world and the transformation of the economies of all nations this challenge is presenting.

I expressed my concern about the report of the Macdonald Commission entitled "Challenges and Choices" which left the impression that Canada perhaps had a choice as to whether or not it should increase its commitment to technological advancement, as if we could stand idly by and watch these rapid transformations occurring throughout the world and not become involved by way of a major change or shift in the priorities of our nation and of the federal Government, particularly.

The approach taken by the Macdonald Commission, in not coming up with specific proposals or a categorical position on the issue, not only flies in the face of the facts as they reveal themselves around the world but seems contrary to the submission of the Minister of State for Science and Technology to the Macdonald Commission last October, wherein he included a call for a major increase in Canada's commitment to research and development. At that time he stated that the Government's target would be 1.5 per cent of Gross National Product being invested in research and development by 1985.

On April 17, I sought the Minister's assurance that he stood by his earlier commitment and asked whether he was happy with the ambivalent approach of the Macdonald Commission to technology. What I received back was worse than ambivalence. Specifically I asked the Minister:

—does he still support his submission to the Commission where he said that Canada must raise its commitment to research and development in a major way—

He said, and I repeat, "that Canada must raise its commitment to research and development in a major way." His contradictory answer to the question was: "clearly I stand behind the submission I made to the Macdonald Commission." He went on to indicate:

—the Government's commitment to research and development has been consistent . . . and has not decreased—

Is his statement that Canada's commitment to science and technology has not decreased the same as his earlier one that Canada should raise in a major way its national investment in research and development?

The Minister's answer shows that the Government has had no serious intention of increasing its expenditure on and encouragement of research and development, despite its long-standing pledge, going back several years, to raise this investment to 1.5 per cent of GNP by 1985. Indeed, if we go back to 1968 at about the time the present Prime Minister (Mr. Trudeau) took office, Canada was spending 1.5 per cent of its GNP on research and development. In the intervening decade or more, our investment in research declined in a rather drastic way.

● (1820)

This tendency has continued as confirmed by Statistics Canada's annual science bulletin which was issued just a few weeks prior to the Macdonald report. The Stats Can report released a couple of months ago said that Canada's investment in research and development had dropped from 1.29 per cent of GNP to 1.28 per cent in 1983 and will drop further to 1.24 per cent in the present financial year. This means that the Government has failed miserably in its attempt—if there has been any attempt at all—to meet its modest goal of spending 1.5 per cent of GNP on research by 1985. The amount of 1.5 per cent of GNP equates to about $6 billion. That is less than one-third of what we pay in this country merely to service our national debt. It is an investment which absolutely must be made by the nation.

The Minister did not dispute the fact that statistically our commitment to research had declined. In fact, he confirmed it with his attempt at excuse-making. Specifically I asked the Minister, "Does the Mnister have an explanation as to why in the two years he has been Minister of State for Science and Technology Canada's investment in research and development has dropped—?"

The Minister gave two strangely incongruous reasons for this decline. First he said, "That is one of the outcomes of any recession", implying that national incomes had dropped and therefore we spent less. In the same answer he said that this occurred because of the economic growth during the period. To my naive way of thinking, those two statements appear to be totally contradictory.

The Acting Speaker (Mr. Herbert): Order, please. I regret to interrupt the Hon. Member but his time has expired.

[*Translation*]

Mr. Rolland Dion (Parliamentary Secretary to Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, it is with great pleasure that I rise in the House this evening to answer the question put by the Hon. Member for Richmond-South Delta (Mr. Siddon) concerning the federal Government's commitments to research and technology.

I am pleased with this opportunity to address the House this evening regarding the federal Government's support for research and development and technological growth in Canada. I have no reason to doubt the seriousness of this Government's commitment to increasing research and development, and I can give an example to prove it.

Since the Government set its objectives for research and development spending, gross national expenditures in those areas have increased substantially. In 1979, gross expenditures for research and development represented 1.02 per cent of GNP. The latest figures provided by Statistics Canada show that in 1982, gross expenditures in those areas accounted for 1.29 per cent of GNP and it is expected this will be 1.28 per cent for 1983.

The ratio of these gross expenditures to GNP for the last two years is not as high as expected, mainly because Statistics Canada's previous assessments of GNP were very conservative. Our present economic growth is far more dynamic than was forecast, and consequently, if we express research and development as a percentage of today's expanding economy, it has not expanded to the same extent. Furthermore, some R and D expenditures planned for 1983 did not take place, especially in the sector where spending by the oil and natural gas industry has dropped compared with previous forecasts.

Mr. Speaker, I could say more on the subject, but since I have only three minutes, I shall simply add that as far as technological development is concerned, I can assure you that the Government's commitment to investing in research and development is both substantial and sustained, and those must be my last words since my time has expired.

The Acting Speaker (Mr. Herbert): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 2(1).

At 6.26 p.m., the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, May 30, 1984

The House met at 2 p.m.

• (1405)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

EXTERNAL AFFAIRS

WORLD MILITARY EXPENDITURES—SUGGESTED ONE-YEAR FREEZE

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, the 1985 estimate for world military spending is $1 trillion. A thoughtful news feature in *The Toronto Star*, dated May 16, quoted Canada's former ambassador to the United Nations and NATO, George Ignatieff, as saying: "It is terrible, absolutely mindless spending".

That same trillion dollars, if submitted to an international pool, would change the face of the planet. It could feed 650 million people threatened with starvation. It could help more than 100 Third World countries attain self-sufficiency. It could start a global clean-up of deadly pollutants, and put most contagious diseases under control.

The United Nations Food and Agriculture Organization claims that only 10 per cent to 15 per cent of the trillion dollars could end world hunger. Could a freeze on military spending around the world for one year become the first project for the Canadian Institute for International Peace and Security?

Approximately 40,000 children die each day from hunger and disease and, for every one who dies, six others live on without food in ill health.

I realize the solution I propose is highly idealistic but no greater than cramming men into machines and blasting them into outer space.

* * *

NORTH ATLANTIC TREATY ORGANIZATION

LEVEL OF CANADIAN SUPPORT

Mr. Ron Stewart (Simcoe South): Mr. Speaker, this week the 16 Foreign Ministers of the NATO countries meet for the Alliance's thirty-fifth anniversary meeting. "Peace and freedom through deterrence" has been NATO's strategy since 1949, and it has been a successful one. This strategy has worked as a deterrent to Soviet aggression since 1949 because NATO members have remained firm in their resolve, despite the best efforts of the peace movement, that pledging a no first use of nuclear weapons would encourage Moscow to launch a conventional attack on western Europe.

At the Atlantic Treaty Association conference last year NATO Secretary General, Joseph Luns, made the following observation:

> It has always been an imbalance in weaponry and manpower, coupled with a desire to impose one's will on others by force, which has led nations to consider it worth the risk of beginning a war . . . The safest way to preserve peace is to ensure as close a balance as possible between the arsenals on each side.

That is the principle which must guide the Alliance in the future as we seek fair and verifiable agreements with the Soviet Union.

As Canadians we must live up to the goals to which we are committed. Estimates of defence expenditures as a percentage of Gross Domestic Product for 1983 place us at the bottom of all NATO partners with 2.1 per cent, just ahead of Luxembourg. Our NATO partners deserve and expect more from us in the future.

* * *

[*Translation*]

ENVIRONMENTAL AFFAIRS

ALLEGATIONS MADE BY QUEBEC MINISTER OF THE ENVIRONMENT

Mr. Pierre Gimaïel (Parliamentary Secretary to Minister of State (Mines)): Mr. Speaker, last week I heard on the news that the Quebec Minister of the Environment was very proud of the fact that the provincial government was going to proceed with a program to renovate the copper smelter facility at Noranda. Surprisingly, the Minister announced the policy only a few days after the Hon. Minister of Energy, Mines and Resources of the Government of Canada had released a report on non-ferrous metals and smelters across Canada. For over two years, the Quebec Minister has failed to show any concern about the acid rain issue. Now that the Government of Canada has released an excellent and well-researched report, describing the policies and technologies that must be introduced to fight acid rain and upgrade existing technology in non-ferrous smelters, it is rather surprising to see the provincial government wake up all of a sudden and ask for federal assistance, especially since it was at the Federal-Provincial Conference, boycotted by the Quebec Minister of Energy and Resources, that the federal Minister asked for implementation of such policies.

Finally, Mr. Speaker, I would like to point out that the only province that was politically hostile and refused to offer any co-operation at the ministerial level with respect to preparing for and organizing the conference, was unfortunately, my home province, the province of Quebec. I think it is unfortunate, because for the benefit of all Canadians, the Government—

Mr. Speaker: Order. The Hon. Member's time has expired. The Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie).

* * *

[*English*]

BANK ACT

ROYAL BANK'S CAR BUY-BACK PROGRAM

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I should like to recall the attention of the House to the issue of the Royal Bank's car buy-back loan program, an issue which was previously raised by my colleague, the Hon. Member for Winnipeg North (Mr. Orlikow), on May 11.

Automobile dealers in my riding have expressed to me what I think should be a concern of all of us in the House, that the Royal Bank may be flouting the will of Parliament by implementing what could well be argued is the leasing of vehicles, an idea which the House rejected when we last debated the Bank Act. It was the clear intent of the House at that time that banks not be allowed to get into the business of leasing vehicles. The Royal Bank's buy-back plan, for all practical purposes, is a form of closed-end leasing under a different name.

The Minister of State for Finance (Mr. MacLaren) indicated to my colleague on May 11 that the Royal Bank plan was under review and that, when the review was completed, he would be able to give an answer. I call upon him to come forward soon and indicate whether the Government intends to let the Royal Bank get away with this or whether it intends to do something about it.

* * *

● (1410)

THE CONSTITUTION

UNDERLYING PRINCIPLES—PLEA FOR PROCLAMATION OF DAY OF PRAYER

Mr. Bill Yurko (Edmonton East): Mr. Speaker, the very first paragraph in the Constitution Act, 1981, which is Canada's Constitution, states: "Whereas Canada is founded upon the principles that recognize the supremacy of God and the rule of law."

Just how would the Supreme Court interpret and uphold these principles? So I dare ask this Parliament, which passed this Constitution Act, what are these principles? Where are they transcribed? How is this nation, Canada, which is founded upon these principles, to know these principles? Are these principles taught in our schools, in our homes, in our churches, or in our institutions?

On November 23, 1983, I suggested in this assembly that this Parliament proclaim a Day of Prayer in Canada in early 1984, a day on which each of us might dwell upon these principles, a day on which we might all pray for world peace and brotherhood, a day on which each of us, after his or her own manner, can quietly recognize the supremacy of God.

* * *

[*Translation*]

FEDERAL-PROVINCIAL RELATIONS

TRANSFER PAYMENTS TO QUEBEC

Mr. Jean-Guy Dubois (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, yesterday I made a statement under the provisions of Standing Order 21 about fiscal transfer payments to the province of Quebec.

Today I noticed, and my hon. friend for Lac-Saint-Jean (Mr. Gimaïel) will corroborate me on this, an article in the newspaper *La Presse* which reported some comments made by the Member for Argenteuil in the National Assembly, Mr. Claude Ryan, who gave some very telling figures. I want to congratulate him and thank him for what he said to the PQ counterparts in Quebec, namely, that if the provinces have the means "to provide plans for free health insurance, hospital insurance, and school and university tuition programs, it is because federal transfer payments made these plans possible. We could not have done this alone. We must realize that! And when we are talking about the pros and cons of the federal system, these are points that must be conceded." Mr. Ryan also commented that between 1974 and 1984, transfer payments received by Quebec from Ottawa increased by 346 per cent. During the same period, Quebec's own tax revenues increased by only 240 per cent. Federal transfer payments represented the following percentages of the federal Budget: 4 per cent in 1937, rising to 8 per cent in 1960 and 20 per cent in 1983. Those are the advantages of Canadian federalism and that is the kind of thing Quebecers should be told, to encourage them to remain in Confederation and continue to be a part of Canada. The province of Quebec must continue to be a part of this country!

* * *

AGRICULTURE

FINANCIAL AID PROMISED TO UPA BY CERTAIN LIBERAL MEMBERS

Hon. Roch La Salle (Joliette): Over a month ago, Mr. Speaker, Quebec UPA spokesmen and certain Government Members met with the Minister of Agriculture to seek finan-

cial assistance as a result of the drought experienced last summer by farmers in many Quebec ridings. Following that meeting, the Minister of Agriculture said that he would be prepared to compensate those farmers, provided his provincial counterpart made an official request. On April 16 last, the Quebec Minister of Agriculture submitted an official request for federal Government assistance. In response, the federal Minister of Agriculture simply said that the request was worthless since his Quebec colleague did not make a cost-sharing proposal.

That, Mr. Speaker, is an unbelievably stupid joke on the part of certain Government Members who had promised financial aid to the Quebec UPA. Given the condition laid down by the Minister of Agriculture, Mr. Speaker, it was a stupid joke in the circumstances, and I urge the Minister and his Quebec colleagues to elicit an affirmative response from the federal Government, with generous aid, as was done for other regions of the country two or three years ago, and for the same reasons, Mr. Speaker.

That is why I insist and ask Members opposite to stop being such hypocrites when the basic needs of Quebec farmers are involved.

• (1415)

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

STATEMENT BY CHAIRMAN OF CANADIAN MANUFACTURERS' ASSOCIATION—REQUEST FOR NEW POLICIES

Hon. Brian Mulroney (Leader of the Opposition): Mr. Speaker, my question is directed to the Minister of Finance. The National Chairman of the Canadian Manufacturers' Association said yesterday that the recovery had turned "generally flat". According to Mr. German, the manufacturing sector had recovered only about 40 per cent of the 300,000 jobs that were lost during the recession. He said that the recovery is still "very hesitant, very uneven and very fragile". Does the Minister agree with the assessment made by the Chairman of the CMA? If so, will he be unveiling any new policies designed to meet this problem, particularly for the 550,000 young people who are out of work and who, it would appear, will be out of work for an extended period of time? Will the Minister be unveiling any new policies in light of this statement?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I would first like to welcome the Leader of the Opposition back to the House after a long absence.

Some Hon. Members: Hear, hear!

Mr. Lalonde: I suspect that he found that the more he travelled within Canada, the worse his Party was doing, so he decided to try his luck in the House. I welcome him back and we will see how it will all end up.

I would like to point out to the Hon. Member that there has been a significant recovery in Canada. As a matter of fact, in the first quarter of 1984 the economy recovered all that which had been lost during the recession. We have succeeded in overcoming our position of 1981 before the recession. Unfortunately, we have not yet recovered all of the jobs that were lost, and this is something we are addressing consistently. That problem was addressed in the last Budget of February 15 and is being addressed through the numerous programs that are being implemented by the Department of Manpower and Immigration.

The recovery has been going on. The growth of the Gross National Product in the first quarter of 1984 was in the range of 1 per cent, which is what I had foreseen in the Budget, and I see no reason to believe that we will not continue to see significant growth during 1984.

HOUSING STARTS—REQUEST FOR MEASURES TO ASSIST CONSTRUCTION INDUSTRY

Hon. Brian Mulroney (Leader of the Opposition): Mr. Speaker, as the Minister knows, housing starts are the alarm bell of the economy, and housing starts were down by 37,000 April to April this year as compared to last year. This has resulted in approximately 100,000 lost jobs. In light of this, what economic measures is the Minister planning to introduce to assist the construction industry so that it may climb out of the very serious doldrums into which it has been placed by the policies of the Government, including its high interest rate policies? Will he outline some specific programs today?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I would first like to remind the Hon. Member that, in his absence, we have discussed the interest rate policy extensively and it has been demonstrated that the Government does not have a high interest rate policy.

Some Hon. Members: Oh, oh!

Mr. Lalonde: On the contrary, we have had a consistent policy of keeping the lowest possible interest rates in this country. This can be shown by looking at Canadian interest rates as compared to those of the United States. Even today the prime interest rates in Canada are half a point below those in the United States. Average mortgage rates, on a consistent basis, are lower in this country than in the United States. The Hon. Member should realize that we have indeed pursued a policy of having the lowest possible interest rate.

Regarding housing starts, it is true that they have not grown as fast as they did last April. However, the Hon. Member will recognize that in the first quarter of this year the increase in housing starts was about 6.3 per cent over that of the last quarter of 1983. He will also recall that in the first part of 1984 we were engaged in a program of very active stimulation

through grants for housing construction, which was terminated in April. There was a very strong demand for housing then because the program of subsidizing the purchase of homes was to conclude at the end of April or early May. That resulted in an artificial increase in the construction rate at that particular time. We foresee that during the course of this year we will see further increases in the rate of housing starts.

• (1420)

INQUIRY WHETHER NEW BUDGET BEING PREPARED

Hon. Brian Mulroney (Leader of the Opposition): The current economic analysis by Statistics Canada shows that of the ten leading economic indicators by which one can objectively judge the performance of the Government, six of them are in a state of sharp decline. Since it is becoming clear by any objective standard that the Minister, and his budgetary statements, have clearly misjudged the ailments, and the remedies which should be brought to the economic problems, can the Minister inform the House whether he has instructed his Department to prepare a standby budget, or one which can be brought forward quickly after a new Liberal leader is selected? In other words, it is generally acknowledged that the economic measures have failed. In an attempt to save his own job, does the Minister already have on standby his own Budget to be brought in when the next Liberal leader orders him to do so? Can he tell us that now?

Hon. Marc Lalonde (Minister of Finance): First of all, Mr. Speaker, the Leader of the Opposition should not only have referred to the next Liberal leader but also to the next Prime Minister after the leadership convention, and after the election.

Some Hon. Members: Hear, hear!

Mr. Hnatyshyn: *Pro tem!*

Mr. Lalonde: I repeat, after the election also. As far as measures are concerned, I would invite the Leader of the Opposition to convince his Party, and the opposition generally, at least to support the measures which are before this House, which will help the consumers, the housebuilding industry, and the citizens who want to purchase homes.

There is now before this House a Bill providing for mortgage interest rate protection. There is, as well, a Bill amending the Interest Act, which will help home buyers to receive more security and safety in terms of their mortgages. This Bill is before the House now. It will ensure significant protection to Canadian citizens, and I would hope that the Opposition would give it speedy consideration and passage. This is one measure which is right before the House today which is going to be of significant benefit to Canadians. It is supported by all the parties involved in the construction and housing industry, and the Opposition is still dragging its feet.

CREATION OF JOBS—COMPARISON WITH UNITED STATES

Hon. Michael Wilson (Etobicoke Centre): As a supplementary, Mr. Speaker, I would say to the Minister of Finance that if he is so confident about who is going to be the next Prime Minister, I hope he will tell the next Leader of his Party to call an election, because we are ready for one right here.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please. The Hon. Member for Etobicoke Centre has the floor.

Mr. Wilson: Thank you, Mr. Speaker. I see that there are a number of Hon. Members in the back row across the way who are waving goodbye to you. They are not expecting to be back here after the next election.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. Wilson: I want to point out to the Minister of Finance that Statistics Canada shows that in the past nine months in Canada only 99,000 jobs were created, or approximately .9 per cent. In the United States a comparable figure shows 3,177,000 jobs were created, or 3.1 per cent. That is more than three times a better performance in the United States. Can the Minister give any explanation for this far better performance in the United States other than the series of bad economic decisions taken by his predecessor and by himself since 1980?

• (1425)

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, first of all I cannot understand the suicidal bent of the Hon. Member. I am sorry that he is so eager to leave politics, together with his Leader, but I will certainly transmit to our new Leader and new Prime Minister the request of the Hon. Member, and I hope he will give it favourable consideration.

As to the question, I invite the Hon. Member to look, not only on a selective basis in selective periods, at the job creation record of this Government over the years, and the last few years in particular. Look at it ever since 1968, for example. He will find that since 1968 this Government has created proportionately 40 per cent more jobs than in the United States. That is the record this Government has behind it.

Mr. Wilson: Mr. Speaker, I should remind the Minister that I am looking forward to a long and successful career in politics. I am not looking for a job over in Europe right now.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

IMPACT OF INTEREST RATES—GOVERNMENT JOB-CREATION PROGRAMS

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, the Minister commented about not having a high interest rate policy. The fact of the matter is interest rates are higher today than they have been for a long period of time.

Mr. Deans: You are in favour of high interest rates, you hypocrite.

Mr. Wilson: Housing start rates in February were 153,000, in March they were 131,000, and in April they were 126,000. Consumer spending is also expected to be affected badly by interest rates.

Mr. Deans: Tell the truth, Wilson.

Mr. Wilson: In what sectors of the economy is the Minister looking for new jobs to be created? Can you hear my question?

Some Hon. Members: Oh, oh!

Mr. Wilson: In what areas of the economy is the Minister looking for new jobs to be created? Or is it in fact true that he has ordered his staff to start preparing a new budget in the Department right now so it will be ready for the next Prime Minister?

Hon. Marc Lalonde (Minister of Finance): As far as the job in Europe is concerned, Mr. Speaker, the Hon. Member does not need to worry. No one is going to put his name forward.

Some Hon. Members: Hear, hear!

Mr. Stevens: They did not offer you one either.

Mr. Lalonde: My concern for him is what he will do when he has neither a job in Europe nor here after the next election.

As far as the question is concerned, I have indicated that we are trying to create jobs in all areas of the economy, both by direct government support through the national recovery program, the Special recovery projects, the billions of dollars that the Department of Manpower and Immigration is spending in the form of training and direct job creation, and also through the billions of dollars of tax incentives we have provided for the private sector generally. These incentives are available to the private sector to make use of, and we have indicated that we have put forward programs of special interest and advantage to small business. Small and medium business is and will continue to be the main job creator in this country. We are behind it in that effort. I am convinced that with the co-operation we have succeeded in achieving between labour, management, and Governments, we are going to be able to create the required jobs.

Oral Questions

SOCIAL SCIENCES AND HUMANITIES RESEARCH COUNCIL

SIZE OF BUDGET ALLOTTED BY GOVERNMENT

Ms. Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, my question is for the Minister of Communications and concerns the federal Government's funding of the Social Sciences and Humanities Research Council. He will of course know that in 1983-84 the total budget of the SSHRC was $60.048 million, and in the fiscal year 1984-85 the total budget has dropped to $58.869 million. This is due to the failure of the Government to renew the allocation of money for research in areas of national importance. The SSHRC has suffered an actual reduction in its total budget.

● (1430)

In the meeting of the social development committee, which I believe is taking place today or tomorrow, will the Minister take the side of the granting council and the SSHRC for a change, and urge upon his fellow Ministers a continuation of the special funding which was allocated for matters of national significance? Will he urge that upon his fellow Ministers?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, I have always taken the side of the granting council. If there was a special budget of $5.9 million a year over three years which was given to the SSHRC three years ago, it was in good part because of my intervention with my Cabinet colleagues and, of course, because of their endorsement of the very high importance that the Government gives to the development of the humanities and research and social sciences in general in Canada. The Council has received for this year an appropriation equivalent to inflation. It has also received an increase of $2 million a year into its base budget.

Ms. Jewett: That is not true.

Mr. Fox: If the Hon. Member is interested in listening to the answer, I will give it. I have also indicated quite clearly that the Social Sciences and Humanities Research Council is preparing a five-year plan which will be going before my Cabinet colleagues. At that point we will be in a position to examine the requirements of the SSHRC over the years to come. I have not said that the $2 million was the only increase they would be receiving.

Ms. Jewett: Mr. Speaker, that is extremely deceptive. There was no increase of $2 million. The total budget of the SSHRC, as I have said, was reduced by $1,179,000. The total budget was reduced.

Mr. Fox: Not true.

Ms. Jewett: The Minister is deceiving us when he says it was increased by $2 million.

Mr. Fox: Not true.

Ms. Jewett: I also want to remind him that it was not $5.9 million. It was $11.5 million over three years.

Oral Questions

COUNCIL'S REQUEST FOR ADDITIONAL FUNDING

Ms. Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, since the Minister has both of those figures wrong, will he realize that the request of the Social Sciences and Humanities Research Council is for at least an additional $5.8 million for this fiscal year? Is he going to support that request in the social development committee and Cabinet?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, I think the Hon. Member should have a look at the balance sheet. There was a program established three years ago, which was temporary in nature, to give an amount of funds to researchers in Canada to do studies on matters which we consider to be national objectives and which the SSHRC and the community in general agreed were of importance to the country. That program came to an end. That was not an amount which was in the base budget of the SSHRC. If the Hon. Member wants to go through the figures she should have a look at what is the base budgeting of the SSHRC. The Hon. Member will see that the SSHRC has not only received increases for inflation, but has received an increase of $2 million in the base of the SSHRC. We have gone on to say that the SSHRC is in the process of providing us with a five-year plan. Obviously, if that five-year plan makes sense, and having seen it I know it makes sense, I would hope that we would be in a position to obtain more funding for the important area which is represented by the SSHRC.

Ms. Jewett: Mr. Speaker, the Minister is quibbling. I was talking about the total budget rather than the base budget. That is what I was talking about, and that is what he keeps avoiding. He is therefore undermining the Social Sciences and Humanities Research Council.

* * *

MUSEUMS AND ART GALLERIES

CANADA MUSEUMS CONSTRUCTION CORPORATION—PRIVATE FUNDING CAMPAIGN

Ms. Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, since I am discussing matters of a funding nature with the Minister, who is also responsible for the Canada Museums Construction Corporation, will he explain to the House why he has authorized that Corporation to raise $24 million in private funding when all three Parties in the House agreed only the other day that the new Peace Research Institute should not seek out private funding but should be supported by government funding? Why is he allowing the Museums Construction Corporation to seek $24 million in private funding, which is robbing all the smaller museums in Canada of money from the private sector?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, we have indicated a very strong and clear commitment by the Government to the arts in Canada. We have made sufficient funds available to the Museums Construction Corporation to build two museums in the national capital area. The National Museum of Man is to be built on the Hull side, and the National Gallery is to be built in Ottawa.

The amount of $190 million has been allocated. While that amount is sufficient to build those museums, if we want those museums to have an outward appearance that Canadians from coast to coast would be proud of, we feel it would be interesting to obtain additional funds from the private sector. This would allow Canadians from coast to coast to participate in the building of each museum and to feel that it is not only a museum given to them by public funds, but also a museum which they have participated in building themselves.

Ms. Jewett: Inconsistent.

* * *

FARM CREDIT CORPORATION

INTEREST RATE CHARGES—REFERENCE TO PROJECTED INCREASE

Mr. Lee Clark (Brandon-Souris): Mr. Speaker, my question is for the Minister of Finance. Both *The Globe and Mail* and *The Western Producer* have quoted Farm Credit Corporation officials as saying that their lending rate will likely increase by 1 per cent in mid June, even though their lending rate is already at the unacceptable level of 14 per cent to 15 per cent.

In light of the near record number of farm bankruptcies which have already occurred, and in view of the fact that the Bank of Canada rate has declined slightly in the past two weeks, will the Minister reassure Canadian farmers that there will be no increase in the Farm Credit Corporation's lending rate in June? In fact, will he reassure Canadian farmers that there will be no further increase throughout the balance of this calendar year?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member should not necessarily expect the situation to grow worse, and everything he has heard is nothing more than speculative guesses which are now being conveyed by certain media. He knows that the lending rates of the FCC are geared to the interest rates it has to pay to borrow. If, as the Hon. Member indicates, the interest rates—particularly those of the Bank of Canada—seem to be declining, he ought to be encouraged by this trend and assume that interest rates will remain stable. However, I will do as he does and wait to see how interest rates will perform, and he will have to see what happens before year's end.

[*English*]

Mr. Clark (Brandon-Souris): Mr. Speaker, I wish the Minister had gone one step further and made the promise I sought. If he had done that, he would have given Canadian farmers the reassurance they need at this point in time.

CORPORATION'S LOSSES

Mr. Lee Clark (Brandon-Souris): Mr. Speaker, one of the reasons that Farm Credit Corporation lending rates are so high is that the Farm Credit Corporation is expected to recover the losses which have already occurred on FCC loans, at least in part as a result of the Government's failed policies. Why does the Minister expect future borrowers to pay for the losses which have already been incurred by others who have preceded them?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, that is a strange question, to say the least. The Hon. Member knows that the corporation has to recover its losses and, obviously, if it incurs deficits as a result of unexpected interest rate increases and its inability to recover as much in loan repayments as it has to pay for its borrowings in the first place, then it has to make the necessary adjustments to balance the books. That is not shrewdness but mere wisdom.

[*English*]

CHANGE IN METHOD OF COMPUTING INTEREST

Mr. Mel Gass (Malpeque): Mr. Speaker, my question is also for the Minister of Finance. The Farm Credit Corporation has changed its method of computing interest on farm loans. On loans that farmers had opted to repay annually the interest used to be compounded annually. It is now being compounded semi-annually. Why has the Government changed its method of computing the interest rate for farmers? Why has the Government seized on an opportunity to squeeze more money out of farmers by using a very sneaky and underhanded method?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I shall enquire from the Farm Credit Corporation what procedure they have implemented, and I shall report to the Hon. Member. However, if the Farm Credit Corporation is doing as bad as the Opposition claims it does, could the Hon. Member explain to me how its total loans could have increased from $500 million to $800 million in less than two years. Unlike the Opposition, Canadian farmers are satisfied with the services provided by the Farm Credit Corporation.

[*English*]

COST TO FARMERS

Mr. Mel Gass (Malpeque): Mr. Speaker, for the Minister's information, the Government has changed the method. On a loan of $100,000 with interest compounded annually, payments used to be $15,098. On the same loan with the interest compounded semi-annually the payment is $15,526.

Some Hon. Members: Shame.

Mr. Gass: That is an additional $8,566 over 20 years which the farmer has to pay. How can the Minister justify such shameful, deceitful treatment of farmers?

• (1440)

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I have already replied to this question when I said that I would enquire from the Farm Credit Corporation. But again, the Hon. Member should know that the money the Corporation is lending had to be borrowed on the marketplace. Therefore, before lending to farmers and producers, it must make sure that it will receive sufficient funds from its borrowers to cover at least what it has to pay to borrow on the marketplace. I suggest again that this is somewhat elementary. The Hon. Member is aware that the Farm Credit Corporation must strive to be self-financing. As a matter of fact, because of the problems encountered by farmers over the past year, the Corporation is now faced with a major deficit. We have taken this reality into account. But the Farm Credit Corporation is anxious to re-establish its financial standing, as is required by law.

* * *

[*English*]

CO-OPERATIVES

TASK FORCE RECOMMENDATION ON WORKERS' CO-OPERATIVES

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, my question is for the Prime Minister. It concerns the Government's position on the key worker co-op recommendations in the Government's financed report by the National Task Force on Co-operative Development, filed with the Government yesterday. As the Prime Minister will recall, the Minister of State for Economic and Regional Development had obvious difficulty answering the question from my colleague, the Hon. Member for Prince Albert, in the House yesterday, in determining whether he was answering as a Liberal leadership candidate or answering as a Minister.

Will the Prime Minister and the Government accept the following key recommendation of the Co-op Task Force, namely, that the federal Government should endorse worker co-operatives as a priority vehicle for employment generation? It should also make funding assistance available to the co-operative movement for the staff work of the steering committee, or for regional development assistance agencies, and for the creation of a pool of start-up funds or start-up guarantees for individual employee owned co-operatives. Will the Prime Minister give an indication of the Government's response to that key recommendation?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the matter is up for government consideration. I will take the Hon. Member's question as a representation.

Oral Questions

CONSULTATION WITH CANADIAN LABOUR CONGRESS REPRESENTATIVES

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, yesterday the Minister of State for Economic and Regional Development indicated as a leadership candidate that he accepted the key thrust of the report. I would hope that the Prime Minister and the Government after some deliberation—it is a government financed report—would also give a positive answer.

Concerning that matter, recommendation 12 of the task force report states that a steering committee should be set up with representatives of the established co-operative movement and emerging worker co-operatives. I am sure the Prime Minister would agree that one of the things we must do is maximize consent to and minimize dissent from the concept, if we want to go ahead. To that degree, would the Prime Minister assure the House in any such development that representatives of the Canadian Labour Congress Joint Committee on Labour and Co-ops would also be included in such consultations so that we can, as I said, maximize consent to and minimize dissent from what is a very positive recommendation from a long awaited task force report?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member refers to a leadership candidate's position. I take it that he is making representations to one of the candidates because one of them will become Prime Minister. I, myself, have only until midnight tonight to become a leadership candidate. I believe the entries are closed after that, so I will take notice of the question of the Hon. Member.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

* * *

HOUSE OF COMMONS

PRESENCE IN GALLERY OF THE VICE-MINISTER OF PUBLIC HEALTH OF THE PEOPLE'S REPUBLIC OF CHINA

Mr. Speaker: May I call to the attention of the House the presence in the gallery of a delegation from the People's Republic of China, led by the Hon. Tan, Yun-He, Vice-Minister of Public Health.

Some Hon. Members: Hear, hear!

* * *

[*Translation*]

SOCIAL SECURITY

ALLEGATIONS MADE BY QUEBEC MINISTER

Mr. Raymond Savard (Verdun-Saint Paul): Mr. Speaker, my question is for the Minister of National Health and Welfare. Today I was reading a statement made by Minister Camille Laurin, in which he said that he would like to withdraw from all federal old age security programs.

I would like to ask the Minister of National Health and Welfare how she reacts to such a statement.

Hon. Monique Bégin (Minister of National Health and Welfare): Mr. Speaker, I think Dr. Laurin should rather concentrate on the problems of his hospitals, especially the one in Dolbeau, instead of trying to wreck the old age pension system which works quite well and to the satisfaction of Quebec senior citizens.

If Dr. Laurin and the Quebec Government want to hand out supplementary benefits immediately to people between 60 and 64, for instance, there is nothing to prevent them from doing so. However, I do not see why they would want to get rid of something which has very well served Quebecers and will soon do even better since it will provide an additional $50 for single recipients within the next few weeks.

[*English*]

INCLUSION OF WORKMEN'S COMPENSATION PAYMENTS IN DETERMINING ELIGIBILITY FOR GUARANTEED INCOME SUPPLEMENT

Mr. Bruce Halliday (Oxford): Mr. Speaker, my question is for the Minister of National Health and Welfare. On January 31, 1984, I asked the Minister a question regarding the effects of Bill C-139 on recipients of the guaranteed income supplement, to which she gave an answer which might have been logical and rational for an altogether different question. I will try again. Is the Minister aware that Bill C-139, in Clause 26, requires old age pensioners to declare workmen's compensation pensions in their declaration of income for the calculation of eligibility for a guaranteed income supplement, and does she approve of this attack on senior citizens who are recipients of GIS?

Hon. Monique Bégin (Minister of National Health and Welfare): Mr. Speaker, I must say, and maybe the Prime Minister will not like to hear this, but personally I would love to have no deductions made to pensions for seniors. But that is not very fair. Let me take the trouble to go one step further in the reasoning. I know that workers who get a private disability benefit when they are retired must declare that benefit. They have always had to declare it because it is an added source of income. Seniors who also get income from another source, like the workmen's compensation, unfortunately, but in terms of fairness, must declare it. I may regret this, but it makes sense in terms of simple justice.

MINISTER'S POSITION

Mr. Bruce Halliday (Oxford): Mr. Speaker, the Minister of National Health and Welfare knows that people have to declare that type of income. She should also recognize the fact that workmen's compensation payments should not be considered as earned income, as investment income, or as income

from a contributory pension plan. These payments are compensation for an injury that permanently impairs a person's ability to earn income.

Some Hon. Members: Hear, hear!

Mr. Halliday: In view of the fact that this change adversely affects about 25,000 seniors by removing all or part of their GIS entitlements, will the Minister tell the House what representation she has made to the Minister of Finance to protect these pensioners from this severe erosion of their income, and why has she failed to convince him?

An Hon. Member: He is hard-hearted.

Hon. Monique Bégin (Minister of National Health and Welfare): I am sorry, Mr. Speaker, but if the opposition Members could stop shouting I would be able to answer the Hon. Member. I repeat, although it may not be a popular stand that I am taking, I have to advise the Hon. Member that those seniors with incomes from different sources having to do with disability must declare these incomes. I do not know why the Hon. Member wants to single out one group who receive disability benefits against another group who receives disability benefits. The Hon. Member's Leader cannot at the same time cut the deficit and keep adding, adding, and adding to the tax system. He must make up his mind and give me the list of what deductions he wants to see given to seniors.

Mr. Mazankowski: What about your Leader?

Mr. Hnatyshyn: Check with John Turner.

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THE ECONOMY

BALANCE OF PAYMENTS—DIRECT FOREIGN INVESTMENT IN CANADA

Hon. George Hees (Northumberland): Mr. Speaker, my question is for the Prime Minister, the latest entry in the leadership race. As Statistics Canada reports at page 130 of its publication *Balance of International Payments Fourth Quarter 1983*, between 1971 and 1983 direct investment in Canada from abroad decreased from $925 million in 1971 to $200 million in 1983. During the same period direct investment by Canadians in other countries increased from $230 million in 1971 to $2.575 billion in 1983. Would the Prime Minister advise the House what he and his Government plan to do to try to correct this disastrous trend which has cost Canadians hundreds of thousands of jobs in the intervening 12 years?

• (1450)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member is assuming that only foreign direct investment will create jobs in Canada. That is obviously a ridiculous assessment and assumption. Investment by Canadians creates jobs in Canada. Loans by foreigners to Canada, to Canadian corporations, also create jobs. Just looking at the figure of direct investment in terms of proportions is not a good way of assessing the reality. The absolute figure of foreign investment in Canada over the last 10 years has multiplied some five or sixfold in absolute figures, up to some $72 billion now, which is three times higher than it was 10 years ago. Perhaps the Hon. Member would want to do a little more work on this. We have time. I have not yet declared for the leadership. I have some more hours to make up my mind.

Mr. Hees: I think that last sentence is the best news the country has had in quite some time.

PRIME MINISTER'S POSITION—DECLINE IN FOREIGN OWNERSHIP

Hon. George Hees (Northumberland): Mr. Speaker, my supplementary question is directed to the Prime Minister. Would he not agree that direct investment by Canadians and those from abroad adds greatly to the number of jobs being made available to Canadians in this country and that if these figures had been reversed—that is, if direct investment by Canadians had increased to the same degree which it has increased overseas, and if direct investment in Canada by those overseas had increased by the same amount it decreased in this country—then we would have had hundreds of thousands of additional jobs? If he does not understand that, I would be very glad to bring the figures, which I have here in my hand, over to him and explain them to him, because I know he is a slow learner.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I certainly am a slow learner when it comes to absorbing the retrograde ideas of the Hon. Member.

Mr. Hees: Now, get it right.

Mr. Trudeau: He seems to think that it is an evil thing that the percentage of foreign control of the Canadian economic environment has gone down. It is something toward which this Government has been working, and we are proud of it.

Mr. Hees: That is not what we are talking about at all.

Mr. Trudeau: I have the figures here. Between 1970 and 1980, foreign control of mining, oil and gas has gone down from 60 per cent to 45 per cent.

Some Hon. Members: Hear, hear!

Mr. Hees: That is because foreigners have stopped investing in Canada. That is what I was just telling you.

Mr. Trudeau: I know. The Hon. Member is shouting a repetition of his own question.

Mr. Hees: That is the only way I can get it across to you.

Mr. Trudeau: If he is asking me questions, I presume he wants an answer.

Mr. Hees: I am trying to get an answer.

Mr. Trudeau: If he prefers to hear himself shouting, then he can do that in the hallway, and he will have a great audience out there.

In manufacturing, the percentage of foreign control in those 10 years has gone down from 52 per cent to 47 per cent.

Some Hon. Members: Hear, hear!

Mr. Trudeau: In agriculture, from 13 per cent to 4 per cent.

Some Hon. Members: Hear, hear!

Mr. Trudeau: In construction, from 16 per cent to 10 per cent.

Some Hon. Members: Hear, hear!

Mr. Trudeau: In utilities, from 8 per cent to 4 per cent. No wonder the Americans do not like me; we are getting control over our own economy.

Some Hon. Members: Hear, hear!

Mr. Trudeau: In wholesale trade, from 27 per cent to 24 per cent. In construction, from 16 per cent to 10 per cent. In retail trade, from 22 per cent to 13 per cent. In services, from 22 per cent to 14 per cent.

Some Hon. Members: Hear, hear!

Mr. Trudeau: I would think that a proud Canadian, as the Hon. Member pretends to be, would be delighted that we are asserting greater control over our domestic economic environment.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

Mr. Hees: The figures you have produced were brought about simply because foreigners have greatly reduced their investments in Canada—investments which produced jobs.

Mr. Speaker: Would the Hon. Member resume his seat?

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FORESTRY

INDIAN FORESTRY DEVELOPMENT PROGRAM

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, my question is directed to the Minister of the Environment. All Canadians concerned with Canada's economic future must be appalled by the Minister's failure to reach adequate forestry agreements with the major forest-producing provinces. Most of the money promised for forestry will be diverted to other purposes, while the crisis in our forests continues to grow.

Considering that the Assembly of First Nations has worked very closely with the Department of Indian Affairs and Northern Development and the Canadian Forest Service to develop an Indian Forestry Development Program, will the Minister now support the program by making available to it some of the forestry money which he was unable to give away to the provinces?

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, concerning the second part of the Hon. Member's question, we are in the process of negotiating an agreement in conjunction with the Minister of Indian Affairs and Northern Development. As to the allegation of the Hon. Member, I wonder where he has been in recent weeks. We have negotiated and brought to a conclusion, in co-operation with the provinces, renewed forestry agreements. The Hon. Member is very wrong in his premise.

Mr. Manly: Either the Minister did not hear me properly or he has a sadly mistaken notion of what is adequate. I said "adequate forestry agreements". If he thinks he has an adequate forestry agreement with the Province of British Columbia, he had better look again. The Liberals hope that they will make some kind of a comeback in western Canada. How will they do that with an $11 million forestry agreement? The Government has promised to move toward—

Mr. Speaker: Would the Hon. Member ask his supplementary question?

IMPORTANCE TO ECONOMIC BASE FOR INDIANS

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, does the Minister recognize the importance of the forestry sector in the development of an adequate economic base for Indian people? Does he recognize that this is a very important component in any movement toward an Indian First Nations Government, to which his Government is supposed to be committed, and to which—

Mr. Speaker: The Hon. Member has asked his supplementary question.

Hon. Chas L. Caccia (Minister of the Environment): Mr. Speaker, of course I recognize the importance of protecting and reinforcing the forestry sector across the nation. In the same breath I have to remind the Hon. Member that, when we engage in the process of renewing agreements, we do it in close co-operation and consultation with the provinces. I wish the Hon. Member were sufficiently informed to know that, as far as the B.C. Canada forestry agreement is concerned, we did it for the amount which the Government of British Columbia requested.

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TRADE

UNITED STATES BAN ON METAL FORGINGS

Mr. Girve Fretz (Erie): Mr. Speaker, my question is directed to the Minister for International Trade. He will remember that about a week or 10 days ago I raised a question in the

House regarding the export of defence material to the United States. What information can the Minister give the House today regarding his efforts to persuade the United States to rescind its unilateral action against Canada, relating to the importation of forgings from Canada for United States defence?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, the matter raised by the Hon. Member was brought to the attention of the Government by a number of sources. Representations were made to the appropriate American authorities, in particular to the Department of Defence which had taken this action, apparently primarily as a security measure. Our representations have been well received by the United States.

● (1500)

Our assessment of the impact on Canadian business indicates that it is a much smaller impact than originally thought. Nevertheless, it is not just the question of dollars; the principle is a very important one. We are very confident that the Americans, who are undertaking to examine the situation, will remedy the injustice that would have been done to Canadian manufacturers.

IMPACT ON EMPLOYMENT

Mr. Girve Fretz (Erie): Mr. Speaker, it may seem like a small amount of business to which the Minister refers, but I would remind him that it affects six plants across Canada, one of which is in my riding, and could directly affect 25 jobs there.

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, I want to say to the Hon. Member that if I gave him the impression that I felt that the jobs that could be affected were unimportant, I certainly did not want to give that impression at all. If any Canadian jobs are going to be adversely affected as a consequence of an unfair protectionist action by any other country, then I will fight that in every way possible.

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INCOME TAX ACT

REVIEW OF SECTION 31

Mr. Lorne Greenaway (Cariboo-Chilcotin): Mr. Speaker, my question is directed to the Minister of Finance. It concerns Section 31 of the Income Tax Act. Could he tell us if he has appointed the review group that he mentioned in his February 15 Budget, to review Section 31 of the Income Tax Act?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, yes, this review group has started its work. It is composed of officials who have already started meeting with representatives of the various organizations. I would be very pleased to provide the Hon. Member with the names of the officials concerned.

FORESTRY

SIGNING OF AGREEMENT WITH NEW BRUNSWICK

Mr. Maurice A. Dionne (Northumberland-Miramichi): Mr. Speaker, my supplementary question is directed to the Minister responsible for forestry. Can he give the House, particularly the Members from New Brunswick, an indication of when the forestry subagreement with New Brunswick will be signed and implemented?

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, the subagreement is in its final stages, and it is my hope that it will be signed very soon.

* * *

PETITION

MS. MITCHELL—PROTECTION OF CHILDREN

Mr. Speaker: I have the honour to inform the House that the petition presented by the Hon. Member for Vancouver East (Ms. Mitchell) meets the requirements of the Standing Orders as to form.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. GREENAWAY—TESTING OF CRUISE MISSILE ON CANADIAN SOIL

Mr. Lorne Greenaway (Cariboo-Chilcotin): Mr. Speaker, it is my duty to present a petition signed by 610 citizens of the Cariboo-Chilcotin constituency in British Columbia in support of the following United Nations statement:

The increase in nuclear weapons, far from strengthening international security, on the contrary, weakens it. Enduring peace cannot be built on the accumulation of weaponry.

The nature of the petition is to demand that Parliament take action to cease the testing of the Cruise missile in Canada. The petitioners hope that in your examination of the petition you will find it in order and that you will refer it to the appropriate committee at the earliest possible time.

MR. JELINEK—ESTABLISHMENT OF POSTAL SERVICE

Mr. Otto Jelinek (Halton): Mr. Speaker, I wish to present a petition on behalf of constituents in the Town of Milton, Ontario, in my constituency of Halton. I do this only after I have contacted the Minister responsible for Canada Post and the President of the Crown corporation, as far as mail service is concerned.

The petition in brief reads: "We, the residents of Randall Crescent and Pearen Avenue, do hereby formally request your

aid in establishing postal service in our area. All necessary criteria for door-to-door delivery were met in August of 1983. Therefore, we see no reason for further delay".

I hope that the House and the Minister will take note of this matter and take the appropriate action.

MR. SKELLY—SPORTS FISHERY

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, I have the honour to present a petition from hundreds of residents of the Bella Coola Valley who signed the petition urging that the House of Commons act to curtail the sports fishing on the Bella Coola River system because of the severe deterioration of the spring stocks. The petition points out that they have also had a 100 per cent closure of the commercial fishery on spring stocks and it is the hope of a broad group, representing all sectors of the residents of the Bella Coola valley, that the Government will act to make the burden of conservation fair by spreading the burden from the commercial fishery to the sports fishery.

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Mr. Speaker: Order. I believe I passed over Tabling of Documents.

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[*Translation*]

SOCIAL SECURITY

TABLING OF AGREEMENT BETWEEN CANADA AND BELGIUM

Hon. Monique Bégin (Minister of National Health and Welfare): Thank you very much, Mr. Speaker. You will not be sorry that you called this item.

Under the provisions of Standing Order 42(6), I would like to table in both official languages an Agreement on Social Security reached between the Government of Canada and the Government of Belgium.

As provided by Standing Order 46(4), I would ask you to refer this report to the Standing Committee on Health, Welfare and Social Affairs.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 145 and 742.

[*Text*]

PETRO-CANADA—EMPLOYEE SAVINGS PLAN

Question No. 145—**Mr. Crosby:**

1. Did Petrofina Canada Inc. have an employee savings plan in operation at the time of the takeover by Petro-Canada and, if so (a) what were the provisions of the plan (b) what respective contributions were made by the employees and by the employers (c) what benefits were earned by the employees?

2. Did Petro-Canada have an employee savings plan in operation at the time of the takeover of Petrofina Canada Inc. and, if so (a) what were the provisions of the plan (b) what respective contributions were made by the employees and by the employers (c) what benefits were earned by the employees?

3. Did Petro-Canada make any changes or amendments in the employee savings plan of Petrofina Canada Inc. following the takeover and, if so (a) how many employees were affected by the changes (b) what was the actual projected cost of the changes or amendments to Petro-Canada?

4. Do any Crown agencies or corporations have an employee savings plan and, if so, which agencies or corporations?

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): I am informed as follows: 1. Yes.

(a) Following completion of six months of continuous service, all regular full-time employees were eligible to join the plan.

(b) The employees contributed 2, 3, 4 or 5 per cent of their salary. After five years of continuous employment, the employees had the option to increase their contribution to 10 per cent in multiples of 1 per cent.

The employer matched two-thirds of the employees' contributions. After five years, the employer matched one-third of the employees' contributions over 5 per cent.

(c) The employees received employer contributions as follows:

Years of participation in plan	Percentage of employer's contributions
less than five	—
more than five	100 per cent

2. Yes. (a) Following completion of six months of continuous service, all regular full-time employees were eligible to join the plan.

(b) The employees contributed 1, 2, 3, 4 or 5 per cent of their salary. The employer matched employee dollar for dollar.

(c) The employees received employer contributions as follows:

Years of participation in plan	Percentage of employer's contributions
less than one	—
one but less than two	50 per cent
two or more	100 per cent

3. No, Petro-Canada did not make any changes to Petrofina's employee savings plan following the takeover. The Petrofina plan ceased to exist December 31, 1981 and all ex-Petrofina employees were eligible to join Petro-Canada's employee savings plan.

4. Yes. Canadair Limited, Canadian Wheat Board, Eldorado Nuclear Limited (their mining division only), Petro-Canada.

"NO NET LOSS" CONCEPT OF TRADE-OFF IN FISH HABITAT

Question No. 742—**Mr. Manly:**

1. Was the 'no net loss' concept of trade-offs in fish habitat adopted as official policy by the Department of Fisheries and Oceans and, if so, on what date?

2. Is the 'no net loss' policy applied to the Cowichan Estuary in British Columbia and, if so (a) what public participation was permitted in the decision-making process (b) did Doman Industries Limited receive increased right to store logs and, if so, were any studies carried out to ensure that there was a fair trade between the estuarine area in which the storage takes place and the area which the company dedicated to habitat?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): 1. The "no net loss" concept is under serious consideration, but it has not been adopted officially. The Department's goal in the Cowichan Estuary on Vancouver Island has been to restore fish habitat to the greatest extent possible. Therefore, the no net loss concept would not apply to situations like this.

2. No.

[*English*]

Mr. Speaker: The questions as enumerated by the Hon. Parliamentary Secretary have been answered.

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QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if Question No. 748 could be made an order for return, this return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that question No. 748 be made an order for return?

Some Hon. Members: Agreed.

[*Text*]

RAIL ADVISORY COMMITTEE

Question No. 748—**Mr. Mazankowski:**

1. Is there a Rail Advisory Committee and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Committee meet and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Return tabled.

[*English*]

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

Mr. Speaker: Shall the remaining questions stand?

Motions for Papers

Mr. Schellenberger: Mr. Speaker, on December 20, 1983 I placed on the Order Paper questions Nos. 302 to 317 inclusive regarding the Northern Transportation Company Limited. The Prime Minister, in answer to my question, stated that those questions would be answered before this company is offered for private sale. To date they have not been answered. Could the Parliamentary Secretary indicate when they will be answered?

Mr. Evans: Mr. Speaker, I will look into the matter and try to get the Hon. Member an answer to his question as soon as possible.

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

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MOTIONS FOR PAPERS

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

Mr. Speaker: Shall all notices of motions for the production of papers stand?

Mr. Beatty: Mr. Speaker, you will recall that last week I attempted to catch your eye on this point. For some time now I have had a notice of motion for the production of papers on the Order Paper dealing with public opinion surveys which were commissioned by the Government since the last election. At the present time it stands in my name as motion No. 1, on December 7, 1983.

However, a similar motion has sat on the Order Paper now for, I believe, well over a year. To date no action at all has been taken by the Government on this notice of motion for the production of papers. Indeed, you will probably recall that there was a column in the Ottawa *Citizen* some weeks ago by Mr. Frank Howard, in which he indicated that the Government was using my notice of motion for the production of papers as a means of blocking the release of public opinion surveys under the freedom of information legislation. It was saying that somehow it would be a contempt of Parliament to release these surveys which I have asked to be released under notices of motions for the production of papers.

Mr. Howard now tells me that some of those polls have in fact been released but the House of Commons has yet to have any action taken on this notice of motion for the production of papers. It appears that the Government has no intention whatsoever of acting on it and indeed could resurrect this particular artifice as a menas of blocking the release of public opinion surveys to others outside the House of Commons. Consequently, I would like to ask that my motion No. 1 be transferred for debate.

Ways and Means

• (1510)

Mr. Speaker: Is it agreed that motion No. 1 be transferred for debate?

Some Hon. Members: Agreed.

[*Translation*]

Mr. Pinard: Mr. Speaker, we shall take the request into consideration and reply tomorrow.

[*English*]

Mr. Speaker: The Hon. Member has requested that the motion be transferred for debate. It is transferred for debate according to the Standing Orders.

Mr. Pinard: Mr. Speaker, you are right. I knew that but the Hon. Member sought the unanimous consent of the House.

Mr. Speaker: There appears to be a request by the Hon. Member for his motion to be transferred. Under the Standing Orders he has that right and therefore it is transferred for debate.

Shall the remaining notices of motions for the production of papers stand?

Mr. Schellenberger: Mr. Speaker, I rise on a point of order. I also have on the Order paper for production of papers motions Nos. 7, 8, 9 and 10, put on the Order Paper on February 13, 1984, and they are with regard to NTCL as well. I request that the Parliamentary Secretary tell me when they will be answered.

Mr. Evans: Mr. Speaker, I will look into those matters for the Hon. Member as well.

Mr. Speaker: Shall the remaining motions for the production of papers stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

WAYS AND MEANS

RETAIL SALES TAX

Hon. Yvon Pinard (for the Minister of Energy, Mines and Resources), seconded by Mr. Collenette, moved:

That a Ways and Means motion with respect to the imposition of a Retail Sales Tax in the Nova Scotia offshore area, laid upon the table on Tuesday, May 29, 1984, be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

INCOME TAX ACT

Hon. Yvon Pinard (for the Minister of Energy, Mines and Resources), seconded by Mr. Collenette, moved:

That a Ways and Means motion to amend the Income Tax Act, laid upon the table on Tuesday, May 29, 1984, be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

* * *

[*English*]

NATIONAL HOUSING ACT

MEASURE TO AMEND

The House resumed from Tuesday, May 29, consideration of the motion of Mr. LeBlanc that Bill C-37, an Act to amend the National Housing Act, be read the second time and referred to the Standing Committee on National Resources and Public Works.

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, I rise to participate in the debate on Bill C-37, an Act to amend the National Housing Act. I am pleased that the Minister is present here today because I have a number of points to make of which he should be aware regarding matters which are causing some concern to my constituents, to those in the housing industry and to those in the finance industry of the country. I think those issues must be addressed by the Government in the committee.

We know that the Act basically does three things. It provides for mortgage rate insurance, it provides for mortgage-backed securities and it provides for moving the Rural and Native Housing Program into the exclusive domain of the federal Government. As I go through my review of the Bill in the House today, I will deal with those matters one at a time.

I would like to begin by dealing with the Mortgage Rate Protection Plan. In committee we will be asking for the background papers for this Mortgage Rate Protection Plan because we have had no access to the background studies which have been done on those proposals. There are many questions which must be answered. Will the program be a money-maker? How was the amount deductible arrived at? How was the fee to be charged arrived at? What were the figures that were used to design the plan itself and to come to a fee of 1.5 per cent on a maximum mortgage of $70,000 which means a fee of $1,050? How was the deductible of 2 per cent arrived at?

I have some thoughts of my own regarding that 2 per cent deductible since I am by nature suspicious of plans that are brought forward by this Government. Perhaps now is a good time to comment on that deductible. I have reviewed the record of five-year mortgages from 1951 to 1984. It is interesting to note that from 1951 to 1955 there was an increase of less than 2 per cent in mortgage interest rates. From 1955 to 1960 there was an increase of less than 2 per cent. There was an increase of less than 2 per cent between 1960 and 1965. From 1965 to 1970 there was an increase of exactly 3 per cent and anyone who had such insurance at that time would not have been helped very much. From 1970 to 1975 the increase was less than 2 per cent. From 1975 to 1979 the increase was less than 2 per cent.

The only period of time such an insurance plan would have taken effect was when the present Government was in power and we saw mortgage interest rates skyrocket from 13 per cent right up to 21.5 per cent between December, 1980 and September, 1981. At that time such a scheme would have made some difference. However, if someone had taken out a mortgage at 17 per cent in December, 1981 and by July, 1982 the rate had gone up to 19 per cent again, the mortgage insurance scheme would not have come into effect during that period of time. Mortgage rates then dropped rather dramatically and went down to 12.5 per cent. They are now up to approximately 14.75 per cent. Again an insurance scheme would not come into play.

I now think I understand where the Government got the deductible figure of 2 per cent. The record over the last 34 years shows that there has never been a large enough increase in mortgage interest rates for an insurance scheme to take effect except for the brief period of time when the Liberals forced mortgage interest rates up to about 21.5 per cent. At that time every Member of the House heard very sad stories from people who had lost their homes because of those exorbitantly high interest rates. The best shot the federal Government can make in trying to alleviate the problem is this mortgage insurance protection plan.

I have some concerns that I would like to discuss. Perhaps I could make some positive suggestions to the Minister who is present in the House. I appreciate the fact that he is present and is listening to this debate. First, the maximum mortgage amount to be insured by the Government is $70,000. This limit causes concern in some areas of the country. It causes particular concern in large metropolitan areas like the area of Brampton. It does not pertain as much to the Georgetown portion of my riding but it does cause some concern for Brampton, the Mississauga area, Toronto, perhaps Vancouver and possibly even Ottawa as well. In those areas the maximum of $70,000 is not high enough. That may be the first problem with which we are faced.

It might be worth while for the Minister to take a look at the situation to see if there could not be regional limits which differentiate between areas much like those for the NHA insurance. That insurance scheme applies differently in different areas of the country. That is something that might be looked at because I am not sure that the maximum of $70,000 is realistic in some areas of the country today considering the sizes of mortgages that are being assumed.

Another thing that concerns me about that limit is that it is being included in the legislation. That means that that maximum limit remains in the legislation and if we wanted it changed we would have to return to the House to amend the Act. This Bill mentions regulations in 22 places. Heaven knows, that frightens me enough, yet I am here suggesting another regulation. I may be accused of speaking out of both sides of my mouth, but I would like to indicate to the Minister that it may be worth while to take a look at that maximum being in the regulations in order that it can be adjusted from time to time. As he knows, real estate appreciates. It is the one hedge against inflation which people in this country have. I would ask the Government to take that under advisement.

• (1520)

The next matter I would like to speak about is the protection fee. The protection fee of 1.5 per cent is identical whether you take out a one-year mortgage, a three-year mortgage or a five-year mortgage. There is no variation. The best deal, therefore, for anyone who takes out this insurance is a five-year mortgage. It only makes sense. That will cause terrific problems within the financing community. Let us take, for example, a 1.5 per cent increased rate on a one-year mortgage. If a person renews their mortgage for one year and they buy the insurance plan, for them to break even on the insurance plan, the mortgage rate will have to rise 5 per cent in one year. If that person takes out a three-year mortgage and buys the insurance plan, the mortgage rate will have to rise 4 per cent in the three-year period for that person to break even. However, the mortgage rate would only have to increase 3 per cent over a five-year period for that person to break even.

I fiddled with those figures last night. They are approximate, but generally speaking those are the figures. Therefore, the best deal is to renew a mortgage for five years and buy mortgage insurance. The problem is, if there is not a fee which differs from the rate and the length of time for which a person renews his mortgage, tremendous pressure is placed on GICs. Horrendous pressure is placed on the mortgage companies. The upward pressure on GICs for five-year terms will be severe.

As the Minister knows, financial institutions attempt to balance their mortgage loans with their term investment. If it is a five-year mortgage, the mortgage companies attempt to place that up against a five-year GIC. I am concerned about this and I think it is something which the Government should look into. It might look at a rate which varies for a one-year, three-year and five-year mortgage, to avoid upward pressure on one of the financial segments; the GICs. If there is upward pressure on five-year GICs, then the rates will increase. There is no question that the rates will go up. If the rates go up, it follows that mortgage rates will go up. I think that is something the Minister and his Department should look into. It concerns me that all of a sudden there will be great interest in

five-year mortgages and, therefore, the upward pressure on GICs will be out of control. The resultant increase would be reflected in mortgage rates. That is another concern. We do not want to see those rates go any higher. Even though there will be a mortgage insurance plan to cover that increase, we do not want to see them go any higher.

Another concern is that if there is a tremendous demand on the five-year GIC, that would crowd out the five-year bond market. There would be an emphasis on where that money would be invested. I hope the Minister will take these concerns into consideration.

I am concerned as well that the Bill places restrictions on the eligibility of mortgages. There are three groups of people the Bill does not cover. The first group is those people who took out mortgages before March 1, 1984. If we look at mortgage rates before March 1, 1984, we see that they were approximately 12.5 per cent. Today those rates have risen to 14.25 per cent or 14.5 per cent. The people who took mortgages out before March 1 are the people who are genuinely interested in the plan because they have already seen the rate rise 2 per cent. Those people are not protected and will not be protected. That is a segment of the population which will not be able to participate in this plan for a considerable length of time.

There is a second group which will not be protected under the plan. If a person purchases a home—it may be his first home—which is not a new home but a resale, and if there is a mortgage on the home which is not insured, that person cannot insure the new mortgage which he will be assuming on the home. Therefore, the purchaser of that home cannot take advantage of the plan if there is an existing mortgage as well, if the vendor does not have insurance coverage, then the purchaser cannot get it by taking over an existing mortgage. As the Minister knows, that happens all the time in the used house market. I think these concerns must be addressed.

There is a third group which would not be covered by this plan. If a person bought a home and the vendor took back the first mortgage, then the purchaser could not buy insurance on the mortgage which the vendor would take back. That person would be excluded. The only way that that person might be able to buy a home is if the vendor wanted to make an investment in the mortgage and took back the first mortgage. However, the purchaser would not be allowed to opt into the insurance plan. Those are three areas which require consideration.

Another area which is covered by the Bill is the mortgage-backed securities. This provision is designed, of course, hopefully to provide longer-term mortgages for home owners. Traditionally, we consider interest rates that are provided over and above any investment for five years are usually 1 per cent to 1.5 per cent higher. If it is a ten-year investment, it would probably be 1 per cent to 1.5 per cent higher. Therefore, if we get into longer-term mortgages, that will increase mortgage rates. I would recommend to a person buying a home that they not get into a ten-year mortgage situation, but that is not my decision. However, those people will be paying a much higher interest rate than they would pay if they had a five-year mortgage.

I would like to refer to another Bill which is not before the House at the moment, Bill C-36. The prepayment penalty situation would be horrendously expensive for anyone who had less than a ten-year mortgage. They would be paying a much larger penalty than others on a prepayment penalty. That would present a problem. As the Minister knows, a vehicle being used in the United States can be traded on the open market. I understand that a Bill was passed in the House in 1976 or 1977 which was called the Mortgage Exchange Corporation. All that Bill needs is proclamation. That Bill would allow those mortgage-backed securities to be traded on the open market. I do not know the disposition of that Bill right now; however, the Minister might be able to enlighten the House on that situation.

• (1530)

The Minister of Finance (Mr. Lalonde), who is also in the House, promised in his Budget that the federal Government would investigate the economic and financial impact of this legislation on the housing market, mortgage rates and on competing ten-year financial instruments. I ask now if in fact that investigation has taken place, and if so, I would hope that that study is produced so that we could, while we are in committee investigating this particular Bill, be very responsible in our approach to it. We will then have the information which I believe is needed for us to make a balanced decision on this particular proposal which is contained within the Bill.

Finally, Mr. Speaker, I am pleased to see that the federal Government will be taking over the entire responsibility in the area of Indian housing. We are extremely concerned about Indian housing. The testimony which was given to us in the Standing Committee on Miscellaneous Estimates within the last month or so indicated that the funding which is available now is barely keeping up with maintaining and bringing up to standard the homes which are already in existence, not to mention new homes for new family formations, and certainly not considering the demand which may come for housing on reserves if other matters are considered in this House.

I am pleased, however, to see that the limit on the total amount to be spent has been increased. I am pleased that the Government has taken that over. Some of my provincial friends may not be too pleased about it, especially in the rural end of the Act as opposed to the Indian people end of the Act, but I am personally pleased that the federal Government has taken that responsibility over completely. I feel in that manner we might be able to make decisions much more quickly. We would be able to establish a housing plan or program without having to depend on the policies and decisions of provincial governments. When it comes to Indian housing, I believe that is going to be very important. Therefore, I congratulate the Minister on that initiative.

I will close my remarks by saying that if this is the best the Government can do, I suppose we will have to put up with it—

The Acting Speaker (Mr. Herbert): Order, please. I am afraid I have to ask the Hon. Member to complete his remarks. His time has expired.

Mr. McDermid: Thank you, Mr. Speaker; I appreciate the reminder.

I would hope that the Minister will take my concerns, as well as the other concerns which will be expressed by Hon. Members of my Party, and address them when the Bill gets to committee.

The Acting Speaker (Mr. Herbert): There follows a period of up to ten minutes for questions and/or comments. If there are no questions, we will continue debate.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I rise today in support of Bill C-37, an Act to amend the National Housing Act which introduces a mortgage interest rate protection program and encourages the introduction of longer-term mortgages. These proposals were contained in my February Budget and were included in the Budget in response to two important concerns. First was the need to increase security and certainty for home owners in view of the wide fluctuations in mortgage interest rates which were experienced in the last few years. The second concern was to create conditions which will permit the private sector to develop a longer-term mortgage market in Canada. I must say that in my pre-Budget consultations with the housing industry, which recognizes the importance of developing greater confidence and stability in home ownership, I found that these concerns were very widely shared indeed.

The Bill before the House is the result of extensive post-Budget consultations with mortgage lenders, housing associations, the Consumer's Association of Canada and other interested parties. In these sessions the implications of the program and the various administrative and technical issues associated with the program were thoroughly discussed. This consultative process has led to a Bill which should receive wide support from the public, and I was happy to hear the general reaction of the previous speaker in that regard.

While some concern had been expressed that consultations would lead to a delay in implementing the Bill in good time, it appears that we have been able to meet that timetable quite effectively. I would hope that all Parties will support the legislation so that Canadian home owners will be able to obtain this protection without further delay.

[*Translation*]

Both the Mortgage Rate Protection Program and mortgage-backed Securities will make home ownership easier and safer, by taking away much of the uncertainty caused by fluctuating interest rates.

[*English*]

As Hon. Members know, these initiatives are linked to amendments to the Interest Act which have also been introduced in the House. This legislation will strengthen borrowers' rights and increase the flexibility of the mortgage market. In effect, we believe it will allow the reintroduction into the market of mortgages for a longer period than five years, which have practically disappeared from the market for a long time. The value of the housing initiatives in the Budget and particularly the mortgage interest rate protection program has been widely recognized. The head of the Canadian Institute of Public Real Estate Companies has said that the mortgage plan, and I quote:

—will lead the way in other countries in developing stability in the mortgage market.

Mr. Logan Tait of the Canadian Real Estate Association said that the mortgage interest rate plan, and I quote:

—will definitely help to bring stability back into the marketplace.

Mr. John Sandusky, President of HUDAC, now the Canadian Home Builders' Association, said that the Government had, and I quote:

—responded very favourably to our concerns.

On May 29, Mr. Sandusky sent a telegram to a number of Members of the House, including myself, which reads as follows:

The 5,000 member-firms of the Canadian Homebuilders' Association formerly HUDAC urge quick passage to second reading of housing legislation re: Mortgage Rate Plan, Mortgage-backed Securities, and Interest Act amendments.

It is signed John Sandusky, President of Canadian Homebuilders Association.

[*Translation*]

Mr. Speaker, housing has always been one of the Canadian Government's main priorities, and over the last three years, the Government has introduced a number of measures designed to help homeowners.

The Canada Mortgage Renewal Program was set up towards the end of 1981, and upgraded the following year, to help home owners in financial difficulty when they had to renew their mortgages. Homeowners faced with increases in mortgage costs representing more than 30 per cent of their income became eligible for non-taxable grants of up to $3,000. More than 20,000 Canadians in financial difficulty were helped by this plan.

In 1982, the Canadian Home-ownership Stimulation Plan was established, providing $3,000 grants to buyers of newly-built homes. This program has helped more than 260,000 Canadians buying a home for the first time.

In 1983, this Government made it possible for Canadians who bought new homes between April 19, 1983 and March 1, 1985, which is next year, to claim a special tax deduction of up to $10,000, to be contributed to a Registered Home ownership Savings Plan. I may remind the House that this program is still in effect and that Canadians may now make use of the program if they intend to purchase a newly-built home. The program has considerable tax advantages, and I would urge Canadians who have not already done so to find out about the program and see whether they should not consider purchasing

a new home before the program expires on March 1, 1985. I may also remind the House that this Government has made grants available to home owners for the purpose of home renovation. This is another dimension of the housing sector we have had a tendency to neglect in the past and which fortunately has been given increasing attention in the programs of the Canada Mortgage and Housing Corporation. In 1983 alone, more than 47,000 housing units were renovated with CMHC grants, representing a total of $179 million.

Finally, the federal Government has consulted with the major lending institutions and urged them to respond favourably to the requirements of Canadian individuals who take out mortgages and are faced with problems caused by volatile interest rates.

● (1540)

[*English*]

In this legislation the Government is providing a more fundamental and durable response to the problem of uncertainty in mortgage interest rates. The Mortgage Rate Protection Plan, which has been outlined by my colleague, the Minister responsible for Canada Mortgage and Housing Corporation, has received an enthusiastic response from housing market participants. I believe it will give Canadians who choose to participate a reasonable assurance that large, unexpected increases in interest rates will not lead to serious financial difficulties. This is particularly important for first-time home buyers. Because of the relatively short terms of mortgages available, these buyers must consider whether they can afford the monthly carrying costs on their homes in the future if interest rates increase sharply when they have to renew their mortgages.

Existing home owners will, of course, also benefit. Mortgage rate uncertainty forces many of them to re-evaluate their saving and spending decisions against the possibility that interest rates would be higher on their renewal dates. The Mortgage Rate Protection Plan will offer both of these groups more security in planning for the future. This increased security for home owners will have a positive influence on the home building industry, on the economy and on the well-being of Canadian society generally.

Members should be aware that the program is not intended to protect home owners against all fluctuations in mortgage rates. Instead, for those individuals who choose to participate, it should be viewed as a safety net that will offer security against severe financial disruption. The Government is prepared to share the risks and the costs with the home owner. Thus the protection will cover three-quarters of any cost increase on a mortgage renewal resulting from an increase in mortgage interest rates greater than 2 per cent, to a maximum of ten percentage points. The fee for the Mortgage Rate Protection Plan has been set at the lowest possible level, 1.5 per cent of the mortgage amount to be protected. For a mortgage of $70,000, for instance, this amounts to a maximum premium of $1,050. The benefits provided upon payment of this fee have been extended as far as is consistent with ensuring the plan remains fiscally responsible. Every effort has been made to enable home owners who want to use the program to do so by offering them the options of paying the fee up front or adding it to the principal amount and amortizing it over the term of the mortgage. This is how, for instance, it has been indicated that you can buy your protection for as low as something between $11 and $12 a month on a $70,000 mortgage. The latter method will allow a person, therefore, to obtain protection for a very small monthly charge.

Entry into the program is voluntary. No one is forced to join the program. Some have argued that the cost is too high for the benefits available. Maybe some will share that view, but home owners who are concerned about the possible impact of rising mortgage rates—and we have seen this happen already since the last Budget—can decide whether this plan meets their own circumstances. Judging by the response to the Budget proposals, there appears to be substantial interest on the part of the public in general in the program. In fact, more than 14,500 Canadians have written to my Department to ask for more information about the housing proposals contained in the February Budget.

[*Translation*]

Mr. Speaker, as announced in the Budget, one effect of the Bill will be retroactive to March 1, 1984. For instance, someone who took out a 5-year mortgage at 12.5 per cent on March 1 can purchase coverage against mortgage increases, and that coverage will be based on the rate mentioned, provided that applications under the program, plus the fee, are sent to CMHC within 45 days after the Bill is passed. Since mortgage rates have increased from 2 to 2.25 per cent since March 1, the retroactive effect of the Bill may benefit home owners having renewed or taken out a mortgage since that date.

As for the cost of the program, it is difficult to estimate since it will obviously depend on the number of Canadians taking part in the program and what mortgage rates will be in several years. Nevertheless, we can reasonably assume that the net cost of the program will be close to zero, in other words, the program should be self-financing.

[*English*]

Some Members may well ask: Does this mean that the Government is projecting higher mortgage interest rates? As I have stated many times, the Government is doing everything it can to keep interest rates as low as possible. However, we must recognize that we are participants in an international economy and there are many factors beyond our control that can influence Canadian interest rates. Home owners have expressed concern about the potential effect of higher rates. The Government has responded by providing them with a safety net. At the same time we will continue to focus on maintaining interest rates at the lowest level possible. Home owners would certainly not be unhappy, nor would I, if interest rates were to decline and no benefits were ever paid on this program.

Now let me turn for a minute to the provision in this Bill regarding mortgage-backed securities. While this has not received the public attention that the Mortgage Rate Protection Program has, it is an important initiative if we wish to see the reintroduction of longer-term mortgages in Canada, those with terms longer than five years. Further, it would provide for a more smoothly functioning mortgage market by providing an alternative method of financing mortgages.

[*Translation*]

This part of the Bill has also received the firm support of a number of groups, and I am thinking especially of the Canadian Homebuilders' Association, which favours the development of a market for mortgage-backed securities in Canada, which would make it possible to provide more home buyers with mortgages at reasonable cost. The housing sector has stated that 10-year mortgages would be an essential factor in providing for stability and growth in the residential construction industry. In the course of our post-budget consultations with financial market experts, it was clearly stated, as an essential condition for offering mortgage-backed securities in Canada, that conditions for payment of principal and interest on these securities would have to be strictly observed by the private sector.

[*English*]

Members of the House should be aware that the guarantee involves no government subsidy and will operate on a cost-recovery basis. The Government is taking the initiative in establishing a framework which will permit the private sector to develop a market for mortgage-backed securities. Preliminary indications are that there are several institutions interested in pursuing the development of this market if legislation constraints are dealt with. In addition to the timely payment guarantee, the introduction of mortgage-backed securities requires a legislative amendment to the Interest Act with respect to prepayment privileges. The Interest Act amendment is being handled in a separate Bill.

[*Translation*]

Finally, Mr. Speaker, I would like to remind the House that these amendments are supported by the housing industry, home owners and mortgage lenders. I have also received encouragement from Hon. Members on both sides of the House.

● (1550)

[*English*]

For example, following the February Budget the Hon. Member for St. John's West (Mr. Crosbie) said that the housing measures were "nice things that no one is going to be against". On February 21 the Hon. Member for Kingston and the Islands (Miss MacDonald) said: "For our part we welcome mortgage insurance". At the risk of seeming immodest, I will also quote the Hon. Member for Parry Sound-Muskoka (Mr. Darling) who said on February 22: "I, too, commend the courageous Minister of Finance on those parts of the Budget that will help housing, such as protecting interest rates and allowing a mortgagor to pay off a mortgage without having to pay an arm and a leg".

Mr. Hnatyshyn: He said that with tongue in cheek, too.

Mr. Lalonde: Members opposite have been eager to deal with this Bill. On May 10 the Hon. Member for Mission-Port Moody (Mr. St. Germain) asked why the Mortgage Rate Protection Plan was taking so long. On April 30 the Hon. Member for Simcoe South (Mr. Stewart) said to me: "Before it is too late, Mr. Minister, I ask you on behalf of Canadian home owners and prospective home owners: Where is the beef?"

In view of all that, I would suggest that the Opposition should not hog the Bill in the corner of the House for too long.

Mr. Hnatyshyn: We did not get beef, we got baloney.

Mr. Lalonde: I expect Members opposite to act with the sense of importance and urgency which these measures demand. We have heard their expressions of concern over the impact of interest rates on home owners. We share those concerns. This Bill will provide the means for Canadians to protect themselves against the risk of higher mortgage rates. The amendments in this Bill are made in response to the concerns of Canadians about the uncertainty of future mortgage costs. In these proposals we have tried to ensure that the efficient functioning of the mortgage market is not impaired.

Under normal circumstances none of the proposals will impose significant costs on the federal Government although the Government is prepared to provide assistance in extra-ordinary circumstances. I urge all Parties to support these proposals so that Canadian home owners and prospective home buyers will have improved security against the risk of losing their homes because of fluctuations in mortgage rates over which they have no control.

[*Translation*]

The Acting Speaker (Mr. Herbert): Ten-minute period for questions or comments. Questions? The Hon. Member for Joliette (Mr. La Salle).

Mr. La Salle: Mr. Speaker, my question is of course directed to the Minister of Finance (Mr. Lalonde). Since mortgage rates today are at about 14.5 per cent, and the Bill provides for an additional 2 per cent, borrowers will be facing rates of 16 or 16.5 per cent, if I understand the program correctly. Is the Minister claiming, with his concept of making home ownership available to all Canadians, that rate of 16.5 per cent is going to encourage people to buy houses? I am not referring to millionaires, I am talking about the average person, the average worker. Does he think this rate is low enough to make home ownership generally accessible?

Mr. Lalonde: Mr. Speaker, of course, my answer would depend on the financial climate at the time. I may remind the Hon. Member that even when mortgage rates were at 18 per

cent, 19 per cent or 20 per cent, people were still buying homes. In any case, we must consider the state of the economy at a given time. If we were going through an inflationary period, with inflation at 12 or 13 per cent, as we have experienced in the past, it would not be surprising to see mortgages as high as 16 per cent, while interest on loans would also be very high.

I cannot predict what interest rates will be in five years, for instance when someone's mortgage expires. What the Bill provides is protection against interest rates that may prevail at the time people have to renew their mortgages. It is a little like fire insurance. When a person takes out fire insurance, he does not particularly want to collect. His reasoning is that if something happens, at least he will be covered. When people take out fire insurance, they do not say to themselves: I wish my house would burn down and I could collect the insurance! Unless, of course, they do so for reasons that are neither very legal or ethical. Insurance is a kind of protection, and that is what we are offering today, protection against events that would not be to the advantage of the borrower. I think the best analogy is still fire insurance or accident insurance. Nobody wants to have an accident, nobody wants his house to burn down, but everyone buys insurance, thinking: "If it happens, at least I am covered!" And coverage is what we are providing. If, for instance, interest rates increase by more than 2 per cent in five years, when my mortgage expires I will have the assurance that the Government will pay three-quarters of the difference between 2 per cent and 10 per cent more, for instance, so I am covered.

The Acting Speaker (Mr. Herbert): The Hon. Member for Joliette (Mr. La Salle), with a supplementary.

Mr. La Salle: The Minister's answer is quite clear and it just means that people who have enough money, and I think that is always the minority . . . I would like to ask the Minister whether, for instance, with a family income of $35,000 or less, interest rates at 16 per cent would really make homeownership generally accessible? I have the impression that it would still be very hard for thousands of Canadians who would like to buy a home, even at present rates. I agree that anyone with an income of $40,000 and $50,000 or more can cope with today's rates. But what about young couples and so many other Canadians who earn between $20,000 and $35,000, for instance? Does the Minister of Finance still think that present rates are reasonable for this group of individuals which probably includes most first-home buyers?

Mr. Lalonde: Mr. Speaker, the Hon. Member is talking about an interest rate of 16 per cent. No one is borrowing at 16 per cent today. The Hon. Member was talking about rates of about 14 or 14.5 per cent for a 5-year period, and he knows as well as I do that lower rates are available for three years or one year. I may also remind the Hon. Member that there are programs to help people on very low incomes. I am thinking of Co-operative Housing Assistance and similar programs that have been in effect for a number of years, to help people on low incomes who need housing assistance. We do not claim that the Bill before the House today is the answer to all financial problems that may face Canadians who want to buy a home. There will be people on low incomes who will still have to resort to other Government programs designed for their particular needs. What we are offering today is an insurance plan available to all Canadians and which all Canadian home buyers should be able to afford, for a relatively modest fee.

As I said earlier, for a $75,000 mortgage, coverage will cost $11 or $12 per month. This is not excessive in relation to the mortgage amount itself. For a home that costs half as much and with a much lower mortgage, the cost of coverage will be half the amount I just mentioned. With a $35,000 mortgage, the monthly cost will be $5 or $6. I think the advantages are considerable. Here again, no one is forcing Canadians to take advantage of this opportunity, any more than anyone is forcing them to take out fire insurance. I think Canadians should be encouraged to take out this insurance policy, just like the usual insurance policy when they take out a mortgage.

The Acting Speaker (Mr. Herbert): Any other questions or comments?

[*English*]

Mr. Riis: Mr. Speaker, my question for the Minister of Finance (Mr. Lalonde) is three-fold. He mentioned repeatedly that he had been consulting with a number of groups, including home owners. Could he share with us in what way he was communicating with home owners to receive input for Bill C-37?

Second, he referred to this insurance plan as being similar to taking out hail or fire insurance. Floods, hail, fire and the like are really acts of God totally unrelated to the works of man. Yet interest rates in other countries, when it comes to mortgages, are set or there is a very definite ceiling allowed. I think specifically of the country of Norway when I make that comment. In a sense we are dealing with man's actions when we talk about interest rates, not acts of God.

Third, the Minister of Finance has indicated his concern many times in the House regarding people who are locked into mortgage rates over a five-year period when interest rates drop substantially. I think he has indicated his interest in a three-year penalty as being a reasonable one under those conditions to allow people to renegotiate their mortgages to take advantage of lower rates. Does the mortgage-backed security aspect take into account this option of a three-month penalty clause being sufficient?

• (1600)

Mr. Lalonde: Mr. Speaker, on the first point the Hon. Member knows that we have programs in Canada whereby we put an effective ceiling on the mortgage rates being paid by certain Canadians who are in need. He knows there are

programs, for instance, where a person pays 2 per cent for 35 years on his mortgage and CMHC is going to cover the difference. That program is centred on people with lower incomes who need help and support in order to have access to housing.

That is not the type of measure my hon. friend would recommend we apply wholesale. The cost would be horrendous. It would also introduce severe distortions into the economy. We have as much as possible a free market in the mortgage area and in the area of interest rates. The hon. Member knows that we are very dependent upon what is happening in the international community. He talks about acts of God, such as fire and so on. He knows also in the area of interest rates that there are a number of factors over which we have no control domestically. We live in a world with considerable pressures taking place. Canada as a medium-size country is one, suffering particularly from some of the decisions being taken in the United States, which has the largest and strongest economy in the world. It has advantages in some regards, but it also has drawbacks, as the Hon. Member knows.

As far as the other point is concerned, the Hon. Member knows that under the proposed amendments to the Interest Act we have removed the provision concerning the three months' penalty. This has been done following extensive consultations. The Hon. Member asks with whom. I can say that we have had extensive consultations with the Consumers' Association of Canada which comprises hundreds of thousands of Canadians who also happen to be home owners. As I mentioned, 14,500 Canadians have written to me asking for more information on housing. We have consulted with the industry, house builders, et cetera, and found that these people are very interested in selling houses and they have the interest of the potential home buyer very much at heart. They are not interested in building homes just to let them sit empty. Everybody who has an interest in the housing area has been invited to contribute. People have made their contribution, supported the measures we have put forward and the conclusions we have reached.

I hope we will have a very short discussion of this Bill so that it can be considered in committee. We will be very happy to discuss with Hon. Members the details of the measure in committee. I hope in the interests of all Canadians that we can get the Bill considered as quickly as possible.

[*Translation*]

The Acting Speaker (Mr. Herbert): Order. The period set aside for questions and comments has expired. Debate. The Hon. Member for Kamloops-Shuswap (Mr. Riis).

[*English*]

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I am pleased to have an opportunity to make some comments regarding Bill C-37, an Act to amend the National Housing Act, which is intended to give some relief to the volatile interest rates affecting mortgage holders. I am pleased to see the Minister of Finance (Mr. Lalonde) is in the House as well as the Minister responsible for the Bill.

I have listened carefully to the observations of a number of Hon. Members regarding Bill C-37. It is important that we recognize the situation in which this Bill is brought forward. We have a very serious housing situation in Canada. Mortgage rates today are in the 14 per cent to 14.5 per cent range which makes home ownership an impossibility now for most Canadians who presently do not own their own homes. Considering that every indicator of which I am aware would suggest there is a good possibility of interest rates increasing in the weeks and months ahead, this gives Canadians cause to believe that the mortgage rates they are paying on their homes will likely increase.

We are talking about a situation of people desiring to be new home owners who are finding it an impossibility today to think seriously about investing in a home. Those who are renegotiating mortgages today and in the weeks and months ahead have serious concerns about the implications of the present high interest rates and the spectre of increasing interest rates. The construction industry has indicated concern as well.

The construction industry in parts of Canada has virtually died. I am thinking particularly of parts of British Columbia and Alberta which for all intents and purposes have no viable housing construction industry at all as a result of the general economic conditions, mortgage interest rates and the uncertainty surrounding the interest rate phenomenon. We are talking about the tens of thousands of manufacturers both large and small which serve the housing construction industry. We find that they too are in a slump situation because new homes are not being built as required.

In the City of Kamloops the mayor wanted to put together a promotional video cassette not too long ago. He asked people in his building department to take pictures of some of the construction going on in the community, but there was no construction going on anywhere in the city. He could not find a person banging on a wall or shingling a roof. People had to manufacture a show of building. That is the situation in a city of 60,000 to 70,000 people.

If you walk around the subdivisions and through the inner cities of Canada, "For Sale" signs have become a reality on most streets. These signs of people moving out of their homes do not reflect a mobility taking place; they reflect growing numbers of Canadians being forced out of their homes or abandoning them.

What has happened is that three or four years ago both husband and wife were working. They could quite easily afford a mortgage payment of $400 or $500, perhaps even a bit higher. They assumed they would have to work, scrimp and save, but making a mortgage payment of $400, $500, or $600 was something they could manage and they entered into a mortgage. Perhaps they tied themselves in for five years or less, but they were into their first home and were part of the home ownership that Canadians have taken to so strongly.

Then one of them was laid off. It might even happen that both were laid off. Interest rates meanwhile have increased. Rather than paying $400, $500, or $600 a month on their

mortgage, they are now required to pay $700, $800, or $900. They are, of course, unable to do so. It takes two, three, or four months of non-payment or partial payment before the axe comes down. For many people the answer is simply to walk away from their home or be forced out by the banks or other financial institutions when they are unable to make their payments. This is an incredible situation, Mr. Speaker.

Members of Parliament, particularly those from western Canada, fly across the country on a weekly basis. They see forests covering the nation from one end to the other. We have thousands and thousands of hectares of forest land. There is space everywhere around our cities. We know the wealth of the country is in place. We know savings accounts and so on, as we are told on a weekly basis, are filled. To have the housing crisis that we have today, you really have to work at it. We have a government that has worked at it and developed it so well that we have literally thousands of Canadians who ought to be living in a home and making mortgage payments today but are not. The housing construction industry is on its knees. It is an incredible situation. Then along comes the Government saying that it has the answer with Bill C-37, the Mortgage Rate Protection Plan.

• (1610)

Let me say at the outset that I will not support this particular program as it has been presented. It is an absolute sham. It is a shame that the Government brings forward a piece of legislation which does not ask the banks to pay any more for the high interest situation. In fact, domestic bank profits are the highest they have ever been in the banking history of the country. That will not be changed one iota. It allows the banks virtually to charge whatever they wish for mortgages.

In effect, the Government of Canada has caused these high interest rates by agreeing to a high interest rate policy, but it will not pay anything in return. Who will pay now to protect themselves from high interest rates? It will not be the Government which created those high rates nor the institutions which benefit from them; it will be Canadian home owners. In other words, they can take out an insurance policy.

As the Minister of Finance said, Canadians are accustomed to taking out insurance policies. They take out hail insurance if they are farmers. They take out fire insurance, theft insurance or whatever. If they take out flood insurance, hurricane insurance, revolution insurance or insurrection insurance on foreign investments, they are dealing with matters completely beyond their control. In many cases they are acts of God. However, what we are dealing with today is the concept of mortgage rates, and that is not an act of God. Perhaps the Minister of Finance would argue against that, since it is his policy, but the point is that interest rates are government policy.

I should like to indicate that this need not be the case. The other day I talked with representatives of the Government of Norway. I asked them what they did about their mortgage rates and how they organized the market in their country. They said that it was simple, that their people could obtain mortgages at 10 per cent today and the most they will ever have to pay is 12 per cent over a 30-year term. It does not matter if inflation reaches 200 per cent or 300 per cent. It does not matter what happens in terms of the money markets. They have mortgage money for that length of time at a maximum of 12 per cent because the Government of Norway decided that it was important for its people to be able to afford to own their own homes, that it was in the nation's interest.

When the Minister of Finance says that the Government wants Canadians to take out insurance against high interest rates, it is a sham. I think the Government has stepped back from taking responsibility for dealing with high interest rates. As a previous Hon. Member indicated today, this mortgage insurance program does not provide any protection for up to a 2 per cent increase from the day a mortgage is taken out. Today the mortgage rate is 14.5 per cent. What they are saying is that they will allow the rates to go up to at least 16.5 per cent before Canadians obtain any relief whatsoever.

What does it mean when Government Members are asking Canadians to pay at least 16.5 per cent on their mortgages before any relief is provided? Will that bring comfort to the average household in the country? Will people say that they can now afford mortgages at 16 per cent to 16.5 per cent? Some people would say that that is usury, that a 16.5 per cent mortgage rate is totally unacceptable in a country as rich as Canada.

The Government has made an admission that not only is it helpless in this situation, in its own mind, but it is unprepared to deal with the issue as it should. Once again it is asking hard-pressed home owners to carry the can. The Government is asking Canadians to pay premiums which will be 1.5 per cent of their mortgage value. This is to be paid at the time the mortgages are taken out or amortized over the term of the mortgage. On a $70,000 mortgage, that would amount to $1,050 or $11 per month. The insurance will be 2 per cent deductible. In other words, interest rates will have to increase at least 2 per cent before anything is done. If a mortgage were to rise by 6 per cent between the time the mortgage was taken out and its date of renewal, the insurance would not cover the increase resulting from the first 2 per cent. The insurance would cover only three-quarters of the increase in monthly payments over 2 per cent. Therefore, if the rate went up by 6 per cent, which is certainly a possibility in these times, the coverage would be for only 3 per cent of the increase or 50 per cent of the cost.

This is a very expensive piece of insurance. The Government is asking people who are thinking of buying homes to come up with another $1,000 in cash or to be prepared to pay another $11 per month over the term of their mortgage. Quite frankly, we feel this is very misleading.

The Minister of Finance indicated that he has had 14,000 inquiries from Canadians about what the Government was doing to assist them with their mortgages. This does not mean that he has had 14,000 inquiries about Bill C-37. When Canadian citizens find out what really is in Bill C-37, what this mortgage insurance program really means, they will laugh

at the Government and say that it cannot be serious if this is its idea of providing Canadians with high interest rate relief. The Government is not prepared to pay a penny itself. It asks Canadian home owners to carry the total burden. Today the Minister of Finance indicated that the Government's intention was not to provide a cent, that it was a break-even plan and that it was a regular insurance program for which people obtaining insurance will pay. Considering that the Government created the situation in part, we feel it is turning its back on its responsibility for encouraging home ownership and assisting Canadians to pay their mortgages.

In a sense it almost rationalizes further interest rates. Then the Government will be able to say that it cannot do anything about high interest rates and that home owners should not be concerned because they can take out insurance if they so wish. I do not think that is a reasonable approach to this matter. We in the New Democratic Party are concerned about the fact that there are other options to pursue. For example, the Government should have the courage and political will to deal with high interest rates. After all, high interest rates in Canada are the problem. We have heard Liberal leadership candidates—and I do not have to name them because the media has done that well—saying that something has to be done about high interest rates. As a matter of fact, one even said that Governor Bouey of the Bank of Canada should be fired because of the advice he has given the Minister of Finance and the Government of Canada.

Mr. Gamble: That was a joke, remember?

Mr. Riis: It certainly is a joke. The whole approach is a joke. Leading Cabinet Ministers, one after another, agree that action should be taken on high interest rates. We have seen what other countries do when it comes to dealing with interest rates. If we are to provide affordable mortgages for Canadians, we could categorize the group of Canadians we would like to assist, such as Canadians with family incomes below a certain amount. They should be able to obtain funding for mortgages at a set rate from financial institutions. In other words, we should say to the banks of Canada that they have to set aside a certain portion of their loan portfolios to assist home owners and set mortgage rates at 8 per cent or 10 per cent over a prolonged period of time. That is a requirement of the Bank Act. We could ask other financial institutions to follow suit, to make it a fair system. Other countries do that. They have done it for years and years because they realize that home ownership is important and that affordable housing is important. Whether it is rental or home ownership, it is important that people have affordable housing. They take steps to enable their citizens to obtain it. We are not talking about pie in the sky ideas or magical solutions. We simply say to the Government that it should introduce policies that other countries have proven work very effectively. We want the Government to deal with interest rates or, if not, to bring in a special provision.

• (1620)

Not long ago there was a special provision for small businesses and farmers. It was called the Small Business Development Bond through which money could be borrowed at half prime plus 1 per cent. It cost some money to enable the small business sector to avail itself of money at half prime plus 1 per cent. If it can be done for that particular sector, surely it can be done for others.

Imagine what this could do for the economy of the country. While it may cost the Government a few hundred million dollars in lost revenue, think of what the federal coffers could gain from the increased housing construction that would go on across the country in every community. We would see construction in rural areas as well if people could afford new homes or add to existing homes. It would result in cash circulating within our country and increased sales tax, personal taxes and corporate taxes. It would assist the construction and manufacturing industries. Most importantly, it would allow Canadians to obtain affordable housing of one kind or another.

We look forward to Bill C-37 going to committee. Since we are only discussing the principle of the Bill at this stage, we will be attempting to fine tune the Bill and to suggest a number of alternatives.

Let me comment on the mortgage-backed securities portion of this Bill. I commend the Government for taking some steps to increase the availability of mortgages beyond five years, but this means that Canadians will once again be locked into interest rates at perhaps 14 per cent to 15 per cent. If interest rates drop they will be told that they can get out of that agreement, but they will have to pay the entire cost of interest to which they agreed. I distinctly remember numerous occasions in the House when the Minister responsible for CMHC and the Minister of Finance said that a 3 per cent penalty clause ought to be adequate. As a matter of fact, the Minister of Finance was surprised that financial institutions were charging more than 3 per cent. We now have legislation that does away with that 3 per cent option once again. We will debate that loudly and push strongly for that option when this Bill gets to committee.

In conclusion, this Bill is not an answer to the high mortgage costs that Canadians are facing today. It is worse than a sham because it gives Canadians the impression that the Government is taking action when all it is doing is telling them that if Canadians want very second-rate insurance coverage to protect them from higher interest rates, this is the vehicle. That is not what the people of Canada deserve and not what the people of Canada should be getting from the Government.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments.

Mr. Miller: Mr. Speaker, I am not certain that I will have an opportunity to speak at this stage of the debate so I want to ask the Hon. Member to comment on what I feel is a flaw in this legislation. That is, the effect it will have, if passed, on the

public's lack of will to deal with the fundamental problem of high interest rates which the Hon. Member commented on. If this Bill is passed and people believe that there will be some semblance of protection against increasing interest rates, their will to put pressure on the Government to control those interest rates will wane somewhat. Has the Hon. Member considered how this may reduce some of the political pressure on the Government to take action against the banks that are charging exorbitant rates and reduce some of the pressure on the banking policies of the Liberal Government?

Mr. Riis: Mr. Speaker, I would be pleased to make a comment in that respect. This Bill gives Canadians the impression that the Government is taking action against high interest rates when it actually shows that the Government is not taking any action at all. The Government is assuming that high interest rates are here to stay and that they are likely to increase. If the Government did not believe that interest rates would increase, there would be no need for this particular Bill. All this Bill does is protect one against increasing interest rates. It does not protect one from being locked into these higher interest rates and enable Canadians to take advantage of lower rates. In fact, it penalizes people because they will not be allowed to take advantage of lower interest rates.

The Government has failed to deal with high interest rates and has based its policies on the assumption that Canadians must follow U.S. interest rates. The Minister of Finance has said that he cannot do anything and must look to Paul Volcker, the Chairman of the Reserve Board in the United States, for guidance. This means that the Government of Canada is saying that a foreign bureaucrat in Washington, D.C. is deciding our monetary policy, the state of the Canadian economy and whether we will stagnate longer, grow, or make matters worse. The Government has no control over what is happening.

I do not believe there is another country in the world whose Minister of Finance would give a foreign bureaucrat all the responsibility to determine its future. The Minister of Finance has made this incredible statement time and again.

In summary, this Bill means that the Government has admitted that interest rates will likely increase and that it plans to do nothing about it. However, if Canadians want to take out very expensive insurance that does not even cover all of their losses as a result of increased rates but simply a portion thereof, they will have the opportunity to do so. I believe it is absurd for the Government to take no action but to introduce the simplistic insurance policy contained in Bill C-37, when we are the richest country in the world with unbelievable resources and a very small population. It does so at a time when there are literally tens of billions of dollars in Canadian savings accounts and a variety of vehicles that would enable the Government to take advantage of lower interest rates. Canadians are interested in getting on with building the economy, of which housing is one option to pursue.

Mr. Kristiansen: Mr. Speaker, the Hon. Member for Kamloops-Shuswap (Mr. Riis) commented at some length on the problems with this Bill. In doing so he pointed out certain shortfalls in other government housing programs that have been undertaken in past years. One of those programs, about which many of my constituents have expressed concern, especially those in the co-operative housing movement, is mentioned in the report of the national task force on co-operative development which was filed with the Government yesterday through the Minister responsible for the Wheat Board. The Minister of State for Economic and Regional Development (Mr. Johnston) suggested in an answer yesterday that he was agreeable with the new co-operative thrust.

Would the Hon. Member elaborate on the impact of the cutbacks in funding from CMHC to the co-operative housing sector? These cuts are in fact destroying the existing structure and support for co-op housing just when the Government seems to be prepared to support more co-op housing and is taking action to protect Canadians against the threat of increased interest rates. Can the Hon. Member for Kamloops-Shuswap (Mr. Riis) give us some examples in his area or other areas of British Columbia that are showing the effect of these cutbacks to CMHC funding for housing co-ops on the housing supply in Canada?

• (1630)

Mr. Riis: Mr. Speaker, I certainly can respond to that question. In my own constituency, we have had the opportunity of developing two co-operative housing complexes. The first one that was built was, I would say, one of the nicest housing developments in the City of Kamloops. There is another co-operative housing complex presently under construction.

I must say that the interest in co-operative housing has risen beyond anyone's wildest dreams, at least in central British Columbia, and I suspect in other areas of the country with which I am familiar as well. Co-operative housing does allow people who would not otherwise be able to afford their own home the opportunity to do so. They have been built extremely well and are being run extremely efficiently. As I say, they allow people to own their own homes.

Unfortunately, while people have been encouraged to start thinking more and more along the lines of co-operative housing, we are being told by CMHC that funding is no longer available. We are being told that while the interest in co-operative housing is appreciated, the fact is that adequate funding is simply not in place. Many people see co-operative housing as a viable housing option, have supported the concept and see its benefits, but they have found that the financing is simply not there. Considering how well it has worked, in spite of the reports of some of the housing construction organizations, it is a shame that we cannot see more support for this kind of housing option. It has been successful in the past and with proper support, it could certainly be successful in the future as well.

The Acting Speaker (Mr. Herbert): Are there further questions or comments?

Mr. LeBlanc: Mr. Speaker, I would like to ask the Hon. Member for Kamloops-Shuswap (Mr. Riis) whether or not, being the confirmed socialist that I assume he is, he thinks that a housing project which by obligation must make available only 15 per cent of its housing to people of low income is adequate. Does he think that 15 per cent is an adequate figure, taking into consideration the fact that the number of people who are waiting for better housing is increasing? Does he not think that these organizations should come forward with a much larger percentage of assistance for the occupants of their projects?

The Acting Speaker (Mr. Herbert): A short response from the Hon. Member for Kamloops-Shuswap (Mr. Riis).

Mr. Riis: Mr. Speaker, a short response would be that I agree with the general thrust of the question. Co-operative housing is intended to provide a mix of residential ownership, and an increase in the percentage of houses available to those of low income would certainly be appropriate. I believe that it is the mix that is important and that mix could be altered appropriately with the appropriate support of the federal Government to enable a larger percentage of the occupants of co-operative housing projects to be those who come from the low-income strata.

The Acting Speaker (Mr. Herbert): That is the end of the period allowed for questions and comments. For continuing debate.

Mr. John Gamble (York North): Mr. Speaker, Bill C-37, an Act to amend the National Housing Act, best typifies the new era of legislation that we have come to expect from the Liberal Government. It follows a pattern that is unfortunately becoming all too common.

Before I make some of the remarks I wish to make on second reading of this Bill regarding its general principle, I would like to acknowledge that since there are about 5.3 million households in Canada, half of which are owned by people who have mortgages on their residences, the intended thrust of this legislation smacks of relief. I say that because we have been told what the legislation will in fact do.

We have all seen the little booklets that were published immediately following the release of the Budget by the Minister of Finance (Mr. Lalonde) on February 15 of this year, and we all recognize that since that date, interest rates in Canada have risen by between 2 per cent and 2.5 per cent depending upon the term of the mortgage. The larger increase applies to mortgages with one-year terms and the lower increase, although the higher rate, applies to mortgages with terms of five years. We are now looking at interest rates of roughly 12.75 per cent on mortgages with one-year terms and 14.5 per cent on mortgages with five-year terms, with the expectation that those rates will increase. Accordingly, if this Bill were ever to be of any value, it would be of value now because of the built-in advantage to mortgagors who will take advantage of the Bill since it dates back to March 1. From February 15 to March 1, interest rates did not change appreciably.

Let me briefly explain to the House what I understand to be the general terms of the Bill. The provisions of the Bill are such that it appears that for a fee of 1.5 per cent of the face value of the secured obligation up to a maximum of $70,000, the mortgagor will be entitled to have that portion of payment under a protected mortgage paid to the extent of 75 per cent thereof by the corporation after self-insuring to the extent of 2 percentage points. I say that it appears to do so because I am not too sure that the legal language used accomplishes the alleged purpose. I believe that mortgagors should understand that that is indeed the case. The protection becomes available for a fee of 1.5 per cent. It is certainly not to be regarded as a gift from the Government, although the Bill clearly indicates that funds are to be made available to the program initially from the Consolidated Revenue Fund.

There are a number of very substantial gaps in the Bill. It refers to benefits, but it does not indicate how those benefits are to be paid. I am at a complete loss as I examine the Bill. When the Minister has an opportunity, perhaps he might like to indicate to us how those benefits are to be paid. Let us assume that we are dealing with a mortgage that was renewed just at the time this plan became effective. When the new renewal comes up, the protection is paid for the full term.

By the way, a five-year mortgage is the best deal and there is no doubt about that since there is no difference in premium rates if a mortgage is taken for five years, for three years or for one year. I think the general public should be made aware of that. As a matter of fact, I think that a big blue flag should be put on all of this material to indicate to home owners that they get the best deal with a five-year term. I would have said a red flag but we are the ones who are drawing this to the attention of the public.

This Bill does not indicate that mortgagees are entitled to receive anything less than that which is provided under the terms of the mortgage. Mortgagees in fact will be paid the full amount. The home owner and CMHC will step in and jointly make the payments that must be made. I would like to know where in the Bill reference is made to who gets the money. Does the home owner receive a monthly cheque from the corporation or does the corporation pay the funds directly to the mortgagee? In any event, that is only one of the gaps in the Bill. I know we will be told that all of that will be established by regulation.

• (1640)

We have been waiting for this legislation for a long time. I certainly do not intend to delay it. However, I believe that it is important to examine in a forthright and honest fashion the way in which the legislation has been drafted. I do not know who the Government has retained in the Department of Justice to draft legislation, but this is, to say the very least, a dog's breakfast. As I examined the Bill, it became apparent that there was one potential for conflict after another. The word "term" is defined on page 10 of the Bill as follows:

—in relation to any borrowing of money or any loan, means a term stipulated for the repayment thereof and includes a period of extension or renewal of such a term.

If one had a five-year mortgage, "term" would clearly mean that it would include a five-year renewal in the event that the mortgage referred to a potential for renewal, or it would include a renewal if that renewal were negotiated prior to the expiration of the date of the original term. However, if we examine page 11, there appears a rather interesting provision. Clause 34.82(1)(b)(iii) states:

—the term or each of any such successive terms is not less than one year.

The question is: How can it possibly occur in the event that "term" means original term and any possible renewal thereof? It is interesting to note that "term" is defined in Clause 34.82(a) wherein it reads:

—the home owner obtains for that purpose on or after the expiry of that term;

The plan, as I understand it, contemplates obtaining by an insurance-like premium a protection for the renewal of a mortgage at a rate which is guaranteed with respect to the rate of interest in part only. Clause 34.82, which is the operative part of the Bill in terms of providing protection is, to say the very least, extremely confusing.

If that provision is confusing, I would invite Hon. Members to proceed to Clause 34.83. What I thought was the nature of the protection as explained in the immediately preceding paragraph is destroyed by providing that: "The corporation"—which is CMHC—"may, from time to time, in prescribed manner, establish rates of interest, for publication", and upon such publication the rates which are to apply to the protected loan and the base loan shall be the rates which are established by the corporation. They are to be the rates which will give rise to the extent of the protection. I say that because that is apparently what the words mean but, I cannot understand the process. If, indeed, they do provide for an abatement between the real rate paid and the rate contracted for and if they reduce that gap protection, then I would clearly ask that this matter be drawn to the attention of the public. The public is clearly of a different view.

One of the most troublesome provisions which should concern all Members of the House is the persistent reference to regulation, prescribed forms, prescribed circumstances and deemed consequences. In this 17 page Bill, regulations or prescriptions occur 55 times. What should we call a Bill which provides for such mammoth and substantial changes when, by way of regulation the heart and soul of the Bill may be removed? That is what the Bill does.

I know it is pleasant for the Government to come to the House and say, "Please pass a skeleton and we will add to it the meat. Please stick up a stake and we will stick the limbs on it." That is exactly what it is doing. We will not have to return to this troublesome place—the House of Commons—for further examination and approval or changes. If there are any mistakes, the Government will fix them by regulation.

Let us look at some of the significant provisions which may be altered by regulation. Let us look at the very heart and soul of the Bill in terms of the insuring of mortgage interest rates. As I indicated earlier, that is Clause 34.82. If we examine that Clause from the beginning it states:

(1) Subject to this Part and any regulations made under subsection 34.88(1)—

The very heart of the Bill is subject to regulations. It also makes reference to specific regulations. If we turn to Clause 34.88, among the provisions that may be changed by regulation, on page 16, under item (d) it states:

—prescribing any terms and conditions to which entering into a contract under subsection 34.82(1) shall be subject;

The place to determine the conditions which entitle people to receive their money is in the Bill itself and not in the regulations. We have already established that. People have to pay a premium of 1.5 per cent. The maximum amount of the mortgage that can be secured is $70,000. People are only entitled to recover three-quarters of the amount. It is all spelled out in the legislation. Increases of over 10 per cent interest are not entitled to reimbursement. As well, there is a 2 per cent self-insuring clause. What then does this clause mean? I do not know. Because I do not know, I should naturally be alarmed that I am called upon to pass legislation which, by the very terms of the Bill itself, authorizes the Government to step in and potentially change the main thrust of the legislation.

That is not the only place in the Bill where that kind of circumstance applies. It is sufficiently harmful that I think it requires renewed examination. Surely the Government can come before the House with a plan which is clear. It is able to spell it out in the pamphlet which has been issued. For instance, we could look at one of the provisions in the pamphlet which asks: "Can a Home owner Renew his Protection? Yes. Upon expiry of his or her original mortgage, the homeowner can extend the mortgage protection by paying an additional premium. This gives the homeowner the option of continuous protection until the mortgage is paid off."

• (1650)

One should examine the provisions of Bill C-37, under Clause 34.87(1) which deals with the establishment of the base loan and the protected loan—and one may be deemed to be the same as the other—and then read Clause 34.87(2), which states:

Notwithstanding subsection (1), where a home owner has been provided with protection in respect of any loan, no further protection in respect of that loan may be provided.

That is one statement in the Bill, to my mind, which is in direct contradiction with the statement which appears in the pamphlet. I believe that the Government genuinely intends that the statement which appears in the pamphlet be the law, but this provision in the Bill has, in my submission at least, the very real prospect of creating the opposite effect. If the words are intended to convey some other impression, can they not be spelled out in a fashion which Hon. Members of this House can understand? In their present form they leave me with the very distinct impression that the opposite effect from that originally intended, allegedly, by the Government, will result if this House passes this Bill in this form.

In my view, we have a responsibility—if I may deal with the way in which legislation is introduced in this place—to see that Parliament itself understands legislation it passes; not fails to understand, not delegates to someone else, not delegates to the Governor in Council. We have a parliamentary form of government, and the establishment of legislation which is the trunk of a tree on which limbs are to be hung, or which is the skeleton on which the government is to put the flesh, is not the purpose of this House. I urge the Minister, who is here, to go back to the person who is doing the drafting of Bills for him, and when this matter is referred to committee he should be prepared to make some very substantial changes which will reflect what appears to be the alleged intention of the Government.

I also believe that it is vitally important for Members of Parliament, in the event that they are to discharge their duties, to be able to understand clearly and as promptly as possible what the words mean. In addition, every time the words "prescribed" or "fixed by regulation" appear, the Minister must understand that we are denied the right to discharge the obligations placed upon us by our constituents. I find this whole method of drafting legislation to be offensive.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments? Debate.

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I take pleasure in the opportunity to contribute to this debate this afternoon on Bill C-37, which is designed to establish a mortgage interest rate protection plan. This Bill has in it a main component which is of more interest to me, that is it permits the federal Government to once again become directly involved in the delivery of a number of social housing programs which formerly had to be delivered through a number of provincial agencies.

I am happy that the Minister is in the House this afternoon. He will recall that I raised this question with him a couple of weeks ago. He told me at that time that the agreements with the provinces were short of a few minor details but they would be ironed out in due course. I am pleased in a sense to see that the ironing out which has been done resulted in eliminating the provincial jurisdiction in this area, and permitted the federal Government once again to deliver these programs directly, because that has been a more effective way, at least in my experience, in the past.

I am particularly concerned, of course, with the Rural and Native Housing Program—because of the nature of my constituency—which has been sadly neglected over the last few years. In a sense it is sad that we cannot get together in a more co-operative program of federalism which would permit the two Governments to co-operate in a more effective way. However, it seems that in all cases the federal Government insists on having its piece of plywood outside saying, "This is a federal project. Look at what we are giving you. Look at how generous we are with you. We want to remind you of that when an election comes around".

Naturally, the provinces want to collect their political currencies as well when these kinds of programs are delivered and public moneys are being spent. Unfortunately, in many cases that has resulted in not delivering the programs at all because the governments cannot get together and that is, in a sense, unfortunate. I do not know what the solution is, the nature of our business being what it is. It will probably always be the case that the government which delivers these kinds of programs wants the political credit for it. As I say, I consider this unfortunate.

There are a number of positive things which I could say about this Bill, but I am very much afraid that it is my role, and the role of the Opposition, to point out the more negative features of the Bill. Let me just say from the outset that apart from the social delivery system which has now been improved upon, I do not see anything in this Bill that is worth considering. There is a lot less there than meets the eye and a lot less than was in the Throne Speech or in the announcements by the Minister of Public Works (Mr. LeBlanc) and the Minister of Finance (Mr. Lalonde) or, indeed, in the Bill itself.

We have a mortgage interest rate protection plan in this Bill. The Minister of Finance a few moments ago stood up in this House and told us not to worry, there is not to be any public money involved in this; that it is sort of a self-supporting, self-sustaining kind of a program; that the mortgage holders will be paying for the protection like buying life insurance or buying any other kind of insurance. What that means, in a sense, is that the mortgage holders, instead of waiting for interest rates to rise, will now have the privilege of paying their interest rates in advance.

There is a $70,000 limit on this program. That means, in many cases, if it is a five-year period, the mortgage holder will now have the privilege not only of paying the current rate of his mortgage, which is 14 per cent or 14.5 per cent, but in addition to that he may pay some interest in advance in the amount of up to $1,500. This shows how much faith the Government has in the stabilization of the market and the stabilization of interest rates.

The Minister of Finance said today during Question Period that his Government does not have a high interest rate policy. I suppose what he is saying to us is that there are no high interest rates in this country. This is just a rumour started by some ungrateful Canadians who cannot afford to renew their mortgages. The Government does not have a high interest rate policy, yet this whole Bill does nothing else but protect mortgage holders not from current high interest rates, but against future increases in interest rates. Therefore, there really is no help in there for the mortgage holder. Instead, it will create a lot of fear, anxiety and uncertainty in the marketplace because we are now saying, "Go and buy your mortgage insurance plan because the storm clouds are coming, interest rates are going to go up and we want you to protect yourself against these fluctuations".

● (1700)

The problem is not really so much with protecting mortgage holders against high interest rates. What we on this side of the House really expected was an attack by the Government on the cause of high interest rates in the housing field. We in this country have not yet recognized that housing in a modern civilized industrial society like ours is a social right. We pretend that we have recognized that, but we really have not. Like clothing and food, housing is essential, particularly in a country like ours when it gets to 40 below. People need to have shelters, therefore it is a social right. The Government talks about this social right, but it has done very little about it. Having accepted that principle, and recognizing that the problem with the housing industry is that it fluctuates with the economy, that is to say as the economy goes up and down so do interest rates and mortgage rates, other countries have managed to separate the housing market from the rest of the money market.

I would like to give the Minister a few examples of what other countries have done to bring about effective housing policies. It is not uncommon, even today in the U.S., to have a fixed mortgage at 6 per cent. It is not at all uncommon in Britain, France and in Germany to get 40 or 50-year fixed mortgages at 5 per cent or 5.5 per cent. How is it done? What are these people doing that we are not? First of all, they recognize that housing is a social right. Secondly, they have recognized that a home owner, by virtue of being a home owner, is a productive citizen. He is a taxpayer, he buys furniture, carpets, building materials and plants for his garden. He adds to the social inventory of the country. Almost every person aspires to own a home. It is a protection against inflation and they can pass it on to their children. But what do they do? Let us look at some of the schemes in place in the United States.

We have the great problem of a shortage of capital at times. That is the reason why the National Housing Act was created. The banks and financial institutions in our country did not, for whatever reason, satisfy the need that existed. Incidentally, this country has a backlog in demand for housing, about 200,000 housing units. That is, of course, more than we are building every year. Up to April of this year, compared to last year, housing starts are down 37,000 units. That is terrible. These other countries know that housing construction is very stimulative to the economy. The lumber industry, which is in such difficulty right now, would certainly be stimulated by more effective housing programs. This applies to all sectors of the economy. Well then, what can we do? We could entice people to invest not only in their own homes but in the housing market itself.

Canadians have more money invested in term deposits in the banks than any other nation in the world. That is why it is not too wise to make comparisons between Canada and the United States. People in the U.S. tend to invest in the stock market more than do Canadians. Some 27 per cent of all adult Americans invest in the stock market, whereas in Canada it is only 7 per cent. Canadians are, I suppose, very cautious investors. Perhaps it has to do with a little bit of ignorance about how business and the stock market work. Well, how can we get people to take their money out of the banks and put it in the housing market or small business or whatever? The way to do it in the housing market is to give them the necessary tax inducement to take money out of term deposits and put it in the housing market.

That is not new. In fact, the Government had discovered this idea, but its priorities are all wrong. You can invest money in the film industry and it is deductible from taxable income. You would not believe how much money there is available for the production of films. Well, it is very simple. The Minister would not believe how much money there would be available over night with the right inducements for people to put their money into a mortgage exchange corporation. The Minister has such an instrument. It was passed by Parliament in 1975 but it has never been declared. You pay money into a mortgage exchange corporation and the interest you earn is tax free. The interest rate, of course, is down to 6 per cent or 7 per cent. That saving would then be passed on to home builders and of course the net result would be that your earnings would be the same. If you paid tax on the interest from a 10 per cent or 11 per cent security deposit in a bank, you would be probably worse off than if you were earning 7 per cent in this other instrument. That is one way of doing it.

In 1979 we proposed the mortgage deductibility plan. You could deduct from your taxable income a portion or all of the interest that you paid on your mortgage. That resulted in a very significant saving to home owners and a very significant reduction in interest rates.

Let me tell the Minister of an even more effective and workable system. It was created about 150 years ago in Great Britain. Those governments, a co-op or a union permit people to save in advance for their homes. In Germany it is mostly the unions that manage these saving societies. It is not necessarily the potential home owner himself who does the saving. Parents and grandparents save for their children or grandchildren. Anyone who wants to save in the housing market can put money into a plan and then give it away to someone or even sell the plan for a little profit.

● (1710)

You put some disposable income into a mortgage exchange corporation or savings society. The money is government guaranteed. The interest rate is very low. It is 1 per cent or 2 per cent. You tailor your plan to your needs. If you need $80,000 or $100,000 10 years from now, you have a plan tailored for yourself. In 10 years you will have saved about 25, 30 or even 40 per cent of the total. You get only a very low rate of interest while you are saving. In return, when the plan matures, you get a fixed mortgage for whatever duration you wish at an interest rate which is presently, in most cases, 5.5 or 6 per cent. This happens in Great Britain, France, Italy, Austria and Germany.

These are countries which are over populated. I can fit three of these countries into my own constituency. There are 60

million people living in the Federal Republic of Germany. My nephews and nieces there all plan to build their own homes. Some of them are doing it right now. They are doing it at a fixed rate of 5.5 per cent because their fathers, and later on themselves, as they started to work, planned ahead and accepted the responsibility associated with planning your own future and building your house.

In Canada, 35 per cent of our population comes from countries which have this experience. Is it the banks that do not let you do these things because they need their pound of flesh? You are subsidizing the home owners with this nonsense. You are subsidizing the banks, the insurance corporations and the mortgage corporations. Is that the problem? Are you catering to the banks? Are you their puppet? Are you really worried about home owners? Why is it that we in Canada cannot do what other countries have done so effectively over the last 150 years? You make all kinds of comparisons with other countries all the time. These are not socialist ideas. They are effective ideas once you have accepted that housing is one of the three essential elements of life in a country like this. Why is it that you are so stubborn, so totally ignorant, and so totally devoid of any ideas? Why is it that Canadians cannot—

Mr. Speaker, how am I for time? Have I a few more minutes?

The Acting Speaker (Mr. Guilbault): The Chair was about to rise and advise the Hon. Member that his time is up. The Hon. Member for Malpeque (Mr. Gass) with a question.

Mr. Gass: Mr. Speaker, I would like to ask the Hon. Member to finish what he was going to say.

Mr. Oberle: Mr. Speaker, I do not wish to abuse the patience of the House. I wanted to finish the question I was posing to the Minister. He has 10 minutes for question period. I would like him to rise and tell me why he is a servant of the banks instead of the executor of the mandate and the responsibility he has to provide Canadians of all walks of life with adequate and affordable shelter.

Mr. Cosgrove: Mr. Chairman, the last speaker indicated that there is 10 minutes of question period. As I understand the rule, those are 10 minutes of the last speaker. Perhaps following parliamentary procedure it would be in order to further develop this debate by asking questions of the last speaker.

Because of responsibilities that I enjoyed in this area for reporting for Canada Mortgage and Housing, I would be interested to know of the position of the Member and of the Party he represents with respect to affordable housing. How does he propose that housing could be made affordable for Canadians generally? Specifically, what is his view of shelter allowance? Does his Party intend to promote shelter allowance?

Mr. Oberle: Mr. Speaker, I am delighted to answer that particular question because I know how anxious that Minister is. I give the present Minister of Housing credit as well for understanding the problem. Neither of them understand nor have ever understood the solutions.

A quick way of solving the housing problem in the country, and an even quicker way of finding out what the policies of the Progressive Conservative Party are in this area, is to screw up your courage and call the election. You will know immediately what the solution will be.

Mr. de Corneille: Mr. Speaker, I think the subject is too serious to evade in that way. It is time the Opposition became honest about such an important subject. I will repeat the question. If they are going to make comments about policies and talk about them intelligently, they obviously must have a policy in mind. Certainly he would not want to admit that there is no policy there. Is he in favour of shelter allowances?

Mr. Oberle: Mr. Speaker, as I told you earlier, this Party will draw from the experience of many people. We told the Government today what the solutions are. I was very generous. I told of a number of programs which are in place in other countries that have worked very effectively. I told what the results of these programs are. The problem is that we have given these people all kinds of ideas before. Why do they not take these two ideas and run with them? Why do they not tell your leadership contenders to go and announce them?

I am very much afraid, as was the case with all the other ideas we gave them, that they would bungle the whole thing. It does not take just ideas. It takes people who are committed to doing something. It takes people who are prepared to accept the social responsibility that is associated with being in power to put these ideas across. I do not have confidence, nor do Canadians generally, that these people will demonstrate that kind of responsibility.

Mr. LeBlanc: Mr. Speaker, I do not want to filibuster this Bill. It is a very interesting debate. I would like to know what the present Conservative Party thinks of the Mathews Report which, amongst other things, would have suggested the dismantling of CMHC. I will not ask that question.

I know the Hon. Member is seriously interested in the amendments to the rural and native housing program. He seems to suggest that the amendments were brought about because we had a quarrel about signs and credit. If he believes this is the reason, I hope he will check with his provincial government. Does the Hon. Member know that we were unable to deliver to natives and rural people a program in British Columbia because under the law we had to have 25 per cent provincial participation and that participation, without reference to signs or credit, was not forthcoming?

Mr. Oberle: Mr. Speaker, the Minister understands my interest in this area as does the former Minister. In all fairness to him, I fully understand what the difficulties were in British Columbia. No social programs were delivered because the province had its priorities in other areas and did not provide the 25 per cent component, as was the requirement under the arrangement.

• (1720)

In fairness to the Minister, the Government was giving an undue amount of political credits. It was taking all the credits for this housing program and yet the Government did not see fit, at least in my province, and a similar situation exists in other provinces, to get these programs delivered. As I said at the outset, I applaud the Government for taking the necessary initiatives to deliver these programs directly, but that does not get the Government off the hook. This Bill does not attack the root cause of the problem. The housing market is tied to the cyclical nature of the general economy. Unless the Minister has the courage to correct that, we will have continuing serious problems in this area.

Mr. McKenzie: Mr. Speaker, I have a question for the Hon. Member for Prince George-Peace River (Mr. Oberle). I am sure he will recall during the last election campaign the Liberal ads which appeared over national television during prime time, night after night. We saw the Minister of Transport (Mr. Axworthy) speak repeatedly on interest rates and what a horrible thing it was that interest rates were rising. Night after night over national television on behalf of the Liberal Party, with its usual pack of lies, he stated the Liberals would reduce interest rates.

That was over four years ago. Does the Hon. Member for Prince George-Peace River think that the Liberal Government should bring forward its policy and program on how it is going to reduce interest rates as the Liberals said they would over national television night after night during the 1980 election campaign? Does the Hon. Member not think that four to four-and-a-half years is just a little bit too long for the Liberals to take to bring in this policy of reducing interest rates? Does the Hon. Member think the Liberals should explain why they allowed the interest rates to go to 21 per cent? Interest rates are now on the rise and the Liberals still have not brought forward this policy of reducing interest rates.

Some Hon. Members: Hear, hear!

Mr. McKenzie: The Liberals are going to mislead the Canadian people again going into the next election.

The Acting Speaker (Mr. Guilbault): The Chair has a problem of whether some questions are allowable. Questions should relate to the remarks made by the previous speaker. The Hon. Member for Winnipeg-Assiniboine (Mr. McKenzie) is referring to something that happened four years ago. The Chair recognizes that the subject of interest rates is in the Bill. The Chair will allow the Hon. Member to reply. This is a border case, which seems to have little to do with what we are discussing.

Mr. Oberle: Mr. Speaker, what my friend, the Hon. Member for Winnipeg-Assiniboine (Mr. McKenzie) has said is indicative of the kind of reluctance I would have in giving the Liberals our program in great detail, because they would not know how to handle it. The Liberals let interest rates run away, even though they promised clearly that interest rates had to go down. I can recall the present President of the Treasury Board (Mr. Gray) getting up every day during question period saying that interest rates must go down. He was almost falling into the aisle while saying it.

Mr. McKenzie: He said he would resign.

Mr. Oberle: Interest rates went up. As my hon. friend indicated, the President said of the Treasury Board he would resign if interest rates did not go down. He is still here, Mr. Speaker, and he has not come up with any innovative ideas. The same is true with gasoline taxes. The Liberals said the price of gasoline would go up 18 cents if the bad Conservatives stayed in power. Look at what has happened, Mr. Speaker.

The Acting Speaker (Mr. Guilbault): The question period has now come to an end. For debate, the Hon. Member for Timiskaming (Mr. MacDougall).

Mr. John A. MacDougall (Timiskaming): Mr. Speaker, I am pleased to take part in the debate, but very concerned in another way. Four years have gone by since this Government has been in power. Now we are in a situation where the Liberals are producing amendments not only to the Interest Act through Bill C-36, but also introducing amendments to the National Housing Act through Bill C-37.

This afternoon during question period we heard that we have to work together, meaning federal, provincial, and municipal governments, but when we look at Bill C-37, what do we see? We do not see federal and provincial governments working together. What we see is the federal Government going on its own. It is a sad state of affairs when we as a federal Government cannot work together with our counterparts in the provinces.

Housing to me and to the Members on this side of the House is very important. Everyone in this country should be able to have affordable housing. Everyone has a right to have a home. Let me speak about rural and native housing. There are a number of reserves in my riding of Timiskaming. Let me introduce to you, Sir, one part of my riding, the Moosonee-Moose Factory area. That area is made up of a native reserve and is in the northern part of James Bay. I went to that part of my riding last week. A housing survey was taking place. It was shocking, to say the least. In 1984 we still have people living in tents. I know that is hard to believe, but it is true. That same survey showed in addition to those living in tents two, three, and four families were living under one roof. In two or three rooms were 12, 14 and 16 individuals. I was told that in winter months, people were sleeping in the attic because that was the only warm area. Today, four years after this Government took over, we are only now debating this question. I hate to say this, but is it because there is a chance we will have an election this year and is it just an election issue? I hope not.

This year in the riding of Timiskaming we are allotted 30 homes under the Native and Rural Housing Program. That will not come close to what is required. In one area of my riding, the Moosonee-Moose Factory area, those 30 homes could be used exclusively. There are other parts to my riding,

it is a very large rural riding. There are good provisions under this program. There are needy citizens not only in Northern Ontario, but across this country. There are people living in tarpaper shacks. They have pot belly stoves. They are unable to get warm and are unable to provide for their families.

We have to go further. I strongly believe we have to do so with provincial help. We have to work together to resolve the problems in the housing industry. We cannot do it by going it alone. Once again it is determined that this Government will not work with the people. The Liberals have their own thoughts. They do not share the thoughts of Canadians. They have their way of doing things and that is the way it will be.

We intend to change that pattern in a very short period of time. Let me now come to another area. Canadians young and old have always had a dream of owning their own home. We work hard over the years to get what we hope will be affordable housing. People have pride in getting a garden, a beautiful lawn, and a home.

I want to quote something that was said on February 10, 1980, "I would want to manage the economy in such a way that interest rates would, in fact, come down because the economy would be administered in a sound way." The Prime Minister (Mr. Trudeau) said that in an interview with a reporter from *The Toronto Star*. Since that date I have friends, and I have colleagues who have friends, who have lost their homes because of this Government's policies and the increasing mortgage rates.

• (1730)

The mortgage interest rate policy of the Government has not been good for Canadians. The mortgage rate in 1974 was 11.88 per cent, in 1981 it was 21.46 per cent, and in 1984 it was 14.25 per cent. Approximately 2.2 jobs are created with every home built in the country. Coming from a resource-based area, I know that means employment not only directly in the construction industry but in the steel, forest and other related industries in the riding of Timiskaming and throughout northern Ontario. The adjustable seasonal rate is 166,000 or 22.5 per cent unemployed people in the construction industry across the country. It is a shameful number and it is due to the high interest rate policy of the present Government.

If a mortgage with a base rate of 12 per cent is renewed at 17 per cent, the first two percentage points are not covered by the insurance. Thus, three-quarters of the difference between 17 per cent and 14 per cent, or 3 per cent times three-quarters, which equals 2.25 per cent, will be paid. In other words, the Government is indicating that interest rates are rising. It is plain. It is in the Bill. There is no doubt that the Government is saying: "Hold on to your hats, here we go back to high interest rates". It is time for the Government to dissolve Parliament and go to the people. Then we could be rid of the problem—this Government.

Mr. LeBlanc: Have you read the Gallup?

Mr. MacDougall: The Gallup is fine. It is galloping along the way we want.

Mr. Malépart: Will you be back?

Mr. MacDougall: I will be back, and I will bring other colleagues from northern Ontario with me.

There are many areas at which I could look, but before concluding my remarks I would like to indicate that people with mortgage interest rates at 17 per cent, 18 per cent and 20 per cent are facing difficult times. Approximately two years to five years ago families had two working members. Today, if we travel across the country, how many families do we find with two members working? It could be the wife or it could be the husband who are working today. If they cannot afford the mortgages they have today, how will they be able to afford insurance to protect them against rising interest rates? If we are looking at $1,050 on a $70,000 mortgage or whatever, that might be a relief in some areas of the country. However, we are still not getting at the problem, which is the economic policies of the Government. This problem is evident in that mortgage interest rates are rising. The Government has mortgaged the future of our young people and the future of their children. At whatever we are looking, be it Bill C-37 or youth employment, it seems to come down to mismanagement by the Government and it is Canadian taxpayers who are paying for it.

I could refer to many sound areas such as native housing, RRAP and townships which do not qualify, housing geared to income and many other areas; however, I thank the House for the opportunity to participate.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments?

[*Translation*]

Mr. Malépart: Mr. Speaker, I realize the Hon. Member arrived here in the House after the short reign of the Progressive Conservative Government. Was he aware of the fact that the Minister responsible for CMHC asked one of his Conservative friends to examine how CMHC could be dismantled and divested of its programs, especially in the area of subsidized housing? The person in question was Mr. Elmer MacKay, who recently stepped down to let the Leader of the Progressive Conservatives run in his riding, I was going to say the little leader, and who is now an influential adviser.

My question will be directed as much to him as to the previous speaker. Do the Progressive Conservatives want an election as soon as possible so they can get rid of CMHC?

[*English*]

Mr. MacDougall: Yes and no.

Mr. LeBlanc: That is your policy—yes and no.

The Acting Speaker (Mr. Guilbault): Are there any further questions? The Hon. Member for Prince Albert (Mr. Hovdebo) on debate.

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, I am pleased to participate in the debate on Bill C-37, which is

supposedly to provide insurance against rising mortgage interest rates. However, it should be called a Bill to insure against government incompetence, because that is what it really attempts to do. It attempts to patch up the mistakes of the Government of a few years ago, mistakes which have caused the situation where people are losing their homes because of high interest rates and fluctuating interest rates. Instead of suggesting, as this Bill does, putting in place an insurance plan against high mortgage interest rates, it should be possible to put in place a set rate mortgage such as we had for many years.

Mr. Oberle: It was brought in by Diefenbaker in 1959.

Mr. Hovdebo: That could possibly be so. I would not want to question the Hon. Member on that. A fixed affordable interest rate on long-term mortgages for many years did for the housing industry what was necessary. It did not hamper the building of houses. However, that fixed interest rate was removed by the then Minister of Public Works, Mr. Hellyer, to open up the market so that builders would become involved in constructing affordable houses and would be able to sell them somewhat easier. The record will show that as a result of opening up the market and fluctuating interest rates, for a number of years housing starts declined and that the building industry was not helped. In fact, it made it somewhat more difficult for people to obtain affordable housing and, consequently, somewhat more difficult for people even to find housing.

Bill C-37 allows for interest rates to increase approximately 3 per cent or 3.5 per cent without any assistance being provided. That is a 25 per cent increase on interest rates with respect to the level of present interest rates. I do not consider these to be essentially affordable interest rates.

• (1740)

Instead of attempting to establish an insurance policy to protect against increasing interest rates, I suggest that the Government should withdraw the Bill and introduce measures to assure long-term, fixed and affordable interest rates that would encourage people to buy homes.

For example, I lived in New Zealand for a number of years. That country was in the process of trying to increase the amount of available housing. Therefore, that government only charged 1.5 per cent interest as a service charge to those who wanted to build or buy a home. These funds kept revolving so that when someone paid off their home, the funds were made available to someone else. This process went on for many years and the money was used repeatedly to help people build homes. In approximately 15 years, the amount of available housing increased by 20 per cent. That is the sort of approach that the Government should take.

Once the requirement for homes is established and people are able to buy them, the economy is affected in many ways. When a home is constructed, it is not only those in the construction industry who are involved but those who work in the factories that manufacture furniture, appliances and other fixtures for the home. This contributes to the economy which, in turn, improves the situation in the country and allows more people to buy homes.

It is only logical to create an economy that easily and quickly satisfies the needs of the people. Instead, the Government's policies have been designed to meet the needs for profit by the banks and other financial institutions. They do not meet the needs of the people who need shelter or those who pay up to 40 per cent of their income for that shelter. This Bill will not solve any of the problems of those who require housing. It does not even solve the problems of those who may be able to buy a home. Those who are paying $250 a month rent and want to buy a home might not do so if they believe that interest rates will increase by 3.5 per cent in the near future. This is true even if they have a reasonable initial interest rate. Of course, that is not possible right now.

What is the basic purpose of this Bill? While it is supposed to enhance the possibility of owning a home, it does everything but that. If an individual who earns $1,000 or $1,500 a month is paying $500 a month for a home, receiving assistance only after interest rates increase by 3.5 per cent is not enough to be encouraged to buy a home. Furthermore, since interest rates are already high, any increase in interest rates may eliminate the possibility of buying a home. Even a 3.5 per cent increase may not be affordable to some home owners. There are many people who earn $1,200 or $1,500 a month and are paying $600 on their mortgage. They cannot afford an increase of $50, and 3.5 per cent is much more than they can afford. In fact, I suspect there are many people who cannot even afford an increase of 1.5 per cent which is required for them to take advantage of this insurance plan.

One of the purposes of this Bill is to guarantee against increases in interest rates. This Bill does not do so because it provides for a basic 3.5 per cent increase before the plan takes effect. Our old laws used to allow a mortgage to be paid off after five years, with a three-month penalty period. This possibility is removed as a result of this Bill. Home owners who have owned their homes for more than five years will not have the possibility to save enough money to pay off their mortgage without a large penalty.

On many occasions in the House, Members from the NDP and the Official Opposition have told the Minister responsible for housing and the Minister of Finance (Mr. La!onde) about people who are trying to pay off mortgages that have gone out of sight as a result of high interest rates. When they have attempted to do so, they have been charged up to $8,000 in penalties, notwithstanding the three-month interest rate penalty. We have raised questions about those situations that have made it impossible for people to pay off their mortgages and avoid the 19 per cent and 20 per cent interest rates which some people faced. In fact, there are still some people in my constituency who are attempting to get rid of 19 per cent mortgages.

Rather than increase security for some people, this Bill removes some of the security of those who had an opportunity to get out of large mortgage payments from the past. This Bill

is likely to decrease the amount of affordable housing for Canadians. It is estimated that we currently need approximately one million homes in Canada. If the Government were to establish a logical interest rate structure, without worrying about how much the banks and other financial institutions will make, it could instruct the banks to allot 10 per cent of loans for housing mortgages and they will receive 7 per cent of that. This was done for a number of years. We did that for a good number of years. If we did it again, the number of houses that would be built would be increased very quickly because people would begin to build their own homes or pay the construction industry to build their homes for them.

• (1750)

It is very sad that the financial structure of the country has become more important to this Government than the need for good, affordable housing. It is sad that banks and mortgage companies are more important to the Government than the need for good, affordable housing. Housing is a necessity. I am not even sure that banks are necessary.

When the Social Credit Party first came to power in Alberta, it was probably the first group of socially-minded people to tangle with the banks of Canada. At that time, members of that Government tried to put in place a system which would make use of the productivity and resources of Alberta and its people. They said that they did not need the banks and did not have to give 10 per cent or 20 per cent of their productivity away. They felt they could circulate the money with their own province and establish a financial structure which would be of benefit to Albertans rather than to large banks and financial corporations. The Aberhart Government passed what it thought was the required legislation which was then struck down by the Supreme Court of Canada. The Supreme Court would not allow the Aberhart Government to put in place a structure which would allow Albertans to use their own resources and their own productivity in the way they wanted.

Almost the same kind of thing is happening now. People who want to build a house and live in it cannot do so because the Government feels that we must not interfere with the ability of a bank to make money. There are many people in this country who are quite willing to begin to build houses and, with a little bit of help from the Government, they would do so. I am speaking of course of the large number of people who would like to start co-operative housing projects.

As well, there are a number of people in the country who are making war on that possibility. Builders' associations and other financially-based institutions have very strong lobbies that come to see Members of Parliament here in Ottawa to tell us that co-op housing should not be subsidized by the Government. Unfortunately, the Government is listening to that lobby and not to the millions who want affordable housing. The Government is listening to the banks and the mortgage companies, the companies that will make money on the buying and selling of houses. Consequently, the Government is not ready to allow co-operative housing projects to go ahead.

Co-operative housing has proven its effectiveness by supplying the community-based and socially integrated housing that is necessary for the people who find it difficult to get together enough money to build a house. It has proved effective for those who do not want to spend $80,000 on a house just to spend another $160,000 on interest in the next 15 years. Rather, they would like to make a commitment to pay for that house. Under the circumstances which have been put in place by the Government and which the Government is keeping in place, those people will pay $80,000 for a house and over the next 15 years will pay another $160,000. They will pay for that house three times. The builder of the house will only receive $80,000 but the person who has bought the house will pay for it three times. The Government is going along with that idea.

Housing is a necessity and a right, and it is something that we in this Parliament should stand up for as best we can and for as long as we can. Instead, we are discussing a Bill that does none of the things that are needed to increase available housing. It does none of the things that are needed to make it possible for those with lower incomes to buy houses. A few years ago, the Government, the Official Opposition and our Party made a commitment to the people of Canada that we would make affordable housing a major part of our platform and we have ceased to do so.

The Acting Speaker (Mr. Guilbault): Order, please. Are there any questions?

Mr. Deans: Mr. Speaker, there are two matters that came to my mind as I listened to my colleague explain his views on the Bill and the problems with housing. If I could, I would like to have him elaborate a little bit on both of those matters. I will put them to him one at a time so that I do not confuse anyone who may want to read his response in *Hansard* or, for that matter, anyone who may want to listen to his response today.

My colleague made mention of the fact that there was a desperate need to encourage the further utilization of co-operative housing as a way of improving the housing stock for Canadians who are of average income and find it most difficult to enter into the housing market as it now exists. I wonder if my colleague is aware of what now appears to be the fact that the Government of the day has reduced its emphasis on co-operative housing and that it now seems to be reducing the amount of money available to co-operative housing? From his own vast experience both here in Canada and abroad, I wonder if my colleague would be able to enlighten us as to how he feels co-operative housing could better serve the needs of that segment of the population that is now unable to qualify in the private housing market as a result of the high interest rates that have been charged?

Mr. Hovdebo: Mr. Speaker, not very long ago, I asked a question of the Prime Minister (Mr. Trudeau) in the absence of the Minister of Public Works (Mr. LeBlanc). I asked him to explain why the Government had cut back on its allocations to co-operative housing and why it was not giving the people responsible for co-operative housing across the country the

money required to keep on building co-operative housing projects. The Prime Minister was unable to answer my question, but he made the commitment to me that he would have the Minister of Public Works, who is the Minister responsible for housing, send me the answer to that question. The Minister of Public Works has still failed to do so.

I can talk about co-operative housing as being a solution to the problem with which we are faced. There are 500,000 people in Canada who are paying more than 30 per cent of their incomes for housing. These are the people who, because so much of their income is committed to housing, would very quickly join a co-operative if they could be sure that instead of the monthly payments of $400 or so that they had already committed to a project, they would not have to pay $700 a month next year. Many Hon. Members who have been approached by their constituents during the last few years will know that some of those constituents started out with—

The Acting Speaker (Mr. Guilbault): Order, please. It being six o'clock p.m., this House stands adjourned until 11 a.m. tomorrow, pursuant to Standing Order 2(1).

At 6 p.m., the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, May 31, 1984

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

Mr. Speaker: Before calling the order for the day, the Chair notes that there are two orders on the Order Paper and would be prepared to hear argument before making a decision.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, since we seem to go through this situation periodically, and having reviewed some of the precedents, I am prepared to argue this matter and to assure you that it has always been my intention as House Leader of this Party to ensure that the NDP is given adequate opportunity—in fact, we have bent over backwards—to have more than its share of allotted days. It must have something to do with their philosophy, which goes something like this: What is mine is mine and what is yours is mine.

However, the tradition that has been established is that we possibly get some indication of Your Honour's preliminary inclination, rather than have what happened the last time. I have a presentation I would like to make which I believe substantiates very much our entitlement to proceed today on the Opposition motion filed by my colleague, the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty).

Mr. Speaker: If that is the wish of the House, the Chair is quite prepared to make some observations of a preliminary nature.

It appears that there are three supply periods which provide for 25 allotted days, six of which can end in a vote of non-confidence in the Government. In the current parliamentary calendar, the Progressive Conservative Party has used 18 allotted days, five of which have ended in a vote. The NDP have used five designated days, none of which has ended in a vote.

The preliminary inclination of the Chair would be to choose the motion in the name of the Hon. Member for Churchill (Mr. Murphy), but the Chair is prepared to hear argument.

Mr. Hnatyshyn: Mr. Speaker, I will address myself to this matter. We have a situation where you will be required, pursuant to Standing Order 62(4)(c), to select the motion to be debated by the House today. The last time the Chair was obliged to make such a decision was on November 22, 1983. Before you make your final ruling on the motions that are before us today, it might be useful if I review a couple of the issues that were raised at that time.

One point of view that was expressed last November was that the Chair pay some attention to the time in which the motions were filed with the Table in order to determine the order of precedence. The Acting Speaker, at page 29061, ruled that the time of filing was not the major factor in determining which motion should be put to the House. Indeed, the House Leader of the NDP argued that the time of filing should not be considered at all. His remark to that effect will be found at page 29060 of *Hansard* for that day.

Another interesting point that was made that day was that the NDP felt that the distribution of Opposition Days should be calculated on the basis of the calendar year. While both Her Majesty's Loyal Opposition and the NDP are of the view that equity demands that Opposition Days be distributed on the basis of Party representation in the House, the Official Opposition was and is of the view that this distribution of days should be calculated on the basis of the year of supply.

As you know, Mr. Speaker, the first semester of Supply takes place in the period ending June 30 each year. It is in that semester that the Main Estimates for the fiscal year are considered by Parliament. In the subsequent two semesters, Supplementary Estimates are the Business of Supply that is to be considered by this House. Therefore, it is a specious argument to suggest that Opposition Days should be distributed according to calendar years. Such an argument could only be advanced by people who are ignorant of the meaning of Supply.

• (1110)

Nonetheless, it seems that on November 22, 1984, you will recall that members of the NDP were successful in convincing the occupant of the chair—

Mr. Speaker: Excuse me. The Hon. Member said November 22, 1984?

Mr. Hnatyshyn: I am sorry, I intended to say 1983. Of course, on November 22, 1984, I will be sitting on the opposite side and not over here!

Mr. Deans: Not if the decision is made wisely.

Mr. Hnatyshyn: If the Hon. Member for Hamilton Mountain (Mr. Deans) is waiting for an opportunity to demonstrate his intelligence, we may have to wait for a long time.

On November 22, 1983 members of the NDP were successful in convincing the occupant of the chair that the protection

of their minority rights demanded that they be given a day in the second semester of Supply in order to ensure that an equitable distribution of Opposition Days be made in the then current calendar year. Having adopted that view and having thus altered the distribution of days in that period, the Chair must now consider the implications of that decision on the distribution of days for this year.

Both Parties on this side of the House are in agreement as to the ratio that should be used in calculating the distribution of Opposition Days. Roughly one-quarter of the members sitting on this side are members of the NDP. Thus, it follows that they should receive one-quarter of the available Opposition Days.

The Standing Orders provide for 25 days to be given over to the business of Supply in each year. Based upon the one-quarter and three-quarter ratio that I have outlined, the NDP is entitled to 6.25 days out of the total days available in each Supply year. As well, in each of the three periods of Supply two motions may be put to the House under the provisions of Standing Order 62(9). Standing Order 62(9) states that these two motions constitute motions of no confidence and provision is made for a vote to take place at the conclusion of debate on such motions.

Using the same ratio that applies to the general distribution of Opposition Days, it follows that the NDP is entitled to 1.5 of the six voting days that occur each year. Because it is impossible to divide these votes in this manner, the distribution of these motions must be worked out on a two-year basis whereby members of the NDP are entitled to put three votable motions before the House over a two-year period.

In order to be able to discuss in a rational manner the problem which confronts you today, Mr. Speaker, I took the time to review the distribution of Opposition Days over the life of this Parliament. I am in a position to provide you with some statistics which may be of use to you in reaching a decision on this matter.

In 1980, the Supply year was disrupted by the fact that Parliament was called into session after the date on which the first semester of Supply would normally commence. For that reason, the Parties agreed that the second semester would be expanded and that all of the Opposition Days that would ordinarily take place during the first semester would instead be allocated to the fall semester.

Even under the terms of this arrangement, only 18 out of the normal 25 days of Supply were allotted in 1980. Of those 18 days, the NDP was given four days, one of which terminated in a vote. That year, members of the NDP did not complain because they did not receive their normal allocation of days. At that time members of the NDP understood that the distribution of days related not to the calendar year but to the Supply year. Not surprisingly, the records indicate that the NDP received an additional two days in the final Supply period of the 1980-81 fiscal year.

In the next Supply year, the NDP received seven Opposition days, two of which terminated in votes. In the 1982-83 Supply year, the NDP received six Opposition days, two of which again terminated in votes. In the 1983-84 Supply year, the NDP received seven Opposition Days and two of those motions came to a vote. Thus, over the past four years of Supply, the NDP have received 26 of the 100 Opposition Days and have had seven of those motions come to a vote. In other words, although members of the NDP constitute only 25 per cent of all Opposition Members, they have received 26 per cent of the Opposition Days and over 29 per cent of the motions filed under Standing Order 62(9).

• (1115)

However, the Chair for some reason determined last November that Her Majesty's Loyal Opposition would not be entitled to receive the day which they asked for at that time on the basis of a calculation of the distribution of Opposition Days. The Chair decided that the NDP argument concerning distribution of Opposition Days by calendar year was valid.

Therefore, we have gone out of our way to ensure that we are meeting our obligations by both standards. Not only did we provide the NDP with more than the number of days which constituted their minimum entitlement in last year of supply, but we have already given five days to the NDP in this calendar year. No matter how they slice it, the NDP has been receiving the days to which they are entitled.

Furthermore, we have been prepared to be even more generous in our distribution of Opposition Days. My predecessor offered the NDP four Opposition Days in a row in the last semester, all of which were refused. Since I have been House Leader I have offered the NDP another Opposition Day in this semester, which was refused. Still they complain that somehow we are being unfair in not allowing them an adequate opportunity with respect to Opposition Days. That is completely contrary to the facts. My Party and I have bent over backwards to offer the NDP ample opportunity to have Opposition Days, more than they are entitled to by the numbers.

Apparently today the NDP will stand before you, Mr. Speaker, and argue that they should be allowed to place their motion before the House. This would be the sixth time in this calendar year that the NDP would have had the opportunity to take over the debate on an Opposition Day. Based upon the NDP calculation with respect to the distribution of Opposition Days, they will have exhausted their full entitlement for the year before June 1. Therefore, if the Chair decides in their favour, it would demonstrate, in my estimation, that a minority of Opposition Members are able to exercise a disproportionate claim to precedence on Opposition Days, in that they want to have all their Opposition Days before June 1 of the calendar year, and on their own argument that they are entitled to only so many in a full calendar year.

The NDP cannot have their cake and eat it too. They should either calculate their entitlement on the basis of calendar years or on the basis of fiscal years. Equity demands that not only the rights of the minority be defended, but that the rights of the majority not be subverted by the actions of a few.

On November 22 of last year, the Acting Speaker ruled that the rights of the minority required protection, and that because the NDP had not been given an Opposition Day in that supply period, he would select their motion for debate. However, today we face an entirely different set of circumstances. As I have pointed out, the NDP won their argument the last time around. The occupant of the Chair agreed to disregard our understanding of the appropriate means of calculating the annual distribution of Opposition Days. Moreover—and this appears to be the critical point in the decision rendered that day—the Acting Speaker was of the opinion that because the NDP had not been given the opportunity to debate a motion of their choosing during a Supply period, he would give them that opportunity.

That is not the case today. The NDP have already received two Opposition Days in the current period. Based on their own calculations, this would exhaust their entitlement for the year if it were given on this day. We would then face the problem of having to decide whether or not the NDP would be entitled to an additional day in order to provide them with some opportunity to hold a debate of their choice in the fall semester. If that request were to be granted by the Speaker, not only would the NDP have been permitted to pre-empt Her Majesty's Loyal Opposition today, but the NDP would be permitted to appropriate an Opposition Day which would legitimately belong to our members.

The NDP may stand in the House and argue that there is some rule of thumb which would lead to their being given three Opposition Days in the spring semester. Presumably this argument is based on the proposition that the Parties are entitled to a proportional distribution of Opposition Days in each Supply period. The flaw in that argument is that based upon the ratio that I have referred to and that we have employed, the NDP would be entitled to precisely 3.25 days in the first semester, 1.25 days in the second semester and 1.75 days in the third semester. It is quite simply impossible to distribute days in that way.

For that reason, the allocation of Opposition Days in any given semester has varied over the life of this Parliament. Thus the average allocation in the first semester has been 2.75 days rather than the 3.25 days dictated by simple mathematics. In the second semester the average has been two days rather than the 1.25 days obtained through the proportional model. In the third semester the New Democratic Party has averaged 2.25 days rather than the 1.75 days which result from proportional distribution. Thus it can be demonstrated that the NDP have always been under-allocated days in the first semester; over-allocated days—50 per cent of the time, at least—in the second semester, and always over-allocated days in the final semester.

• (1120)

With regard to the distribution of voting days, Mr. Speaker, I can only ask how a distribution of three votes over a two-year period can be evenly spread across three semesters of Supply which occur in any given year. Furthermore, if the New Democratic Party chooses to argue that it has not received its entitlement of voting days for this year, I suggest it refer to the *Votes and Proceedings* for February 14, where it will find that the House divided on a motion by the Hon. Member for Kamloops-Shuswap (Mr. Riis).

If you were to look back over the past four calendar years, Mr. Speaker, you would find an interesting pattern. In 1980 the New Democratic Party had one motion which terminated in a vote. The next year it had two motions. In 1982 it had one motion and in 1983 it had two motions. By extension one can see that 1984 is a year in which the NDP is entitled to only one motion pursuant to Standing Order 62(9), and it already has had one such motion put before the House in this calendar year.

Hon. Members of the New Democratic Party are certainly adept at complaining that no one takes them seriously and that their rights are continually being denied them. The reason for that is that so often their complaints are not founded in reality. What it comes down to today, Mr. Speaker, is that the New Democratic Party is afraid that the Government may decide to call an election prior to the end of the year and that it will, ostensibly, lose out on some fraction of the Opposition Days to which it would normally be entitled this year.

Our Party has not been restricting Hon. Members of the New Democratic Party from the opportunity to be heard in this place. In fact, the New Democratic Party has taken almost 30 per cent of the Opposition Days which have been held to date this year. The New Democratic Party does not want to debate the issue of the Government's mismanagement of Revenue Canada; that is clear. It does not want to allow our Members of Parliament to have a fair share of the Opposition Days. It does not even want to be consistent in its calculation of the way in which days should be allocated. Instead, Mr. Speaker, members of the New Democratic Party are going to stand here and anticipate the future life of this House, this parliamentary session, by attempting to get their Opposition Days in before some projected election call, and they are not even prepared to wait and see whether the final Opposition Day in the current period would be allocated to them. And as you know, Mr. Speaker, there is another Opposition Day which will be held at some time before the end of next month.

The New Democratic Party is also engaging in a more direct form of anticipation, Mr. Speaker. The motion which it proposes to move today condemns the Government for failing to introduce amendments to the Canada Labour Code. Quite apart from the fact that the motion contains the false accusation that the Conservative Party stands in the way of labour reforms, it also neglects to mention the fact that a Bill with respect to that legislation has been introduced before the House, that is, Bill C-34, which does purport to amend the provisions of the Canada Labour Code. The NDP by its motion proposes to anticipate the debate which will take place on this legislation in the coming days. The motion of the Hon. Member for Wellington-Dufferin-Simcoe does not offend the rule of anticipation.

Under Standing Order 62(4)(c), you have the responsibility, Mr. Speaker, of selecting which Opposition Members' motion will be put to the House for debate. I would ask you to call the motion standing in the name of my colleague, the Hon. Member for Wellington-Dufferin-Simcoe. I would ask that you do that, if not for the reasons I have just outlined, then because the Hon. Member had a similar motion standing in his name on the Order Paper which was not selected by the Acting Speaker last November. I submit to you, Mr. Speaker, that the New Democratic Party should not be permitted to hijack an Opposition Day out from under the Hon. Member for Wellington-Dufferin-Simcoe twice in a row.

If equity is to be the determining factor in the selection of today's Opposition Day motion, and if the protection of the rights of individual Members is central to your decision, I believe the motion of my hon. colleague should be the one to be selected for debate today.

• (1125)

Mr. Speaker: Did the Chair understand the Hon. Member to say there had been one motion voted by the NDP this year?

Mr. Hnatyshyn: On February 14.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I want first of all to say I regret very much that you have been put in the position of having to make a choice. I know the Chair does not enjoy having to make decisions such as this and I would have hoped that we could have worked it out in advance by agreement. Unfortunately, that was not the case.

I want to acknowledge at the outset the fine working arrangement that has developed between myself and the House Leader for the Conservative Party. He is, under normal circumstances, a person of impeccable honour and he works diligently at his job. I was therefore surprised to hear his submission. He knows full well, Sir, that in fact, even on the basis of mathematical calculation, what he has submitted is inaccurate. That, I think, is where we begin.

The Conservatives, as the Official Opposition, have consistently operated on the basis of the NDP being one-quarter, 25 per cent, of the Opposition. However, Sir, if you were to make a calculation you would find that there are three Conservatives to every one New Democrat. That would leave any thinking individual with the impression that there should therefore be three Opposition motions assigned to the Official Opposition and one to the NDP. That is all we are asking for. For every three motions that the Official Opposition puts forward, we in this Party, as the minority, should be entitled to one.

Having said that, we also contend that—

Mr. Forrestall: How can you say that without tongue in cheek?

Mr. Deans: I can say it without tongue in cheek because it is factual. We also contend that we are entitled to a votable motion. However the Hon. House Leader for the Official Opposition puts it, there can be no argument over the statistics. If you do it in this trimester, Mr. Speaker, in 1984 there would be 13 days allotted. Of those, two would be votable days. We contend, on the basis of three to one, that if the Conservatives get ten of those days, which is what they would get if we were given this day, we would be satisfied. Out of 13, the Conservatives get ten and we get three. That is all we are asking for; that is all we expect in the interest of fairness.

You will have noted, I am sure, that the Conservatives have put down for today a votable motion. If we are not allocated this day, that means there is no votable motion available after the vote is taken today at six o'clock. Therefore, it would not be possible, even if we were to be allotted the next allotted day, for us to be given a vote during this trimester. I contend that in fairness, which is all we ask for, we are entitled to one voting day.

I will now go back three trimesters. In the last trimester there were seven days, five taken by the Conservatives. They asked us to take two and we did, but we got no vote. In the previous trimester, the third trimester of last year, there were five allotted days. Four were taken by the Conservatives; one was offered to us, which we accepted, without a vote.

• (1130)

Looking at the third trimester of last year, the first trimester of this year, and this trimester which ends at the end of June, there have been 25 allotted days, or will have been. If you were to decide today that we were entitled to the day, then 19 of them would have been allotted to the Conservative Party and six of them to the NDP. That is as close as a three-to-one ratio could ever be. That is in keeping with the numbers within the House of Commons.

In addition to that, if you were to decide, as you have indicated you might in your preliminary judgment, that we were entitled to this day and that it is a voting day, it will be the first voting day that we have been granted in the last three trimesters. Taking that into account, it would seem that we would be entitled to have this particular—

Mr. Speaker: The Chair must interrupt the Hon. Member because there is a factual argument. Was February 14 a votable motion in the name of the New Democratic Party or not?

Mr. Deans: February 14?

Mr. Speaker: Of this year.

Mr. Deans: I will have it checked.

Mr. Speaker: It appears that it was. If so, the Hon. Member will have to take note of it.

Mr. Deans: I will have it checked. I do not have that in front of me. Be that as it may, it does not alter the argument on balance. I will come back to it. I put to you that even if it turned out that the fourteenth was a voting day, that would give us two voting days in three trimesters. Even at that, the balance would still be tipped very heavily in favour of the

Official Opposition and we would not be getting more than we are entitled to.

The House Leader of the Official Opposition raises a number of different points. In the early part of his submission he talked about the time of filing. If the actual time of filing were to be a consideration in determining who should be given the allotted day, it would be possible for any one of the Parties to file everything at the beginning of a session and therefore pre-empt anyone else from getting an opportunity to seek an allotted day. The House Leader of the Official Opposition indicates that he offered us an allotted day. That is true; I accept that. However, I asked for an allotted day with a vote. I suggested that we felt we were entitled to an allotted day with a vote. The dispute arose over whether if we took a day without a vote we would therefore lose the opportunity to have a vote on a motion that we felt was important. You know, Sir, that voting is one of the ways in which Members of Parliament are able to put clearly on the record their support for or opposition to any matter before the House.

The House Leader for the Official Opposition tells you that some time ago we were given an additional allotted day. You may recall, however, that the reason we got the additional day was in order to accommodate the Conservatives who wanted to have a day without a vote on the day prior to their convention. They did not want to have the motion in their name. They asked us if we would take the allotted day in order to free their Members from having to be in attendance in the House of Commons. We, of course, in our normal generous way, accepted our responsibility to accommodate their needs. It is clear that we have not been given, nor have we requested, more than we are entitled to.

In the last session, on November 22, 1983 a question similar to the one now before you was before the Acting Speaker Corbin. The decision was made in favour of the motion which was standing in the name of a New Democratic Party member. The Acting Speaker said:

> Past practice indicates that Parties in opposition to the Government, other than the Official Opposition, have received their share of allotted days in any Supply period.

That is not in a calendar year or since the beginning of time, but "in any Supply period". He went on to say:

> Since this is the fourth day of a five-day period, and taking into account that three of the days have been used by Hon. Members of the Official Opposition, it is my intention to put to the House the motion standing in the name of the Hon. Member for Kamloops-Shuswap.

The situation which pertained then is almost identical to the situation which you are now faced with. The Official Opposition has already had its share of the allotted days in this Supply period. To date there have been 11 allotted days, nine of them taken by the Official Opposition and two of them allocated to the New Democratic Party. If this was the last day, we could reasonably expect to be allocated this day on the basis of their having already used nine of the allotted days in this Supply period. Had the Official Opposition not chosen to put this day down as a votable day, we might have been prepared to attempt to negotiate further for the final Supply day which will presumably come some time before the end of June. Unfortunately, that negotiation process does not seem to be arriving at any satisfactory conclusion.

I ask you simply to reaffirm the preliminary judgment that you made and to agree that in this Supply period the ratio of days between the two Parties, given that there are 13 days, would be more fairly reflected if three were allocated to us and 10 to the Conservatives. That is a reasonable reflection of the numbers in the House of Commons. It is 30 per cent rather than 25 per cent. It is three to one. If that were decided we would find that desirable and acceptable.

I would like to clear up a misunderstanding which I had. You are correct, Mr. Speaker. In fact the motion of February 14 was a votable motion. I therefore do not want to continue with that submission before you. However, I do point out that, taking that votable motion and this votable motion and looking at the three trimesters, or even looking at the single trimester, we would not have had more than our share of votable motions during this period in the history of this particular Parliament.

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, I will very briefly put on the record that we consider, as you surely do, that Standing Order 62(4)(c) must receive its application. It reads:

> When notice has been given of two or more motions by Members in opposition to the government for consideration on an allotted day, the Speaker shall have power to select which of the proposed motions shall have precedence in that sitting.

You have seen fit to hear the House Leader of each Opposition Party; that is in accordance with recent practice. I consider and hope that this is sufficient for you to make a selection now.

Mr. Speaker: The Chair thanks the Hon. President of the Privy Council (Mr. Pinard) for reminding the Chair of its obligation.

Having taken note that two notices of motions were filed yesterday evening, the Chair had anticipated the discussion which has taken place. There are two distinct issues to be addressed; the first is the distribution of allotted days between the Opposition Parties in any given period; the second issue is the distribution of allotted days ending in a vote of non-confidence in the Government over the three Supply periods of the parliamentary calendar.

● (1140)

On both of these issues, the Chair cannot make a ruling which would apply in all cases. The Chair's selection must be based on the representations of the Parties in the House and also on what has happened, by agreement of the Parties concerned, in the immediate past Supply periods. These conditions can vary from Parliament to Parliament and Hon. Members will remember that it was not so long ago that there were three Parties sitting in opposition in the House.

On November 22, 1983 the Chair exercised, I believe for the first time, its power of selection pursuant to Standing Order 62(4)(c). Faced with two motions on the Order Paper, the Acting Speaker chose an NDP motion because that Party had

not yet had an allotted day in the Supply period ending December 10, 1983. There are five days in the said period. The Progressive Conservative Party had already had three of those days and the Chair felt it had a duty to give special attention to the protection of the minority in the House.

Our rules are silent on the second issue, that of non-confidence votes. Although caveats have been entered by Opposition House Leaders in the past claiming that a non-confidence motion is a prerogative of the Official Opposition, the Chair has found no precedent to support this contention and certainly should not, without direction from the House, decide that that is so. The Chair has also ruled that the timing of the filing of the resolution is not really relevant to this decision.

Successive procedure committees, despite the urging of the Chair to clarify the intent of the House, have also been silent on the matter.

Therefore, the Chair will again only exercise its power of selection based on fair play and impartiality.

The three Supply periods provide for 25 allotted days, six of which can end in a vote of non-confidence. In the current parliamentary calendar the Progressive Conservative Party has used 18 allotted days, four of which ended in a vote. The Chair made an error in its preliminary count. The NDP has used five designated days, one of which has ended in a vote. There appears to be agreement on the mathematics.

On that basis, the Chair selects the motion standing in the name of the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty). The Chair wishes to renew its appeal to the procedure committee to consider the principles which should underline the organization of the Supply procedures.

ALLOTTED DAY, S.O. 62—NON-CONFIDENCE MOTION—REVENUE CANADA

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe) moved:

That this House regrets the failure of the Government to satisfactorily protect the civil liberties of Canadian taxpayers in their dealings with the Department of National Revenue and calls upon the Government to implement without delay the recommendations of the Progressive Conservative Task Force on Revenue Canada and, in particular, to curtail the Department's powers of search and seizure under Section 231 of the *Income Tax Act*, to guarantee taxpayers the right to a fair hearing on disputed reassessments before having to make payments or post security, to create a Taxpayers' Bill of Rights, and to provide an adequate system of appeals of unfair decisions concerning collections.

He said: Mr. Speaker, may I start this morning by expressing my personal thanks to you for the decision which you have just made, which I feel was a very fair and just decision. I am grateful for the discretion you have exercised.

The motion which is being moved today is a motion of non-confidence in the Government because of its handling of the administration of the income tax system. There is probably no issue which has more consumed the interest of Members of Parliament and the public than this issue. Over the course of the past several months since January, my office has received between 800 and 900 letters on this subject. We found ourselves literally incapable of keeping up with the volume of mail and telephone calls coming into the office, even with having hired other part-time staff.

It is apparent to us that there is deep public interest in and concern about the way the income tax system in Canada is being administered. It is clear that it is important that Parliament act now to begin to assure fairness in the administration of the income tax system in Canada.

You will recall that since September there has been a succession of revelations about improper actions on the part of the Department of National Revenue which have cast serious doubts upon the fairness of the system which we have operated.

The Government's response has taken many forms. The first was simple denial that there was a problem in the first place. Second, there was hedging, with the Government qualifying the initial denials. Third, it looked for scapegoats, ultimately firing the deputy minister and transferring him to another responsibility, leaving the impression that somehow he was solely to blame for the problems within the Department. Then we saw the Government acting to defer decisions. It appointed a private consultant in January whose job it was to take the heat off the Government for the duration of the year and prevent decisions from having to be made.

Additionally, the Minister refused to take decisions with regard, for example, to the odious film on auditing which has caused so much controversy. He had passed that element of his responsibility to a high-priced group of public relations people whose job it was to make recommendations on improving the Department's image. There was an attempt to defer decisions being made and to deny the Minister's responsibility to make these decisions.

Finally, in the past month there have been encouraging words from the Department but very little action to deal with these very fundamental problems. Encouraging words are not good enough. What we need at this point, is, first, a candid assurance from the Minister that he acknowledges that there have been serious problems within the Department and that he recognizes that the vast majority of Canadian taxpayers are honest and want to pay their taxes fully and on time. He should understand that they have rights. They are entitled to have those rights respected by his Department. The candid admission that his Department's procedures have often not been consistent with those principles and that taxpayers' rights have often been taken away is an essential first start to correcting these abuses and protecting the rights of taxpayers in the future. Yet that admission has never been made in that clear and simple way.

Second, we need something more than a simple admission. We need an action program. The Government should genuinely recognize that there are problems within the Department and that the rights of taxpayers have been in jeopardy as a result of actions of its officials. As well, it must recognize that their rights have been in jeopardy as a result of the writing of the Income Tax Act which gives the Department powers that surpass the powers of its counterparts in Great Britain or the

United States and which often surpass the powers even of the policy, which may in some cases even be unconstitutional.

If the Government genuinely recognizes those facts, surely it is essential that the Government act now to curtail those powers and bring them back into line with basic civil liberties in this country, to ensure that never again will the Department use these excessive powers to take away the basic civil liberties of Canadian taxpayers.

Repeated studies have indicated how serious this problem has been, going back as far as the Rowe report which was commissioned by the Minister's predecessor. It studied the administration of the income tax system, referred to problems within it and talked about the need for the political will to act quickly to address the problems. Yet this report, which was conducted by a former leader of the Liberal Party in Newfoundland, was ignored by the Minister. It was suppressed for over a year. An attempt was made to prevent it from ever seeing the light of day. Instead of acting on the report, the Minister handed it to his officials who prepared a rebuttal in which they dismissed, one after another, each of Mr. Rowe's concerns and recommendations. There probably has never been a neater snow job on a Minister in my time in Parliament than was done in this case. He handed this report to his officials and they convinced him that there was no need for action.

That report was presented to the Minister in December 1982. Nothing was done. Since that time there has been a succession of other reports. Most recently, within the past week, we found a report that was prepared by the Joint Committee of the Canadian Bar Association and the Canadian Institute of Chartered Accountants which makes, in a very telling way, the argument which I was just placing before the House. We saw in that joint brief that was prepared by the CICA and the Bar Association a statement that recognizes how serious the problems have become. It includes this statement:

> Revenue Canada must have broad enforcement powers. But a balance must be struck between the necessity for effective tax administration and the protection of taxpayers from undue and unreasonable interference. In our view, the Income Tax Act (the 'Act') provides inadequate restraints on Revenue Canada's enforcement powers. The Act should be amended to impose powers. The Act should be amended to impose reasonable limitations on Revenue Canada's enforcement powers and to provide for independent judicial scrutiny of the exercise of those powers in all circumstances.

They refer as well in their report to their experience in dealing with the Department. They say this: "Most Revenue Canada employees are courteous, honest, competent and reasonable." The report continued by indicating: "Nevertheless our experience was that the attitudinal problem we have described is growing throughout all levels of Revenue Canada." That report was presented just last week by some of the most senior tax practitioners in the country.

● (1150)

On behalf of my Party, I endorse strongly the recommendations which have been made by the Joint Committee of the Canadian Bar Association and Canadian Institute of Chartered Accountants. In virtually every regard they are consistent with recommendations that were made by the Progressive Conservative Task Force on Revenue Canada.

Let us review for a moment the history of Parliament's involvement in this issue. Last fall we raised a series of questions with regard to problems in the administration of the Income Tax Act—the issue of quotas which were initially denied by the Minister but which he subsequently confirmed existed, and the issue of attempts by Revenue Canada to gain direct access to the computerized data banks of the City of Kitchener. This was the second issue which was of major concern and which we referred to the Privacy Commissioner. His report, which was released quite recently, found that Revenue Canada had taken a careless approach in this whole issue and that it had not observed proper regard for the rights of Canadian taxpayers living in the City of Kitchener. He raised serious concerns about the whole issue of privacy.

Hon. Members on this side of the House of Commons, including my Leader and my former Leader, called upon the Minister of National Revenue (Mr. Bussières) to strike a committee of the House of Commons with a majority of Liberal Members and with a Liberal chairman, whose job it would be, first of all, to give Canadians a chance to be heard or to express their points of view about the administration of the income tax system; and second, to give to the Minister and to the Government a series of recommendations which would improve the administration of that system to make it more efficient, fair, accountable and effective. Yet the Minister refused. Parliament was to be denied the opportunity to have that sort of committee study. He said that it was good enough to parcel out this responsibility, which should be undertaken by elected representatives, to a group of private consultants.

As a result, my Leader announced at the beginning of February the creation of the Progressive Conservative Task Force on Revenue Canada. Five members of our caucus visited 23 communities across the country throughout the month of April. We listened to over 300 oral submissions and received a tremendous volume of written material, both when we were on the tour and after we returned. As a consequence of those hearings, we produced the report of the PC task force on April 8, 1984.

The contrast between the Government's approach to this issue and the approach taken by my Party is striking. First, we felt that it was an issue in which elected representatives should be involved. The Government sought to gag Parliament and to prevent Members of Parliament from hearing about this. The Government felt it was appropriate simply to parcel it out to private consultants. My Party spent its own money to pay for the work of the task force. We brought in a report, which has been virtually universally acclaimed by the press, the public and tax practitioners, on a budget of $100,000, paid for not by taxpayers but by the Progressive Conservative Party. In contrast, the Government's Woods Gordon study, the private consultants' study, was commissioned in January and then will not be making their report until toward the end of this year. The Minister has indicated that the budget for the Woods

Gordon consultants' study will be some 15 times the size of the budget of the Progressive Conservative Task Force on Revenue Canada. That private consultants' study will cost Canadian taxpayers $1.5 million.

Some Hon. Members: Shame!

Mr. Beatty: Yet we still do not see action being taken. The Woods Gordon study is being used as an excuse not to take action rather than being used, as the PC task force report can be used, as a blueprint for action to be taken now to redress the situation.

On May 2 the Hon. Member for Cariboo-Chilcotin (Mr. Greenaway) and I met with the Minister of National Revenue in his office. When we left that meeting, we indicated to the press what our honest impressions were. We were pleased with the reception with which our report was met by the Minister. He indicated a genuine concern about the activities of his Department and a genuine interest in making reforms. We were pleased with that. I indicated as well that I had repeated to him an offer which had been made by my Leader publicly, namely, that if the Minister or the Government were prepared to act on the recommendations of the task force, we would pledge in advance our full co-operation in implementing these reforms as quickly as possible, that there would be no delay coming from this side of the House. I stressed at that time the importance that we act, not leave it until after the next election. Time is running out.

At the same time I indicated to the Minister that positive words were not enough, that if the Minister and the Government were not prepared to act, we would take our case to the Canadian people. Indeed, that is precisely what we intend to do. There has not been action taken since that time. What have we seen? We have seen, finally, the report of their Task Force on Public Relations but no action. I might add that the findings of the Task Force on Public Relations tended to substantiate the case which has been made by our Party throughout and the recommendations of our task force. However, public relations improvements are not good enough. We need amendments to the Act. What we need is changes in procedure which will ensure that the rights of Canadian taxpayers are no longer abused.

Some of the key recommendations which we made were for a Taxpayers' Bill of Rights. There need be no delay on that. There is no reason for delay on a Bill of Rights, a plain language statement from the Minister himself outlining the rights of taxpayers in Canada and the sort of treatment they have the right to expect at the hands of departmental employees. The statement could be distributed to every taxpayer in Canada and to every departmental employee. When taxpayers feel that their rights are being abridged, such as their right to privacy, to fair treatment, to be presumed innocent until proven guilty and to full information when requested, these are basic rights which all Canadians should have. There is no reason a Taxpayer's Bill of Rights could not have been sent out before now. Yet no action has been taken. The purpose of the Taxpayers' Bill of Rights is to have in the hands of taxpayers a statement from the Minister so that when they feel their rights are being taken away by an official, they will be able to say: "The Minister is on my side and he says that you cannot do this to me; I have rights too".

Some Hon. Members: Hear, hear!

Mr. Beatty: Also we pointed out the serious problems under Section 231 of the Income Tax Act which gives sweeping, draconian powers of search and seizure to the Department. Again we find that the recommendations of the Joint Committee on Taxation of the Canadian Bar Association and the Canadian Institute of Chartered Accountants argue for a redrafting of Section 231. For example, the Committee pointed out that, in its opinion, there were even some doubts as to the constitutionality of some of the provisions in Section 231 and recommended that those provisions be narrowed. Surely, when the constitutionality of those provisions is in doubt, and when a group as distinguished as this one says that it is essential to protect the rights of Canadians and that amendments be put before the House quickly, that should be done.

There is no excuse for not acting. There is no excuse for deferring action to protect the rights of Canadian taxpayers. There is no excuse for not presenting to Parliament now, before an election, legislation which would protect those rights and would limit the powers of the Department to those powers which are essential for enforcement but are consistent with basic civil liberties in the country.

There is something grievously wrong in our system of tax administration when a person accused of a serious crime, such as robbing a bank or committing assault, has greater legal protection than a Canadian taxpayer who is under audit. There is something seriously out of alignment. Also there is something seriously wrong when we have a presumption of innocence until proven guilty in the case of people accused of criminal offences. Yet we say to taxpayers that if they are reassessed by the Department of National Revenue, they are immediately liable for payment of any money for which they are reassessed before they have had the chance of a fair hearing. Surely it is reasonable for all Hon. Members of the House to accept the position taken by Hon. Members on this side and by the joint committee as well—a position which, incidentally, is written into the law in the United States—that taxpayers are entitled to a fair hearing before they can be forced to pay money.

The Minister will likely point to the provisions of the February 15 Budget and say that it is adequate that now all the Department will do, instead of forcing collection, will be to tie up an individual's capital by requiring bank guarantees for the duration, literally possibly tying up thousands of dollars for years while the matter is adjudicated and preventing, for example, a small business person from having access to that working capital. We say that is wrong. We say the onus should be on the Department to prove its case before it can collect a disputed amount of money. There is no excuse for not acting on that.

● (1200)

Going back to the issue of the Department's powers in gaining access to records, there is something seriously wrong when the Department has the right to come into a business and seize business records which may be essential to the functioning of that business, take them to the departmental office and hold them for 120 days before having to go to court for an extension. It then has a right, which we do not dispute, to go to the court to ask for an extension.

What is extraordinary with the way the Act is written today is that the Department has the right to go in secrecy, without the presence of the taxpayer, to argue that it should be allowed to hold those essential business records. We say, as the Canadian Institute of Chartered Accountants and the Canadian Bar Association said, that these *ex parte* proceedings must be stopped. We must amend the Act to prevent this sort of abuse taking place in the future.

What conceivable justification can there be for this? Is it a case where the taxpayer could destroy the documents or hide them? Of course not. They are held in the possession of the Department. I ask the Minister, what is the risk to the Department in a taxpayer being able to be in court to argue against the Department having an extension and holding essential business records? Surely under our system of Canadian justice you have a right to be present at proceedings which affect your basic liberties and your right to earn a living. As things stand today in Canada with the present Income Tax Act, you do not have that right.

We argue as well in this motion, as we argued in the task force report, that it is essential that there be a proper appeals procedure on collection. What we have increasingly found over recent years is that the Department says that because a person is liable the money as soon as he is reassessed, it will use its powers as fully as it can. Garnishees are issued to take away people's funds in their bank accounts or their pay cheques before they have had a chance for a fair hearing.

In addition, we found that the Department has often refused to use a discretion open to it to arrange reasonable collection procedures where a taxpayer is reassessed and it is clear there is no fraud, where the Department does not dispute that, where it recognizes that an error may have been made or there is a difference in interpretation of the law, with no intent on the part of the taxpayer to commit fraud. Taxpayers often ask to be given an extended payment term and be allowed to make the payment of every penny that is owed, with interest, over a period of time. We increasingly find that the Department has refused to do that. We have argued for an appellate procedure which would allow taxpayers to appeal unreasonable decisions.

I see that my 20 minutes is expiring. There are many other issues I would have liked to raise today, but in conclusion I want to express this message on behalf of my colleagues and repeat the offer that was made. There is no reason for not acting to guarantee taxpayers' rights now before an election. If the Minister and his colleagues bring forward legislation consistent with the report, we will co-operate fully. However, I serve notice on him publicly today that if the Government continues to refuse to act, this issue will be taken to the Canadian people in an election campaign. The recommendations of the task force will be a high priority for a Progressive Conservative Government.

The Acting Speaker (Mr. Laniel): The speech of the Hon. Member being concluded, there is a ten-minute period for questions. Are there any questions?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Mr. Speaker, I listened with great interest to the comments made by the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty). Actually, what the Hon. Member said was not particularly new to me, because besides examining the report prepared by the committee chaired by the Hon. Member on behalf of his Party's Caucus, I also had a long meeting with the Hon. Member and members of his task force during which we thoroughly explored a number of subjects he has raised today and which are the subject of recommendations made by his taks force.

I do have some trouble accepting "certain charges", if I may use the expression, which were made by the Hon. Member. However, I hasten to say that I fully agree with the principles underlying the task force's recommendations. They are the same principles that form the basis for my Department's policy in administering the Income Tax Act.

Before speaking to the subject of the motion before the House today, I note, Mr. Speaker, that the Hon. Member remarked that although it was time to act, no measures had been taken. I am sorry but I must object to this remark. A number of measures have been taken, and I am sure that the Hon. Member and many of his colleagues will acknowledge they have heard as much from their constituents, or have seen for themselves the results of such measures. These measures have taken the form of guidelines or basic principles to be adhered to in administering the Department, principles which I put down in writing when my deputy minister took up his duties at the Department of National Revenue. I believe these principles provide a very clear concept of the kind of action that should be taken in administering the Income Tax Act and that they cover much of the ground that was covered by the recommendations of the task force chaired by the Hon. Member.

A third preliminary remark is appropriate, Mr. Speaker. We must make a distinction, and this is particularly relevant considering what the Hon. Member said in his conclusions, between the responsibilities of the Minister of National Revenue and those of other ministers. I think that the Hon. Member, in formulating his motion, wished to indicate that distinction by going beyond the responsibilities of the Minister of National Revenue. For instance, when he refers to the changes to be made in certain provisions of the Income Tax Act and when these provisions are as general as Section 231,

the Minister of National Revenue is not the only one involved. The proposals must be made in the House by the Minister of Justice. Furthermore, all other provisions of the Income Tax Act are, in the final instance, the responsibility of the Minister of Finance.

The Hon. Member has, and I am very pleased with his spirit of co-operation, clearly indicated, on behalf of his caucus, that if the Government makes proposals regarding changes it acknowledges are entirely justified, he is prepared, with the co-operation of his Party's caucus, to expedite passage of such proposals in the House. I admit I am very pleased with this co-operative attitude, and I have said as much to my colleagues who are responsible for the various departments concerned. I think it is time to complete our review of the various recommendations on changes in legislation and to do so as soon as possible.

Mr. Speaker, the motion speaks generally about protecting the rights of taxpayers.

• (1210)

In his speech, the Hon. Member clearly expressed his conviction that from the way the Income Tax Act is administered, Canadian taxpayers, and he was speaking generally, feel that their basic rights are threatened. I would respond, Mr. Speaker, to this general accusation with an equally general argument. In our country's Constitution, this Government has laid down the basic rights of all Canadians. Anyone may, for any reason, avail himself of these provisions which have been enshrined in our Constitution, in the Constitution of this country, in order to obtain legal remedy if his basic rights have been infringed by any level of government.

Second, Mr. Speaker, I would like to point out to the Hon. Member that the very nature of our tax system recognizes the basic freedom of the individual with the immediate corollary of freedom which is responsibility. What is the nature of our tax system? It is a soft-assessment system. The Canadian taxpayer is responsible for declaring all his income. The law says clearly: "all his income". Second: he must establish the amount of tax due. And finally, he is responsible for paying his taxes as assessed. For the vast majority of taxpayers, this exercise has been simplified because we have a system by which employees have their taxes deducted regularly at source, either weekly, every two weeks or monthly, depending on how they are paid. For these taxpayers, it is relatively easy to comply with the Income Tax Act. I would even say they have practically no choice in the matter, because their employers are given tax deduction tables, the amount of the deduction is calculated, and the annual filing of tax returns is merely an exercise in adjustment, in which the taxpayer reconciles the amount already paid with the various deductions to which he is entitled, or adds any income he may have received in addition to his regular income.

Other taxpayers, and especially those who are self-employed or have a business, pay their taxes according to a different formula and have a much broader range of deductions they can make from their gross income, before establishing the tax payable. Generally, taxes are paid in quarterly instalments. With an adjustment at the end of the year.

Mr. Speaker, our system of self-assessment must be the most tangible sign of recognition of a basic right of the individual, of the freedom of individuals in democratic society. That is how our tax system works. To maintain the integrity and reliability of a self-assessment system, we must ensure it is fair, if we are to maintain public confidence in the system. It is sound, reliable, and reasonable, but the taxpayer must be convinced the system treats all taxpayers equally, that is to say that each taxpayer is responsible for declaring his income and calculating the amount of tax payable and, importantly, for paying his taxes—and that everyone is on the same footing.

Since most taxpayers have their taxes deducted at source, Mr. Speaker, we must have mechanisms to check whether the others do abide by the law, and we must ensure as well that enough of them do so to maintain the system's reputation for fairness, so that all Canadian taxpayers will feel a commitment towards and give their full support to the system.

Mr. Speaker, the system itself fully respects the basic rights of individuals and must be provided with audit mechanisms if we want to maintain its integrity and soundness. Pursuant to specific provisions of the Income Tax Act, the department responsible for the administration of the act is empowered to carry out such audits as may be required to maintain the integrity and the equity of the system.

With respect to the second aspect of my remarks, the Hon. Member has quoted various reports which have been made public and he has indicated that the powers provided under the Income Tax Act are too extensive, and that the very nature of those powers—which is what the Hon. Member is concerned about, I am sure—and the way they are exercised may jeopardize the rights of taxpayers.

Mr. Speaker, I would rather not refer at length to the very complex rulings of various Canadian courts on the way the Department has used its powers under Income Tax Act Section 231. However, Canadian courts did state on several occasions that such powers were necessary, appropriate and justified in a free and democratic society. I might simply quote just one ruling made recently by an Ontario Supreme Court justice in which he concluded as follows:

[*English*]

The Court found that there was no improper conduct in the search of the private residence, that the judges had acted within their jurisdiction in making the orders under attack and that the seizures were authorized by the relevant statutory provisions. The Court further found that the Minister's powers of search and seizure and the related procedures were necessary, appropriate and demonstrably justified in a free and democratic society.

[*Translation*]

Mr. Speaker, that was not written by some National Revenue official, but by a court judge in his decision. Of course, being concerned is quite normal, and we should be concerned about the way any enforcing organization is using its powers. We should keep in mind, however, that these powers are provided for in the legislation and that they are perfectly consistent with our fiscal system.

On the other hand, we should examine under what conditions these powers have been used. Hon. members are aware that the powers of search and seizure can be used either under the Minister's authority or a mandate issued by a court of law. In all, in 1984, some 16 million Canadian taxpayers have filed income tax returns. Out of these 16 million Canadian taxpayers, Mr. Speaker, how many would you say have been subjected to search procedures in 1984? Forty two. Not 42,000 or 420, but only 42 have been subjected to search procedures so far in 1984 out of our many million of taxpayers. There have been 143 ministerial seizures.

By quoting these figures and the judge's decision, Mr. Speaker, I wish to lay to rest the concerns some people may have regarding the use of such overwhelming powers. What I am saying is that the powers provided for in the legislation are now used with moderation and to the extent that special circumstances warrant them. I believe that this reflects a healthy administration of the legislation and a sound use of these powers.

● (1220)

Mr. Speaker, because of the very nature of the income tax system, it is an acknowledged fact that we need an audit mechanism to guarantee the fairness of the system and that we also need structures to enforce the Income Tax Act when people are not complying with it. This is not the only aspect of life in our society which is subject to enforcement procedures. We have in our streets people who are responsible for encorcing the law, and I do not think that people are frightened by the presence of policemen in a society. However, it is obvious that if we were to look at everything these policemen could do with the powers they have, we could be frightened. But the important thing is to recognize that, in most cases, their powers are used discerningly and in relation to the problems they must face. We have to view the power given to the Department of National Revenue in exactly the same perspective. Have these powers been used in relation to the circumstances the legislator said would justify them? Mr. Speaker, the Department of Justice is now reviewing all these provisions and is making sure that these powers are in agreement with the provisions of the Charter of Rights and Freedoms contained in our Constitution and is also checking on cases where they have been used in the past to make sure that they were used properly.

Mr. Speaker, I see that my time is running out; I would like to deal with another aspect of the issue, another specific case mentioned by the Hon. Member. It relates to the request for information made to the City of Kitchener by the Department of National Revenue. Mr. Speaker, I have already given my views when I answered questions in the House on the request itself, and I also have had the chance of discussing the matter with the Hon. Member and others. As concerns the lack of available information which seems to be common with a few groups, whether it is a municipal body or any other group, I believe that, except in this particular case, the examples I have given have convinced the Hon. Member, the House in general and all Canadians that it is quite legitimate for the Department, whenever there is a reasonable doubt about non-compliance with the law, to request this information in order to enforce the Income Tax Act and maintain the credibility, the integrity and the equity of the system.

The Hon. Member has directed three questions to the Privacy Commissioner about the specific case of the City of Kitchener. On this matter, the Commissioner did say that the request made by the Department of National Revenue was legitimate. The Commissioner made a legitimate and legal recommendation.

An Hon. Member: Legal?

Mr. Bussières: Read it! I hope you have taken the time to read it! Mr. Speaker, the Hon. Member should not try to juggle with words. He should read the paper and say exactly what it contains. He suggested something to the Department and made a criticism about a procedure used in connection with classified information. I am happy to indicate to the House that steps have already been taken, and that very soon I will appear before the Treasury Board with a submission along the lines recommended by the Commissioner. But most importantly, when answering the three questions, he recognized that the Department in no way contravened the Act which the Commissioner is duty bound to enforce.

Mr. Speaker, there are many things I would like to add—

The Acting Speaker (Mr. Laniel): I am sorry, but the Hon. Minister's time has expired. We should now proceed to a question period. Any questions?

[*English*]

Mr. Beatty: Mr. Speaker, at the end of his remarks the Minister dealt with the issue of the attempt by Revenue Canada to gain access to the computerized data base in the City of Kitchener. That was an attempt which was characterized—and the Minister perhaps overlooked it in his reading of the report—by the Privacy Commissioner as having exhibited carelessness and casualness in terms of the rights of the citizens.

The Minister will also be aware that the Privacy Commissioner made a differentiation between data matching and computer matching. He indicated that he did not believe this

case involved computer matching. Will the Minister give the House the assurance that his Department has not to date in any instance engaged in computer matching of information, to use the term which was used by the Privacy commissioner?

[*Translation*]

Mr. Bussières: Mr. Speaker, admittedly I had difficulty following the Commissioner's recommendation. This is an aspect now under review, and I understand there were further discussions between the Commissioner and my officials on that particular aspect, in order to identify the issue exactly and come to an understanding as to what the Commissioner meant concerning the Department's operations. Clearly, the Hon. Member is focusing on one aspect of the Commissioner's comments, but what is important is to have a good view of the issue. Taking, the first substantive issue, for instance the Commissioner's answer is clear. He stated:

[*English*]

The Privacy Commissioner stated:

The information sought by Revenue Canada from the municipal records of the City of Kitchener is relevant to the Department's operating programs of collecting taxes and determining compliance with the Income Tax Act. The collection of such personal information is authorized by Section 4 of the Privacy Act.

He concluded:

What is relevant is that any information obtained relate directly to an operating program of the Department—

In seeking such information from Kitchener, Revenue Canada did not violate the Privacy Act.

[*Translation*]

And he answers the three questions. Now, as I indicated at the beginning of my answer, when I last discussed this particular aspect with my deputy minister, he told me there would be further discussions between my Department and the Commissioner, in order to come to a clear understanding of the terms used and the substance of the issue.

[*English*]

Mr. Beatty: Mr. Speaker, you will note that the Minister did not answer the question, which was whether he could give the House the assurance that in the past there has not been computer matching of data as referred to by the Privacy Commissioner. I will not repeat that question, but I would simply draw to the attention of the Minister an article which appeared in the *Kitchener-Waterloo Record* of last Saturday. In that article an official of his Department indicated that, in fact, such computer matching appears to have taken place in the past. I think the Minister should be aware of that fact.

Second, the Minister should also be aware of the fact that the Privacy Commissioner found that if, in fact, the Department had gained access to the computerized data from the City of Kitchener, the failure to have the information properly catalogued would have been in violation of the Act. I think he overlooked that fact.

I would like to ask the Minister about another matter which is under his jurisdiction. I draw to his attention a bulletin called the *Special Investigations Bulletin*, which I believe was published in March, 1984. At the very same time there was a stable of very high-priced flacks revealing the public relations policies of the Government. In the bulletin there is an article headed "Department 'takes in' what Chinese 'took out' ". It refers to the operations of a Chinese restaurant operator.

• (1230)

I want to ask the Minister whether he feels this sort of casual racist reference to Chinese in this way is appropriate in an official publications of his Department. A subsequent article entitled "Precious Metal Attracts Precious Taxes" deals with the file of a Brockville doctor. Why was it not necessary in that article to identify the doctor by his race or nationality when it was deemed necessary by his Department to identify the individual mentioned in the previous article as Chinese? Does he feel that this sort of reference is appropriate in official government documents? And does he not feel that this casual racism is something which should be prohibited?

[*Translation*]

Mr. Bussières: Mr. Speaker, I would like to get back to this once I have clarified the point in the Privacy Commissioner's report concerning appropriate classification of information obtained. I indicated in my comments, perhaps too quickly, that the Department has already established new lists and new schedules, and that a representation will be made to Treasury Board to satisfy the concerns of the Commissioner with respect to the information obtained, so as to avoid any possible criticism by the Commissioner and to comply as strictly as possible with the various regulations and other provisions concerning information held on individuals.

Mr. Speaker, I am not sure about the document to which the Hon. Member referred but I do understand his question. In any case, and I say this without the slightest hesitation, any departmental document, whether public or internal, which has racist overtones is unacceptable. I cannot really judge the document until I have seen it, but as a general rule, I can assure the Hon. Member that any departmental document that would use expressions with racist overtones or make discriminatory remarks about a particular group is unacceptable, since this Government's principles and policies are clear on the subject, and all departments must, above all, comply with those policies and principles which are not only the policies and principles of this Government but also those of the House, as expressed on many occasions by the House itself.

[*English*]

Mr. Malone: Mr. Speaker, the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty) much earlier talked about the need for a Taxpayers' Bill of Rights. Today he has again brought up the subject of the need for a Taxpayers' Bill of Rights. In responding a few moments ago the Minister wrapped himself in the Charter of Rights and submitted that somehow all of the rights and protections of citizens were wrapped up in that document.

How can the Charter of Rights protect a taxpayer in a situation where he has been reassessed and the Government demands that he pay now, before he has had a fair hearing? How can it ensure that he will get a fair hearing before he has to make payment? How does the present Charter of Rights give full protection against that kind of situation? And if full protection is there, why is it that the taxpayer has to make his payment before his hearing under the present tax system?

[*Translation*]

Mr. Bussières: Mr. Speaker, I do not think it was my intention to turn down outright the proposal contained in the report prepared by the committee of the Progressive Conservative Caucus, regarding a more direct expression of rights and responsibilities. I think the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty) will agree when I add "and taxpayers' responsibilities", considering the tenor of the discussion we had. He agrees that in a self-assessment system, both rights and responsibilities must be made clear. I think this goes without saying, in view of the close correlation between these two concepts.

I would like to make it clear to the Hon. Member that I do not want to hide behind this particular concept of rights and responsibilities *vis-à-vis* a Department or the administration of an extremely complex Act, especially with respect to this group of taxpayers. I simply would like to draw the attention of the Hon. Member to the letter I wrote to my deputy minister when he commenced his duties. In that letter I stressed the fact that in our communications with the taxpayer, whether these would concern assessment or collection issues, we should indicate to the taxpayer his rights and recourse with respect to the Department's decisions. I should also like to indicate to the Hon. Member that the whole issue of collecting taxes after assessment is now being examined, that a more flexible approach has already been proposed by this Government, either through the Budget or through strict administrative measures, and that the concept must be examined within the context of the whole concept of our tax system—

The Acting Speaker (Mr. Laniel): I am sorry, but I shall have to interrupt the Hon. Minister because his time has expired.

[*English*]

Hon. J. Robert Howie (York-Sunbury): Mr. Speaker, I would first of all like to congratulate my colleague, the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty), for an excellent address on his motion, which gives us an opportunity as parliamentarians to discuss a matter of great importance to the people of Canada. I would be remiss in my duties as well if I did not also congratulate the Hon. Member and his task force for the excellent job done in travelling across Canada and gathering such extremely useful information.

In his remarks a moment ago, the Minister of National Revenue (Mr. Bussières) made the distinction between the role of the Minister of National Revenue and the role of the Minister of Finance. He was correct in making this distinction. Both Ministers are members of the same Cabinet, a Cabinet which speaks with unity. As a member of that Cabinet, the Minister of National Revenue has a rare opportunity to propose and fight for tax reform in substance, if he so desires. As Minister of National Revenue, he has the unique opportunity to correct administrative defects within his Department. The Minister is in a unique position no matter which route we take in helping to bring about the reforms which we have spoken of and will speak of in the course of this debate.

I would like to thank the Minister for being present during this debate. I hope that the points we make will be useful in helping us as parliamentarians to chart a new course for the people of Canada and correct some areas which are badly in need of correction. I agree with the Minister that the taxpayer must be convinced that the system is fair to all. The taxpayers are not so convinced, Mr. Speaker. Indeed, as late as Monday of this week, in Prince George, British Columbia, a very distinguished and prominent Canadian, Mr. John Turner, said that he has read the Progressive Conservative task force report and that if he is put into a position of authority, he will see that the administration of the Act is brought back into unquestioned equity and fairness.

I do not want to project myself into the Liberal leadership race; there are enough people already in it. However, I do want to say that I hope during the course of the leadership race other candidates will also make such frank statements. As for the Minister, I want to suggest to him that if the House continues it appears he may have some support for his position; and if the House does not continue, our Party will form the next Government and he will then see some action.

Since last year we have seen and heard growing evidence to the effect that Canada's tax collection system, once one of the most fair and effective in the world, has deteriorated very badly. We have received complaints from a wide spectrum of our population that a new hard line approach to the administration of the Income Tax Act was leaving an angry trail of taxpayers who have become disillusioned with the system and are demanding justice and fair play from their Government.

• (1240)

Last September the Canadian Chamber of Commerce warned there was a clear perception across the country that Revenue Canada was becoming more and more aggressive in its attitude towards the assessing and collecting of income taxes. Notices of objection filed by taxpayers jumped by 36 per cent. Significantly, over 70 per cent of all notices filed were settled in whole or in part in favour of the taxpayer. There was more evidence. In November of 1983 every chartered accountancy firm in the city of Cambridge, Ontario, signed a letter alleging that local auditors were operating under a quota system. We all know of the debate that ensued from that allegation and we all know of the results.

When the Government rejected the idea of a full parliamentary inquiry proposed by our Leader, he set up a task force to

listen to Canadians and their concerns about how taxes are collected in Canada. The mounting evidence of problems in the system left little doubt in my mind or in the minds of those in the task force that we should provide a forum for taxpayers to present their views and should recommend ways to improve the administration of the Tax Department in Canada.

After holding meetings in 23 centres across Canada through the month of March this year, the task force received more than 300 oral presentations in addition to a large number of written and informal submissions. The meetings were both disturbing and encouraging. The picture that emerged was that of a Department with powers that even the police do not have. Tax professionals, the lawyers and accountants who have dealt with thousands of tax cases over the years, told us of a marked change in the Department in the past two years. They spoke of a new aggressiveness that presumes the taxpayers are guilty until they are proven innocent. Additionally, the collections area of the Department has been much less flexible in agreeing to repayment terms when taxpayers are reassessed.

On the positive side, we were encouraged to hear that the district office in Calgary has a co-operative attitude in dealing with inquiries from taxpayers or their representatives, and I have discovered that the Saint John, New Brunswick district taxation office has been courteous and co-operative in dealing with complaints I have put forward from my constituents. The Minister's office has also replied with courtesy to inquiries I have put forward on behalf of my constituents.

On the other hand, I must say that much of what we heard during our task force hearings disturbed me greatly. We were struck by the fear with which ordinary Canadians greet a call from the Tax Department, a fear that is sometimes cultivated by Revenue Canada in its attempts to frighten ordinary taxpayers. We found that the Tax Department often pursued Canadians of modest means who lack the resources to fight back and defend themselves. Accordingly, we have a recommendation that we think will help the Tax Department deal more fairly with people in this category and I will refer to it in just a moment.

We found the sheer complexity of many provisions caused serious problems for taxpayers who can least afford costly professional assistance. The growing complexity in the law, sweeping departmental powers, and a new hard line attitude towards taxpayers appears to have eroded the rights of thousands of Canadians and undermined public confidence in our tax system and our Government. We were shocked to hear testimony of poor internal communications within the Department, particularly between the computer centres, which should be supplying the service for district taxation offices, and the offices themselves. We heard testimony of one citizen's bank account being frozen even after his debts were paid in full.

Throughout Canada the task force heard evidence of problems caused by the "reasonable expectation of profit" rule as it is interpreted and applied by the Department. Under this test, small businessmen, farmers, artists and writers all have no way of knowing clearly and in advance how a loss will be treated. Worse, disallowing losses after they have occurred creates a kind of double penalty in that having lost the money one is then deemed to be a hobbyist and must, in effect, pay tax on the loss. I suggest that at least the basis of determining whether a business loss will be allowed against other income, if not a determination itself, should be available in advance of making an investment. Equally, should the ground rules for making these determinations later change, retroactivity should not be applied.

A common complaint of farmers and artists was that the Department arbitrarily established time frames within which profitability must be achieved, although it often takes several years of hard work and financial investment before profits are made. Until a consultative group established by the Minister of Finance (Mr. Lalonde) has made its report public and it has been debated, individuals who have claimed bona fide farm losses should not have their ability to deduct those losses restricted simply because they have had to earn other income in order to support their family and business activities.

Again, a decision by Revenue Canada to alter established practice and to give at times the narrowest possible interpretation to the reasonable expectation of profit test is causing a terrible injustice to Canada's artists and scholars. Until the Standing Committee on Communications and Culture has completed its review of matters relating to the taxation of our artists and writers, the treatment of artists' and writers' expenses should revert to the old interpretation; or at the very least a moratorium should be placed on any further reassessments.

Of all the assets of Revenue Canada, its staff is unquestionably the most valuable. Unfortunately, the task force uncovered considerable evidence that a number of the Department's policies and practices have resulted in poor morale, reduced productivity and an unacceptably low standard of service to the public. These problems must be reversed. The quota system, by whatever name, should be scrapped and never be a measure for promotion and advancement. The accent should be on accuracy, not the maximization of tax revenue. The quota system is a stain on the conscience of the Tax Department as indelible as the dark spot with which Shakespeare cursed Macbeth.

It is essential that Revenue Canada move away from an attitude that taxpayers are potential crooks waiting to be caught to a more positive service attitude. Canadians are an honest, decent and law-abiding people and have every right to be treated as such by their government and all its employees. Taxpayers should enjoy the right to be presumed innocent until proven guilty, and no payment should be required on assessments until appeals are resolved.

In addition, and this is the matter I mentioned earlier, we need a small claims tribunal to deal with disputes under $5,000, and taxpayers should get a response to their cases in 30 days. This informal procedure would help cut through red tape and promote efficiency and deal more fairly with Canadians in the lower and middle-income groups. We should make taxpayers' files more accessible by returning them to their

regional offices after they have been processed. Our Party would significantly curtail the Department's powers of search and seizure.

Our task force made 76 recommendations, including the creation of a Taxpayers' Bill of Rights. It is a plain language statement of the treatment taxpayers should be able to expect. It supplements the Charter of Rights just as every other piece of legislation we passed in this House supplements it. Among our recommendations is one for a Taxpayers' Bill of Rights. This Bill would include the presumption of innocence until proven guilty; the right to privacy; the right to timely and accurate information; and the right to courteous treatment. These matters are not spelled out in the Charter of Rights; they are refinements of fundamental rights spelled out in that Charter. Surely there could be no objection to this measure.

We also recommend that taxpayers who disagree with the reassessment be given the right to a fair hearing before the Department can take away the pay cheques or their bank accounts. Surely powers given the Tax Department which exceed those in Britain or the United States should be changed to ensure that while the Department has all the authority it needs to enforce the law, taxpayers are guaranteed at least the protection our law gives people accused of serious crimes, a protection they do not now have.

● (1250)

Our report is non-controversial and non-inflammatory. It succinctly and coherently describes ways in which Revenue Canada could function better serving both public and administration alike. I urge the Government to act now, even at this late date before it loses power, to implement the report's recommendations and thus provide an important service for all Canadians. If the Government chooses not to act, the Government which succeeds it will.

The Acting Speaker (Mr. Laniel): The House will now proceed to questions and comments. Are there any questions? The Hon. Member for Humboldt-Lake Centre (Mr. Althouse) on debate.

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, I see by the clock that my remarks will by interrupted by the dinner bell. One of the problems which mankind has always had with tax systems is finding a system which will seem to be fair and will be administered fairly. With the income tax system we have an attempt to operate a self-assessment system.

That concept was not first developed during World War I when income tax was introduced. The self-assessment feature of taxation has been used by many civilizations in the past. One which comes to mind particularly is a self-assessment system that was used in the Sound between Denmark and Sweden. It was called the Sound tax which the King of Denmark collected. He made himself responsible for patrolling the Baltic Sea. All shipping that went in and out of the Baltic Sea did so under a method of taxation which was a relatively fair self-assessment tax. When the ship captains applied to go through the Sound they presented the Tax Department with an assessment of the value of the cargo. They simply paid 10 per cent of that amount. In order to keep it fair and reasonably honest, the King of Denmark had the right to buy the cargo at the rate at which the sea captain had valued it. That is a sample of a self-assessment tax system.

One of the problems which we have run into with our self-assessment tax system as it applies to income tax is that there are too many instances surfacing in which it does not appear to be fair. The self-assessment features are being challenged dramatically by the Government. In too many cases the challenge appears to be unfair and unreasonable. It is to that that this motion addresses itself.

We propose to provide an additional amendment to this motion. If it is permitted, as I understand it is at this point in time, I would like to present my motion prior to continuing with my speech so that I could address the amendment as well as the motion. I will pause for a moment to receive your ruling; my understanding may be incorrect.

The Acting Speaker (Mr. Laniel): I would invite the Hon. Member to read his amendment and send it to the Chair so I can look at it.

Mr. Althouse: Mr. Speaker, I propose to remove the period at the end of the motion which is before us and add the following words:

—and further, to recognize the inequity of the appeal process by guaranteeing to taxpayers who are successful in an appeal through the courts that their legal costs will be paid for by Revenue Canada.

Mr. Beatty: It is already done.

Mr. Robinson (Etobicoke-Lakeshore): Point of order.

The Acting Speaker (Mr. Laniel): The Hon. Member for Etobicoke-Lakeshore (Mr. Robinson) on a point of order.

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, it is my understanding that the matter the Member has raised as an amendment to the motion has already been carried out.

Mr. Mayer: That is typical of the NDP. They are redundant anyway.

The Acting Speaker (Mr. Laniel): It is not the responsibility of the Chair to answer that preoccupation of the Hon. Member for Etobicoke-Lakeshore. All I have to do is ensure that the amendment relates to the main motion in front of us and that it does not go beyond the scope of the intention of that motion. It does not and is well related, so I declare the amendment acceptable. I will put the amendment at this time.

Mr. Althouse, seconded by Mr. Lewycky, moved to amend the motion by removing the period at the end of the motion and adding:

—and further, to recognize the inequity of the appeal process by guaranteeing to taxpayers who are successful in an appeal through the courts that their legal costs will be paid for by Revenue Canada.

The question is on the amendment. The Hon. Member for Humboldt-Lake Centre.

Mr. Althouse: Mr. Speaker, we have concerns about the powers that have been used by Revenue Canada personnel and by the Act. I suppose it is not just the powers of the Act that are of concern, but more precisely some of the powers through Orders in Council and by internal operating procedures of Revenue Canada. As part of my presentation here today I would like to review three or four instances which I think highlight some of the abuses that are referred to, both in the motion and now in the amendment. I would like to go through those three or four examples. It would be more convenient if we could do them back to back, Mr. Speaker. Since it is pretty well the hour for adjournment, I propose to call it one o'clock and proceed after the lunch hour.

The Acting Speaker (Mr. Laniel): Before we adjourn, I would like to clarify one point. I should have put the motion at the end of the speech. I am sure the House will agree that the Hon. Member may continue his speech by unanimous consent after lunch. Is it also agreed to call it one o'clock?

Some Hon. Members: Agreed.

[*Translation*]

The Acting Speaker (Mr. Laniel): Order. It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

THE LATE GENERAL GEORGE R. PEARKES

TRIBUTE TO ILLUSTRIOUS CANADIAN

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, it is customary to take a few moments to pay tribute to an illustrious Canadian who is no longer among us. I am of course referring to General George R. Pearkes who died this week at the age of 96. I would like to express to the House and to all Canadians, my admiration and respect for this illustrious Canadian, and recall the many services he rendered to this country.

[*English*]

In his long career General Pearkes touched many Canadians, as a keeper of the peace with the Royal North-West Mounted Police, as a hero among heroes in the First World War, as a staff officer and educator in the Canadian Army, as a politician, as Minister of National Defence, and as a representative of the Queen in British Columbia.

[*Translation*]

He will undoubtedly go down in history as the soldier who received the largest number of decorations and awards from the Canadian Forces. He will be remembered for his courage. He was wounded five times but was always prepared to serve his country when danger struck.

[*English*]

But for many Canadians who had the privilege of knowing him, General Pearkes will be remembered as a courtly gentleman of enormous integrity, a man who devoted his life to public service, and an example to all the people of Canada for generations to come.

Some Hon. Members: Hear, hear!

Hon. Erik Nielsen (Yukon): Mr. Speaker, many Canadians who knew General Pearkes in his later years as an outstanding Defence Minister in the Diefenbaker Government and Lieutenant Governor of British Columbia, were unaware that he was a genuine Canadian hero.

He left the Royal North-West Mounted Police of fabled memory, where he was serving in Whitehorse, Yukon, to go overseas in the First World War, where he won every available medal for bravery and distinguished service, from the Victoria Cross, Great Britain's highest honour, to the Croix de Guerre, and including the Military Cross, Distinguished Service Order, and the United States Order of Merit. He was wounded five times, and was mentioned four times in despatches.

Following the war, he continued his military career as General Staff Officer at Royal Military College, Director of Military Training at National Defence Headquarters, and Officer Commanding, Military District 13.

In World War II he gathered new laurels as Major General in command of the First Canadian Division overseas.

In 1945, at a time when most men are thinking of retirement, he undertook a new career in politics and soon demonstrated the same qualities of courage, devotion to his country, and rugged honesty which he had displayed on the field of battle.

As Minister of National Defence in the Diefenbaker Government he upgraded the weaponry and equipment of our fighting forces, recognized and respected the NATO and NORAD commitments to the full and, in spite of his army associations, regarded the air as the first line of defence.

Both the Arrow and Bomarc controversies erupted while he was head of the defence portfolio, and with wit, honesty and good humour, he bore criticism for decisions which were based on carefully considered recommendations of the Chiefs of Staffs based on their conviction that manned bombers were already obsolete.

When he left the defence portfolio to assume the Lieutenant Governorship of British Columbia in 1960, George Pearkes was undoubtedly grateful for the opportunity to leave the turbulence of politics.

Of him it can be said that virtually his entire life was one of service. His contribution to Canada and democracy was always one above and beyond the call of duty. He gave more than was expected, and always with a quiet modesty and good cheer that became a man who never turned his back on the foe, whether military or political.

The thoughts of this House remember him fondly and go out today to his wife, Blytha, his close friends and family who have suffered a loss comparable only to that suffered by the nation.

Of him, John Diefenbaker once said, "He was a great soldier." We can do no better here today than echo those words.

Some Hon. Members: Hear, hear!

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I am pleased to say a few words on behalf of our Party because I represent a riding in British Columbia which is one of the places that General Pearkes served so well. It has already been said that he was a Mountie. He was a Victoria Cross winner in World War I. He was a staff officer. He was a politician. He was Minister of National Defence. He was a representative of the Queen as Lieutenant-Governor of my Province of British Columbia in 1960.

He was a gentleman, a soldier, and a person of great integrity. If that could be said of any of us in the House, we would consider it to be a wonderful honour.

Most of my generation never served in the Armed Forces. Thank God we did not have to go to war. I believe we must thank people like General Pearkes and other soldiers who did go to war to serve Canada and help make the world a safer place for people of my generation.

It has been said that General Pearkes was a genuine Canadian hero. At the time of its fortieth anniversary, D-Day is much on our minds. Many of Canada's old soldiers are going over to the beaches of Normandy. I trust and hope that they will reflect today on the passing of General Pearkes. He had a full life and I think we should be thankful for that. Old soldiers never die.

On behalf of my Party I want to extend to his family our thoughts and gratitude for the fullness of this man's life.

Some Hon. Members: Hear, hear!

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, when I came here as a member in 1957, it was to assume a post as first parliamentary assistant to the Minister of National Defence, the late George Pearkes.

• (1410)

As a veteran of World War II with a lot of friends at National Defence, and working under a man who was Officer Commanding, First Canadian Division, when I went overseas in 1941, not to his division but to another formation, I can assure the House that he had the loyalty of Canada's Forces behind him. As was indicated by the Hon. Member for Yukon (Mr. Nielsen), there were tough decisions, I remember, on the Arrow and on the Bomarc. However, he always served as Minister of National Defence in the House with the greatest courtesy to all, and with a determination to get the job done.

May I just add a further note that in his role as Grand President of the Royal Canadian Legion, a year or so before he retired from that position he received an honour from the Legion in convention in Edmonton which is rarely accorded—a standing ovation on being introduced.

He had an honourable life since leaving the office of Lieutenant-Governor of British Columbia, where he was one of the most popular Lieutenant-Governors in recent history. We who have known him for many years watched his declining health with continuing concern. May we say that it is unfortunate he did not reach a century. On the other hand, I think his family and friends will be relieved that he has slipped quietly away. To his widow, Blytha, and to his son, John, may we all say we are sorry. George was one of Canada's great men.

Some Hon. Members: Hear, hear!

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, General Pearkes was a legend in the Canadian Forces, but his life before he joined and after he left the Forces was equally outstanding. He came to Canada to homestead on a prairie farm in 1906. Then he joined the Royal North-West Mounted Police as a rookie and served as a constable, serving in the Yukon and elsewhere. In January, 1915, he joined the Canadian Mounted Rifles, now the British Columbia Dragoons, which was then a cavalry unit stationed in Victoria. He joined as a private soldier and worked his way up through the ranks, achieving a record in the year 1916 which has not been equalled before or since, of going from the rank of Sergeant through all ranks to the rank of Major in one year. He finished World War I as a Lieutenant-Colonel, with the Military Cross, Distinguished Service Order, and the most highly regarded decoration in the world, the Victoria Cross.

He remained in the permanent Force in that fine regiment, the Princess Patricia's Canadian Light Infantry and, on the outbreak of World War II, he again went overseas in his country's service. He commanded the Second Brigade and then the First Canadian Infantry Division, where I first met him while serving under his command. I served under him again when he was General Officer Commanding, Pacific Command, and of course when he became Minister of National Defence in 1957.

His moves from the military to the House of Commons, to the Privy Council, and to Government House in Victoria, in his mind I believe, were simply a continuation of his public service and his duty.

It is difficult to find words to describe adequately the respect and affection which the people of Victoria, and indeed the Canadian public, felt for this man. To state it simply, they trusted him and they believed him. His service to Canada in war and in peace set an example which may never be equalled.

The Late George R. Pearkes

I wish to add the condolences of myself and of the citizens of Victoria to those already expressed by the Leaders of the Parties of this House and others, to his wife and family.

Some Hon. Members: Hear, hear!

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, Major General, the Hon. George Randolph Pearkes, Victoria Cross, Member of Her Majesty's Privy Council, Companion of the Order of Canada, Companion of the Order of the Bath, and awarded the Distringuished Service Order and the Military Cross, all titles and honours in the service of his country, died yesterday in Victoria. His honours were many; we are honoured to have known him.

As the Member who represents the same people of Esquimalt-Saanich for whom General Pearkes spoke in this place with such honour, dignity, civility and humanity, I cannot fail to be aware of the responsibility that now is mine. In fact General Pearkes set a model for all of us to follow as Members of Parliament speaking here on behalf of our constituents.

His record in the service of Canada and Canadians is one that is not easy to match. Arriving in this country as a young man in his late teens, settling on a farm in Alberta, which at that time had only recently been created a province of Canada, and spending the first few years homesteading there, gave him a deep appreciation of Canada's richness and its readiness to reward those who were prepared to work with its endless resources.

I suspect it also gave him, unless he brought it along with him, a healthy humility when confronted with God's manifold favours. He was a devout man, respecting his God, living by God's laws, and knowing he lived always in God's sight.

He served several years, much of it in the Yukon, as a constable in the Royal North-West Mounted Police. When war was imminent, he enlisted as a trooper in the Second Canadian Mounted Rifles. He trained in Canada and went overseas.

Late in October, 1917, and as a Major, he displayed the fearless courage that marked his whole life. Although wounded, he led his men with the utmost gallantry and disregard for danger—because he was under ground fire and air attack; he fulfilled his Colonel's orders, reached his objectives and returned with his company, depleted, it is true, but their task was fulfilled. His valour on this occasion at Passchendeale won him the Victoria Cross. Throughout that battle and in all his subsequent commands, as Major, later as Colonel, and eventually as Major-General, he never lost the common touch. Because he had grown up humbly, he never became arrogant. Success never went to his head. It merely gave him an added opportunity to serve his fellow men.

There are many instances of his love for his fellow men, his simple, direct approach to all he met, his kindliness, and his concern for people, all of which endeared the man to those who served him or with him, as Commanding Officer, Member of Parliament, Minister of the Crown, or Lieutenant-Governor. As Her Majesty's representative in British Columbia he earned the respect of all those he met and thousands more he never met.

Of no one in the country can it be said more justly that he won our respect because he respected each of us. A more fitting tribute for a great Canadian, a more worthy example for all of us, in whatever walk of life, would be difficult to find. His citation for the Victoria Cross begins "for most conspicuous bravery". For his record of service to Canadians for more than 70 years, I would suggest that we add "and for most conspicuous service".

To Blytha, his wife, to whom he was married for almost 59 years; to his son, John, and to his grandchildren, I am sure the House will want to express its sincerest condolences and prayers for their comfort in their loss. Their loss is ours too.

Some Hon. Members: Hear, hear!

Mr. Speaker: May I suggest to the House that we rise and observe a minute's silence in memory of the late George Randolph Pearkes.

[*Whereupon the House stood in silence for one minute.*]

Mr. Speaker: Order, please. Is there unanimous agreement that Question Period extend until five minutes past three?

Some Hon. Members: Agreed.

• (1420)

ORAL QUESTION PERIOD

[*English*]

THE ADMINISTRATION

LIBERAL PARTY LEADERSHIP CAMPAIGN—STATEMENT ATTRIBUTED TO MINISTER OF AGRICULTURE—REFERENCE TO AFRICANS

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, I have a question for the Prime Minister of which I have given him prior notice. It has to do with an article that appeared in yesterday's *Globe and Mail* concerning statements made by his Minister of Agriculture. I quote one paragraph:

> A man should always wear a hat. . . . No easier way to catch a cold in winter than to go bareheaded. And in summer, the sun'll roast your brains if you don't wear a hat. That's one reason they have low IQs in Africa. They don't wear hats.

Does the Prime Minister find this acceptable behaviour by one of his Ministers, and what has he done about it or intends to do about it?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I always hate this kind of a question, although I did get notice of it. I received the clipping. I realize why the Hon. Member is only quoting one paragraph, as he said. If he read the next phrase after the one he stopped reading, it would have gone on to say:

Another reason, and a more important problem is malnutrition, something that as President of the World Food Council for the past two years he has been intent on doing something about.

He has done a great deal about it. I know Mr. Whelan. I know that he has constantly been raising the problem of malnutrition in Africa. He has been raising the problem in Cabinet. He has been trying to help refugees.

I would agree that the phrase about IQs and wearing hats does not sound very good when you look at it in black and white, but I would imagine Mr. Whelan did it with tongue in cheek. The Hon. Member for Saskatoon West looks disgusted at my answer. I remind him that his seatmate, the Hon. Member for St. John's West, talked about our former Minister of Finance, the Secretary of State for External Affairs, going to Gabon to be with people who were swinging from trees. Do you remember that? I remember it. I do not think that was a very good remark either, but we did not make a question out of it. I can give other examples.

I know Mr. Whelan. I know that he is very sensitive to the difficult economic situations in Africa. I certainly am not going to make a fuss about this.

REQUEST FOR MINISTER'S RESIGNATION

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, I suggest that many of the things the Prime Minister said in his response are total *non sequiturs*. His Minister, a Minister of the Crown, has uttered what most people would say is a totally unacceptable racial slur. If the Prime Minister does not ask for the Minister's resignation and continues to keep him in his Cabinet, he will cast some very serious doubts on his lifelong concern over civil liberties, his Charter of Rights, and his concern for minority rights. I ask him again whether he is prepared to ask for that Minister's resignation. If he does not, he will be launching his retirement on a very sour note that is in contrast to many of the things he stood for as Prime Minister of this country.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am certainly not going to ask for his resignation, but I would ask the Hon. Member if maybe he goes out in the sun without a hat sometimes.

Some Hon. Members: Hear, hear!

PRIME MINISTER'S POSITION

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, Members on the other side can laugh all they want, but this is a very serious matter. A Minister of the Crown of this country has insulted a whole continent with which we have good relations. I again suggest that, if the Prime Minister treats the matter in this kind of offhand manner, he will find that his cavalier attitude toward this matter casts a very serious doubt over what he has stood for on behalf of minority rights in this country.

[*Translation*]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, there is one sentence that expresses a thought which, quite often, I like to take as a guideline: "One ought not to take tragically what should properly be taken seriously". I am always astonished to see the Opposition take tragically things which have been said lightheartedly on this side of the House.

[*English*]

Why did they not make a fuss when their Leader, Mr. Mulroney, made fun about our Minister of Finance going to an OECD meeting in Paris in order to be with the Folies Bergères? Was that a racial slur, or was that just absolute nonsense? This kind of thing crosses this aisle often and I do not take it tragically.

REQUEST FOR APOLOGY

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I do not think there is any analogy whatever with respect to the examples that have been given. The Minister of Agriculture, representing Canada, who is also President of the World Food Council, has uttered a very unacceptable racial slur. The Prime Minister will know that Mr. Earl Butz uttered similar racial slurs in the United States, and he resigned. He was asked by the President to resign his portfolio. What I find unacceptable is that the Prime Minister condones the statement of the Minister of Agriculture, which is really incredible. Will he not at least ask him to do the decent thing and apologize, particularly to those Canadians of African descent who require an apology from the Prime Minister of Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member does his usual thing. He says I condone. I did not condone. I said the contrary. The Hon. Member is distorting what I said. He is doing it in a way which I find unacceptable, in order to prove a point about a statement. Everybody knows the Minister of Agriculture. He is talking in the House all the time. Everyone realizes that he is a good, sound, human being.

Some Hon. Members: Hear, hear!

* * *

ESTIMATES

NON-APPEARANCE OF MINISTER OF ENERGY BEFORE COMMITTEE

Miss Pat Carney (Vancouver Centre): Mr. Speaker, my question is directed to the Prime Minister. His Government's Estimates are deemed to be passed by midnight tonight, yet his Minister of Energy, Mines and Resources has refused to appear before the Standing Committee on National Resources and Public Works to explain and defend his Department's expenditures totalling $3.1 billion. The Minister has already defied the Prime Minister's instructions to be in the House to answer questions. The Minister is introducing the Canada-

Nova Scotia Energy Agreement later today. He is not here now to answer questions about secret side deals. Why does the Prime Minister allow his Ministers to let their leadership aspirations take precedence over their parliamentary duties? Surely the minimum standard of accountability should be appearance in committee to defend the way he, as a Minister, spends public money?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member phrases her question in a dangerous way when she talks about letting leadership aspirations get in the way of parliamentary duties. She could look at her own Leader and ask herself why he does not discharge his parliamentary duties once in a while.

* * *

ENERGY

PRICE OF GASOLINE

Miss Pat Carney (Vancouver Centre): Mr. Speaker, my supplementary question is addressed to the Prime Minister. We look forward to being before the Parliament of Canada and its committees on important matters such as the Estimates after the election. One of the issues we wanted to raise today deals with the petroleum compensation charge. We have evidence that gasoline prices are being kept artificially low until after the next election. Is the Liberal Government so indifferent to the spending of taxpayer's money that it feels it does not have to come to Parliament and explain this kind of glaring discrepancy?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, when the minister of Energy, Mines and Resources proved unavailable the particular day the committee was sitting, I asked his Associate Minister to appear before the committee, which I am told he did. Therefore the committee members could ask all the questions they wanted. The Hon. Member is not complaining about a question not having been answered. The Hon. Member is complaining about the Minister not being there when another Minister was there in his stead.

* * *

● (1430)

RAILWAYS

PRAIRIE BRANCH LINE REHABILITATION PROGRAM

Mr. Doug Anguish (The Battlefords-Meadow Lake): Mr. Speaker, my question is directed to the Minister of Transport. In his absence perhaps his Parliamentary Secretary could answer. I think the Minister is to be commended for the announcement made a couple of days ago concerning the Prairie Branch Line Rehabilitation Program, particularly as it affects Saskatchewan and the allocation in my own particular riding. People are waiting to see if the Government will carry through with this program. There are, however, some questions that are as yet unanswered.

I am wondering if the Parliamentary Secretary could inform the House if the miscellaneous $51 million incentive fund is meant to assist communities that are left off the five-year rehabilitation program because they were low on some arbitrarily drawn priority list, or if the fund is meant to assist in branch line abandonments by funnelling this money off to something like trucking subsidies to replace the branch lines that are in danger of being put out of the permanent network.

[*Translation*]

Mrs. Éva Côté (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I thank my Opposition colleague for asking me this question. I should like to remind him that we already have a $520 million program for the rehabilitation of railway lines in Western Canada. It is a five-year program. The additional $51 million fund which has just been announced will be spent for special programs which will have to be submitted to the Senior Grain Transport Committee. The particulars and all necessary data related to this new program will be readily available to the Hon. Member for The Battlefords-Meadow Lake.

[*English*]

PURPOSE OF INCENTIVE FUND

Mr. Doug Anguish (The Battlefords-Meadow Lake): Mr. Speaker, at committee the people from Transport Canada were saying that the money for trucking subsidies would in fact come from part of the money that was to go to the Prairie Branch Line Rehabilitation Program. The Parliamentary Secretary has said that some $528 million is going into the rehabilitation program. As well, there is the issue of the $51 million incentive fund. Perhaps the Parliamentary Secretary could tell me if this $51 million is part of the $528 million, or if it is possible that the $51 million is a special allocation above and beyond the $528 million and is really meant for trucking subsidies.

[*Translation*]

Mrs. Éva Côté (Parliamentary Secretary to Minister of Transport): To sum up the situation, Mr. Speaker, $520 million have been set aside for a five-year railway lines rehabilitation program, including over $300 million to be spent in Saskatchewan alone. The $51 million we are talking about today is in addition to the amounts already announced and, as I just said, they will be spent for special programs which grain transport system users will have to submit to the Senior Grain Transport Committee.

With respect to trucking, the Minister of Transport is indeed quite interested in that question, and I should think that representations will have to be made to the special committee which is now considering the whole question of grain transport in Western Canada.

[*English*]

ALLOCATION OF MONEY

Mr. Doug Anguish (The Battlefords-Meadow Lake): Mr. Speaker, my supplementary question is directed to the President of the Treasury Board. The announcement of the funding for the Prairie Branch Line Rehabilitation Program said it was to be given out during a five-year program, as pointed out by the Parliamentary Secretary. The largest expenditure is to be in the first year. I wonder if the Minister could tell us if the money that is to be spent over a five-year period is tied with an ironclad guarantee, or if it is subject to Treasury Board approval each year and therefore subject to the new priorities of a new Government that may come into power within the coming months?

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, I would be happy to check into the situation and report back to the Hon. Member.

* * *

THE ADMINISTRATION

LIBERAL PARTY LEADERSHIP CAMPAIGN—MINISTERIAL STAFF GUIDELINES

Hon. Allan Lawrence (Durham-Northumberland): Mr. Speaker, my question is directed to the Prime Minister. In view of the continuing allegations in the media, as well as now by personnel in the offices of certain Liberal leadership candidates, regarding the use by all candidates of staff or consultants who are on the public payroll, and the use for partisan purposes of government facilities and aircraft paid for by the taxpayers, contrary to the guidelines laid down in the House and elsewhere by the Prime Minister, I wonder if the Prime Minister could tell us what is being done to enforce these guidelines. For example, what is being done about the specific allegations made in today's press concerning the use by the Minister of Justice of his personal staff to further his leadership aspirations in violation of those very guidelines?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member alludes to general problems like those with aircraft. I believe that any problems along those lines have been dealt with, and I have dealt with any discussions or questions asked of me in this House.

The Hon. Member asked about something which was reported in the media today. I asked to be informed about it, and thus far all I can find out is that there has been an ongoing process of a shift in the workload for these people as they have moved from departmental responsibilities to leadership responsibilities. As this has happened, they have taken leaves of absence or have resigned. That is what I have found out thus far, and that seems to be a move in the right direction.

Mr. Lawrence: Mr. Speaker, If there is constant monitoring of those guidelines, then obviously the Prime Minister's guidelines were pretty empty rhetoric.

STATEMENTS ATTRIBUTED TO MINISTER OF JUSTICE ON HATE LITERATURE LEGISLATION AMENDMENTS

Hon. Allan Lawrence (Durham-Northumberland): Mr. Speaker, as a supplementary question may I draw the Prime Minister's attention to a Canadian Press item from Montreal yesterday relating that the Minister of Justice, at a private breakfast, allegedly gave details of some important proposed amendments to the Criminal Code for the control of hate literature? The news report quoted the Minister as saying that he would make details of the amendments public tomorrow, that being Friday, not here in the House of Commons but at a press conference or a campaign meeting in Toronto, presumably because he is too busy campaigning to be here in the House.

Is it now government policy to make such important announcements on the campaign trail rather than in the House of Commons? Is it the Government's honest expectation that any such amendments will be passed before the summer recess, or is this simply another—

Mr. Speaker: The Chair has some concerns about the nature of the supplementary question arising out of the original question.

Mr. Lawrence: Mr. Speaker, it relates to the campaign activities of one of the Ministers of the Crown. I think it is a very valid supplementary question.

Is this another piece of huffery and puffery by a candidate on the campaign trail?

Right Hon. P. E. Trudeau (Prime Minister): For heaven's sake, Mr. Speaker, I do not know by what double standards the Opposition is trying to play. It is perhaps fair ball to draw attention to the activities of the leadership candidates, but no one seriously expects that during a leadership campaign Ministers will sit in their seats in the House every day to answer questions or make announcements. They are out there trying to be elected as the Leader of the Party.

In so far as their staffs are concerned, Mr. Speaker, I have set down guidelines. As far as I can see, the spirit of those guidelines is being respected. There may be one or two instances of slowness in getting around to following them but one can remember that there was a leadership campaign on the other side of the House—

Mr. Lawrence: They weren't gone—

Mr. Trudeau: Let me finish. That was last year, and I guess most Members of the House were out campaigning. They were not here. I would bet my bottom dollar that their staffs were also involved in helping them out.

Some Hon. Members: Oh, oh!

Mr. Trudeau: Why all this hypocrisy? It may be just rhetoric and I do not take it seriously.

Mr. Wilson: Mr. Speaker, I would point out to the Prime Minister that all the candidates for the leadership campaign last year resigned from their positions in the shadow Cabinet for the duration of the campaign.

Mr. Lawrence: Including the Leader of the Opposition.

Mr. Trudeau: But did they use staff?

* * *

REGIONAL ECONOMIC EXPANSION

AID TO DEVCO COAL MINE—INSTALLATION OF FIRE DOORS

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, my question is directed to the Minister of Regional Industrial Expansion and it relates to the support that the Government announced last week for the Devco mine and the closure of No. 26 Colliery, an announcement which we on this side of the House welcome. However, I am sure that the Minister is aware of the concerns that have been expressed regarding the safety of the mine, and of the hope that has been expressed that this type of disaster will not recur.

● (1440)

Since Colliery No. 26 experienced a series of fires over the years, some of which caused fatalities, there have been recommendations for the installation of fire doors in the mines to control fires. Would the Minister say whether he has ascertained why these fire doors were not installed in No. 26 Colliery? And would he tell us whether it will be a requirement that fire doors be installed now in all Devco operations?

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, the hon. member should have directed his question to the minister who, through his department, is responsible for security. I can tell him, however, that some of my officials are now carrying out an investigation on the spot and discussing the situation with representatives of both the company and the union.

[*English*]

MAINTENANCE OF EQUIPMENT

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, I direct my supplementary question to the same Minister. Mr. Webby Murray, a retired CLC safety inspector, is quoted as saying:

> There's no doubt in my mind that if the belt lines (underground conveyors which transport the coal) had been properly cleaned and serviced and stone-dusted, (which reduces the likelihood of sparks igniting), 26 would not have had that fire.

Is the Minister, during the course of his investigations, looking into this allegation, and others like it, as part of the comprehensive review of corporate operations which was announced by the Minister last week?

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, my officials, while carrying out their investigation, will certainly check whether this statement and others are true.

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INQUIRY OF THE MINISTRY

DATE OF PRESENTATION OF MOTION TO ESTABLISH TASK FORCE ON CHARITABLE ORGANIZATIONS

Mr. Irénée Pelletier (Sherbrooke): Mr. Speaker, my question is for the Leader of the Government. I would like to know whether he could tell us when the motion providing for the setting up of a committee to consider the definition of a charitable organization under the terms of the Income Tax Act will be introduced in the House?

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, this motion is already on the Order Paper. I am now negotiating with the Opposition hoping to get it approved as quickly as possible and I expect an answer to my proposal within the next few days.

I can therefore assure the Hon. Member that, as far as the Government is concerned, we want this motion to be approved as soon as possible. However, there are not many days left before the summer adjournment and we will try to reach an agreement with the Opposition to debate and approve this motion in the very near future unless the conditions laid down by the Opposition are so exaggerated that we cannot reasonably accept them as this would mean going against the other priorities of the Government.

* * *

[*English*]

CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION

REGULATION OF LONG DISTANCE TELEPHONE SERVICE

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question is directed to the Minister of Communications. The Minister knows that Canadians are proud of the high quality and reasonable cost of their telephone service. I am sure he also knows that, as a result of deregulation of the telephone industry in the United States, local rates for U.S. residents and small business people have doubled and tripled. The CRTC is now going to consider an application by CN-CP Telecommunications to be permitted to compete with Bell Telephone for long distance telephone service. If its application is approved it will soon mean substantial increases in the monthly rates paid by consumers.

Will the Minister exercise the authority which he has as the Minister of Communications and tell the CRTC that we do not want deregulation of the telephone industry, which will have a disastrous effect on the consumers?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, the Hon. Member raises an obvious question of very great importance. The Hon. Member knows that the CRTC receives applications from various telephone companies across the country on a number of subjects, and that the Government's power to intervene is usually on appeal. The Government does not at the moment have power of direction over the CRTC. I would very much encourage the Hon. Member to discuss this matter with the critic for the Official Opposition and to seek quick passage of Bill C-20, which would give Parliament and the Government of the day the opportunity to look at this question and to issue directives to the CRTC on the type of architecture we want to have for our telecommunications and broadcasting system in Canada.

Up to now I do not have the co-operation of the Official Opposition in order to bring this Bill forward and pass it quickly before the House rises. I would very much hope that we could do so in order to allow us to make substantial progress in ensuring that the elected representatives of the people are the ones who decide on the architecture of the system.

BELL CANADA—LOCAL SERVICE RATES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I am sure the Minister knows that the next step to deregulation in the United States, and one which is being considered by Bell Canada, is local measured service which, again, would mean very sharp increases for the consumers, particularly for the elderly and the sick. Would the Minister indicate to the CRTC, and to the people of Canada, that the Government of Canada opposes that kind of idea which is now receiving support in the United States?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, once again the Hon. Member raises a question of fundamental concern, and one which Canadians will certainly be debating with a great deal of interest in the years to come. I feel that this type of question should be debated in this forum and in parliamentary committees. One way of doing so is the passage of Bill C-20 which—

Mr. Dick: What is the government view?

Mr. Fox: —the Leader of the Official Opposition wants us to split in two parts, basically allowing part of it to go through, but not allowing the part to go through which would allow Parliament, and the Government of the day, to have an influence on this type of question—

Mr. Dick: What is the Government's view?

Mr. Fox: —instead of a quasi-judicial body. I would very much hope that, through the Hon. Member's questions, the House Leader of the Official Opposition would be sensitized to this question. It is of fundamental importance to the type of telecommunications industry we will have in this country, a fact which the Official Opposition does not yet realize and fails to accept.

* * *

[*Translation*]

POOLS

CANADA SPORTS POOL CORPORATION—ALLEGED DIFFICULTY IN SECURING PRIZE MONEY

Hon. Roch La Salle (Joliette): Mr. Speaker, my question is directed to the Minister of State (Fitness and Amateur Sport).

Mr. Speaker, as the House is aware, in the last few days the Minister has been telling us about his new system for Sport Select, the sports pool, and he tried to prove that the system was foolproof. Yesterday, a man from Laval won the incredible sum of $20.65. He had to go to two gas stations, plus four corner stores, to get his money! Considering the fact that ticket vendors were selected on the basis of competence and not party affiliation, could the Minister inform the House today whether he is going to comment on the problems encountered by this lucky winner in collecting his $20.65?

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I want to thank the Hon. Member for Joliette for giving me this opportunity to mention some of the extraordinary things that have been happening across this country. For instance, one participant in Prince Edward Island won $25,000, and after that, because he was also a ticket vendor for the provincial lottery, his licence to sell tickets was taken away. Mr. Speaker, I would like to point out that people from the provincial lotteries across Canada, with the support of our friends opposite, are blackmailing storekeepers. They order them to stop selling sports pool tickets unless they want to lose their ticket vending machine or, if they do not have one, they will be at the top of the list, so they will never get a terminal, and then they can never get a lottery licence! And this is the kind of blackmail being perpetrated by our friends opposite! These are guerrilla tactics!

SYSTEM OF CLAIMING PRIZES—REQUEST FOR GUARANTEE—CORPORATION'S PROFITABILITY

Hon. Roch La Salle (Joliette): Mr. Speaker, I think the Minister's reply is almost obscene. I was just asking him on behalf of people who bought a few tickets for the sports pool . . . I think the Minister must be responsible for seeing to it that those $20.65 are paid! He certainly cannot accuse us of being responsible for that kind of poor administration!

In the circumstances, Canadians would like to know, Mr. Speaker, and I think the Minister has forgotten to give us his

projections at least for the next year . . . Could the Minister inform the House what guarantees he has for the system's profitability? Is the Corporation unable to pay the winners at this time? Canadians would like to know whether the system set up by the present Government, which in fact infringes on provincial jurisdiction, is profitable. I think Canadians would like to know whether the Minister can give us the assurance that the system will be profitable over the months to come.

• (1450)

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, the Hon. Member opposite is asking me to guarantee how many millions of dollars we are going to make available for amateur sport, medical research and all the other reasons for which the legislation was passed. I cannot give him any figures, but it is a foregone conclusion, provided the provinces leave us alone and stop harassing small retail businessmen who want to sell those tickets, retailers who want to help us develop amateur sport, pay for the Calgary Olympic Games, and pay for medical research . . . I am sure that if the Members opposite would speak to the provincial governments, to their political friends, we would then be able to set up an organization that will help us develop a true concept of amateur sport, we would be really independent! We would not depend on their political friends out there!

When they signed an agreement in 1979, they simply transferred $500 million to the provinces, to Progressive Conservatives and separatists, in exchange for the $35 million we had left to develop the Olympic Games, amateur sport and medical research! That is what they did!

[*English*]

CORPORATION'S ISSUANCE OF ADVERTISING CONTRACTS

Mr. John Bosley (Don Valley West): Mr. Speaker, my question is for the same Minister. I put the question on Friday last, and the President of the Treasury Board took it as notice for the Minister.

The Canada Sports Pool Corporation has awarded two advertising contracts, one of them to Planicom in Montreal, specifically to the publicity manager for John Turner. Were those contracts tendered, Mr. Speaker? If so, was the French language contract awarded to the lowest bidder? Will the Minister table those tenders? If they were not tendered, why not?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I simply want to say that the two advertising agencies were selected by the Canada Sports Pool Corporation. Now, some Members seem to want politics to be constantly involved in the corporation's decision-making process. That decision was made entirely by the Canada Sports Pool Corporation and not by the Minister.

[*English*]

Mr. Bosley: Mr. Speaker, the Minister can try to duck the responsibility for as long as he wants. The Government of Canada is responsible for public money in this country, and the Minister is going to learn that fact.

CONTRACT TENDERING PROCEDURES—REQUEST THAT MINISTER TABLE LIST OF EMPLOYEES

Mr. John Bosley (Don Valley West): Mr. Speaker, my question is a simple one. Were those contracts tendered? If they were, will the Minister table the tenders? If they were not, why not?

At the same time, will the Minister today give the House the answer to the question as to whether he will table the hiring contracts and the list of those people whom the Liberal Party has chosen for patronage reasons to put on the public payroll?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, there is no patronage involved. I am simply saying that the agencies which were selected had the qualifications and the ability required to do the job.

Mr. La Salle: You are unable to—

Mr. Olivier: I would appreciate it if the Hon. Member for Joliette would listen to my answer!

In addition, Mr. Speaker, since there is a good deal of competition in this industry in any case, according to what the Canada Sports Pool Corporation has said, we could not have the same advertising agency as Loto Quebec because we are in competition with them.

The choice made by the Corporation therefore seems to be the right one to me. It will have an impact, and in this regard, I believe that the people in the Corporation who hired this agency made an excellent choice.

* * *

SOCIAL SECURITY

IMPACT OF EVENTUAL FISCAL TRANSFERS

Mr. Louis Duclos (Montmorency-Orléans): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. The Quebec Minister of Social Affairs has just demanded that federal jurisdiction over old age security pensions be transferred to Quebec, in return for fiscal compensation—

Mr. La Salle: They answered that question yesterday!

Mr. Duclos: Mr. Speaker, could I be allowed to ask a question? As I was saying . . . in return for fiscal compensation

for the Government of Quebec. Since the tax point yield . . . That's over your head, Tit-Roch!

Some Hon. Members: Ha, ha!

Mr. Duclos: Since the yield on the tax points which would then be transferred to Quebec would be less than the average yield for tax points for Canada as a whole, could the Minister inform the House what the consequences would be of transferring jurisdiction over old age security pensions paid to senior citizens living in Quebec?

Not as easy as yesterday's question, Tit-Roch!

Hon. Monique Bégin (Minister of National Health and Welfare): Mr. Speaker, I wish the Hon. Member for Joliette would repeat out loud for the media, his constituents and all Quebecers, an opinion that shows, surprisingly, that today he is clearly a federalist and that he realizes Ottawa's old age pensions are steady pensions . . . Well, that is because you were not clear. Only the ambiguous are misunderstood.

To answer the Hon. Member's question, and without wishing to alarm senior citizens, because I think this is only a red herring thrown out by Dr. Laurin . . . So, without wishing to cause our senior citizens undue concern, I think it is obvious that the value of the tax points represented by our old age security payments to Quebec pensioners would be much lower, because a tax point from Quebec is worth less, and has been for many years, unfortunately, so that Quebec pensioners would receive less money if they had provincial pensions.

* * *

[*English*]

INDIAN AFFAIRS

IMPACT OF BRITISH COLUMBIA ALCAN PROJECT—REQUEST FOR PUBLIC INQUIRY

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Minister of Indian Affairs who is just behind the curtain looking for delegates. Would he come back to his seat?

Now that the Minister is back in the House, I am sure he is aware that the Department of Fisheries and Oceans has completed meetings throughout British Columbia regarding Alcan's $3 billion Kemano completion project. Fishermen, native people, farmers, and water users generally have pretty much unanimously called for a full public inquiry. The Minister is aware that Treasury Board has put forward funding for some of the affected bands in the area. Two weeks ago he told the Haizla people that he was going to call a full public inquiry. Will he tell this House, the native people in that area generally, fishermen, and British Columbians whether or not that public inquiry will be called before the end of this session in June?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Mr. Speaker, it is not my role, nor do I have the authority, to insist on a public inquiry. If he is asking my view on a matter of this significance, I think there should be a very full airing indeed of all the implications. Yes, I indicated that I would be prepared to consider the application of the band for the money necessary to undertake some real research into what the implications of such a development would be.

MINISTER'S POWERS

Mr. Jim Fulton (Skeena): Mr. Speaker, at least the people in British Columbia understand the effect of this project is to lower the Fraser River by three feet at Hell's Gate and join the two major river systems of British Columbia, the Skeena and the Fraser. I recommend that the Minister talk to the parliamentary legal counsel. Under the federal Inquiries Act he has the power to call a full public inquiry, and I do not think it is legitimate for him to go around peddling leadership bull to people across the country that he is going to call a full public inquiry, and then stand up in the House and say he does not have the power to do it. Is the Government going to do it or not? It has had five years to call it, and it has done nothing.

Mr. Benjamin: Come on, John. Put up or shut up.

Mr. Speaker: The Hon. Member for St. John's West.

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INDUSTRY

FUTURE OF PULP AND PAPER MILL AT CORNER BROOK, NFLD.

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my question is directed to the Minister of Industry, Trade and Commerce, responsible for DRIE. It has to do with the situation at Corner Brook where, as the Minister knows, Bowater is closing its pulp and paper mill this fall. A number of proposals have been made to the Newfoundland Government and Bowater with respect to other concerns purchasing the mill and carrying on, but they are all dependent on financing from the Government of Newfoundland and the Government of Canada for improvements to the mill. Could the Minister tell us whether he has received any proposals, whether the Government of Canada has a task force reviewing this situation, and just what the situation is now?

• (1500)

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, I am sure the Hon. Member knows that the Premier has asked us not to discuss the details of any of these commercial negotiations in public, obviously because of potential problems they would have in Newfoundland in handling the discussions with the various companies themselves. I can say, however, that we have indicated to the Province of Newfoundland that the pulp and paper modernization agreement funds, the balance of which I believe is almost $26 million, are available for any new purchaser of Bowater. We

have had a request from Newfoundland for additional funds and are looking at the possibility of providing them.

REVIEW OF PROPOSALS

Hon. John C. Crosbie (St. John's West): Mr. Speaker, could the Minister advise the House whether his Department, or he himself, is reviewing the best of the proposals that are made, and when a decision might be made with respect to what assistance government is prepared to grant to help modernize that mill? When will a decision be made on that? Is the Government prepared to put further money into the agreement entered into between Newfoundland and Canada, to save thousands of jobs and the city of Corner Brook by keeping that mill operating?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, as I indicated in my previous answer, we have had a request from the Province of Newfoundland for additional funds over and above the millions that are in the pulp and paper modernization agreement. We have said that we will look very seriously at their request. We are not personally evaluating the proposals. That is being done by the Province of Newfoundland. We have offered our expertise with respect to any particular aspects put forward by the individual companies which have made proposals for the mill.

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NATIONAL CAPITAL COMMISSION

RENTAL OF PROPERTIES

Mr. Bill Domm (Peterborough): Mr. Speaker, my question is for the Minister of Public Works who is responsible for the National Capital Commission. I have learned this week that there are 1,241 properties which are owned by the National Capital Commission. Many of these properties in the Ottawa area are rented to people on the preferred list of many of the directors of the National Capital Commission, at rents which are somewhat less than market value. Why is the Minister reticent to release the list to the media or anyone else who is trying to find out where the properties are, who the tenants are, and how much rent is being paid for these properties?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, going back to my days as Minister of Fisheries, I have always been reticent to release names and addresses of individuals due to the normal privacy to which we are all entitled. Outside of that restriction, I am certainly open to inquiring whether more information can be made available.

REQUEST FOR DISCLOSURE

Mr. Bill Domm (Peterborough): Mr. Speaker, I would remind the Minister responsible for Public Works that under the Access to Information Act there is no confidentiality involved with regard to a fringe benefit of rent subsidy offered to possible employees of the federal Government.

Why is the Minister not disclosing the lists of these properties? It is not even possible to obtain the addresses of these 1,241 properties which the National Capital Commission is administering, other than a rural route number which means absolutely nothing when one tries to check out who is the tenant. Would the Minister again look into the Access to Information regulations and legislation, and agree that it is possible to disclose those lists?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, the Hon. Member has made a fairly long parliamentary career of making all kinds of accusations and not listening to the answers. I said very simply that there is legislation which imposes on Ministers some limitations under the right to privacy. I have to see whether I am allowed to release names and addresses in that situation. We are all entitled to the privacy of our personal addresses if we so choose. I will look into it, and I will release what information I can under the Access to Information Act.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions, with the exception of one, presented by Hon. Members on Wednesday, May 30, 1984, meet the requirements of the Standing Orders as to form.

MR. GREENAWAY—TESTING OF CRUISE MISSILE ON CANADIAN SOIL

Mr. Speaker: The petition presented by the Hon. Member for Cariboo-Chilcotin (Mr. Greenaway) does not meet the requirements of the Standing Orders as to form.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Hnatyshyn: Mr. Speaker, would the Government House Leader outline for the House the proposed business for tomorrow and into next week?

Mr. Pinard: Mr. Speaker, tomorrow we will dispose of three Bills in the following order. The three Bills will be introduced later today. They are the Yukon Quartz Mining Act, the Skagit River Treaty and the Asia-Pacific Foundation.

On Monday we will start debating the second reading stage of Bill C-40, an Act to amend the Old Age Security Act. The back-up legislation on Monday will be Bill C-39. Next Tuesday will be the last allotted day of the current period of Supply. Next Wednesday and Thursday we will resume debate on the National Housing Act, Bill C-37, with Bill C-36 as the back-up Bill.

Mr. Deans: Mr. Speaker, I would like to reinforce what I have raised on two previous occasions. It would be the desire of this Party to see the Canada Labour Code amendments dealt with expeditiously. I would like to urge the Government House Leader to attempt to find out from the Conservatives why they are stalling.

Mr. Pinard: Mr. Speaker, I can assure the Hon. Member that serious consideration is given to all Bills on the Order Paper, including the one just referred to. As he knows very well, a few minutes ago the three House Leaders were negotiating a package. The Bill he referred to was included in the package. We must wait until next week before we know the results of our negotiations. I certainly do not intend to continue negotiating on the floor of the House.

Mr. Hnatyshyn: Mr. Speaker, I am sure there must be something wrong with my hearing device. I would have sworn that I heard the Member for Hamilton Mountain make the accusation that somehow we in this Party are holding up a certain piece of legislation with respect to the Canada Labour Code. I can only say that that statement is the opposite to the truth.

Mr. Deans: Mr. Speaker, taking into account the comments made by the Hon. House Leader for the Official Opposition, perhaps the Government House Leader would check with the Minister of Labour to see whether he has received a reply from the Leader of the Official Opposition with regard to speedy and expeditious passage of the Canada Labour Code amendments which are now before us, given that up until now I have not been able to decide where they stand on it.

Mr. Pinard: Mr. Speaker, I can assure the House that if it is true that the Official Opposition is disposed to allow the Canada Labour Code to go to committee, and if it is also true that the NDP is serious in wanting that Bill to go to committee, that would have been done at this time if the NDP had not used two days to debate Bill C-37, the National Housing Act.

Some Hon. Members: Hear, hear!

Mr. Deans: Mr. Speaker, bearing in mind what the Government House Leader has said, I would ask you to seek unanimous consent for leave to introduce the following motion pertaining to the treatment of Bill C-34. If unanimous consent were forthcoming, I would be prepared to move and to support that the Standing Orders be amended by adding immediately following Standing Order 79(1) the following:

79.(1a) The purpose of this Standing Order is to provide for the orderly and timely consideration of Bill C-34, An Act to amend the Canadian Labour Code, and to be finally disposed of no later than June 30th, 1984;

(b) When the House is considering the said legislation for second reading, at the end of one day's debate, all questions necessary to dispose shall be put;

(c) That the said legislation shall be deemed to be returned to the House for report stage and third reading no later than June 28, 1984.

If there were unanimous consent for that motion, Mr. Speaker, I would be prepared to support it.

Mr. Speaker: Is there unanimous consent for the Hon. Member for Hamilton Mountain to introduce his motion?

Some Hon. Members: No.

Some Hon. Members: Agreed.

Mr. Pinard: Mr. Speaker, I understand the interest of the Hon. Member. However, I am very much surprised at his request at this time. We just had a House Leaders' meeting. It was made very clear that since this Bill was included in our negotiations we would not raise this matter on the floor of the House of Commons today.

● (1510)

Mr. Deans: That's not true.

Mr. Pinard: It was made very clear that the content of our meeting would not be made public. We want this Bill to be passed. We want other legislation to be passed. We hope that our negotiations will be fruitful and that Bill C-34 will be passed before the end of June, as will Bill C-37, the amendments to the National Housing Act.

The Hon. Member knows very well that the two are very much tied together, and all the time used so far by the NDP on Bill C-37 is preventing us from dealing with Bill C-34. If the Hon. Member wants to give a positive answer to my offer to allow Bill C-34 to go to committee very quickly, on the same day we will send the National Housing Act. That I can do any time next week.

Mr. Deans: Mr. Speaker, I hate to say it but what the Government House Leader said is not true. I made no such commitment with regard to raising this question at the House Leaders' meeting. There was none and he knows it. I am surprised that he would even indicate that that is the case. He sought the commitment and I refused to give it. If he thinks back on the meeting and searches his mind, I think he would feel an obligation to rise and apologize for having suggested that.

However, with regard to linking the two, the National Housing Act Bill and the Labour Code Bill, I am prepared to pass the Labour Code Bill with one speaker per Party. I cannot get agreement from the Conservatives.

An Hon. Member: Who are you? Are you the Government?

Mr. Pinard: Mr. Speaker, I do not doubt the good faith of the Hon. Member. I certainly do not intend to apologize because I believe what I said. All I can say is that the Hon. Member has developed the art or the cult of ambiguity. It was very clear to me that we made an agreement not to raise this matter today because we are negotiating it.

You are supposed to go to your caucus next Wednesday, as is the Official Opposition. I do not mind talking about it publicly, but since we have agreed not to raise it—I repeat we had agreed not to raise it—

Mr. Deans: That's not true.

Mr. Pinard: —I just want to live by what I understood. If I misunderstood, that is fine. I do not doubt the good faith of the Hon. Member and I am not upset about what he is saying, but certainly he should not expect me to apologize because I do not feel that I am wrong.

I am saying that we are negotiating as usual as House Leaders. The Bill to which he refers is included in our negotiations and the fact that he has raised it now will not facilitate the passage of the Bill. If anything, it will make it more difficult for me to pass it. However, I will still try to do my best to allow the Bill to be passed before the end of June, provided the Hon. Member and his Party are reasonable and also allow other legislation to be dealt with.

The very simple request is to allow the Canada Labour Code Bill to go to committee in less than a day, provided that at the same time, after two days of debate, we allow Bill C-37 respecting the National Housing Act to be sent to committee on the same day. That is a very simple proposition. If the Hon. Member is sincere and acts in good faith, as I believe he is, he will agree to that. That is the answer that I was waiting for. I am still waiting.

Mr. Hnatyshyn: Mr. Speaker, the Government House Leader says that he does not doubt the good faith of the Hon. Member for Hamilton Mountain. I must say that I am sorry to report to the House that I do.

I have not been in this job very long. My understanding of the responsibility of House Leaders is that when we have meetings our negotiations are to be carried on in good faith and in confidence. There is a process of negotiation that takes place. I can assure you, Mr. Speaker, on behalf of my Party, that my mandate involves ensuring that Parliament is productive and passes the legislation that should be passed.

Our position is well known to the Government House Leader. When someone stands in the House and attributes a position taken in the course of negotiations that is wrong and misleading with respect to our position on the Canada Labour Code, I can only say that it brings shame on that member.

I want to tell you, Mr. Speaker, that I am not going to be away all next week like the Hon. Member for Hamilton Mountain. He makes a big show before he goes away. He will not be in the House of Commons or Canada. I will not stand here and be a hypocrite. If he wants to carry on the negotiations in public and if he wants us to participate with him in the same room, he better rethink whether he is going to discuss what goes on in House Leaders' meetings.

Mr. Deans: Mr. Speaker, I would ask that you look carefully at the record of what I said. I made no reference whatsoever to anything that happened at House Leaders' meetings. Absolutely none. I made absolutely no reference to today's House Leaders' meeting. I did not make any reference to what was discussed at the House Leaders' meeting. The references were made by the Government House Leader and the House Leader for the Official Opposition.

I simply asked that we come to some understanding with regard to a piece of legislation that I have been asking about since it was introduced. We have been asking that there be some clear understanding on the record of how that Bill is to be dealt with. I am prepared to enter into agreements on legislation at any time, as I frequently do, in order to try to expedite the business of the House of Commons.

As far as my absence next week is concerned, perhaps the Hon. House Leader for the Official Opposition would like to suggest that perhaps I ought not to be there representing Canada at the D-Day Remembrance, as I have been asked to be. Maybe he thinks that is not important in the over-all scheme of public business. Maybe he feels that we ought to ignore the request of the veterans who have asked that I take part. Perhaps that is his attitude.

Mr. Speaker: It is the interpretation of the Chair that the request for unanimous consent has been refused.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

TRANSPORT—PRESENTATION OF SECOND REPORT OF STANDING COMMITTEE

Mr. Maurice A. Dionne (Northumberland-Miramichi): Mr. Speaker, I have the honour of tabling the second report of the Standing Committee on Transport.

FINANCE, TRADE AND ECONOMIC AFFAIRS—PRESENTATION OF SECOND, THIRD, FOURTH AND FIFTH REPORTS OF STANDING COMMITTEE

Mr. Jim Peterson (Willowdale): Mr. Speaker, I have the honour of tabling the second, third, fourth and fifth reports of the Standing Committee on Finance, Trade and Economic Affairs. These deal with Bill C-8 on trade practices, draft amendments to the Income Tax Act, Customs Tariff and insolvency.

[*Editor's Note: For above reports, see today's Votes and Proceedings.*]

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PETITIONS

MS. McDONALD—TREATMENT OF JAPANESE CANADIANS

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I wish to present a petition supporting my Private Member's Motion concerning injustices to Japanese Canadians. This is a petition signed by a large number of people, including some in my riding of Broadview-Greenwood, many others throughout Toronto and the surrounding area as well as

Ottawa. They ask that the many injustices committed against Canadians of Japanese origin and after World War II be responded to with an acknowledgement of these injustices.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to acknowledge the loss of dignity and human suffering, to enter into negotiations with representatives of the Japanese Canadian community for compensation for the wrongs committed and to re-examine the War Measures Act in the spirit of the Charter of Rights and Freedoms to the end that such injustices never recur.

MR. KING—ACTION AGAINST PORNOGRAPHY

Mr. Fred King (Okanagan-Similkameen): Mr. Speaker, I have the honour to lay before the House a petition which attests to the stated concerns of 89 residents of the riding of Okanagan-Similkameen who have affixed their signatures to an objection which states that they object to any form of pornography depicting women or children in degrading and sadistic sexual roles. They also object to the purchasing of films of children being abused sexually for therapeutic use on sexual offenders in Canadian prisons. They further state that enforced regulatory measures must be taken to prohibit the entrance and use of this material in Canada.

As a result of these convictions, these constituents pray and beseech the House to consider this vital issue and to introduce a satisfactory Bill into Parliament to fight the war against obscenity and all flagrant forms of indecency.

* * *

● (1520)

SKAGIT RIVER VALLEY TREATY IMPLEMENTATION ACT

MEASURE TO ESTABLISH

Hon. Yvon Pinard (for the Deputy Prime Minister and Secretary of State for External Affairs) moved for leave to introduce Bill C-41, an Act to implement a treaty between Canada and the United States relating to the Skagit River and Ross Lake, and the Seven Mile Reservoir on the Pend d'Oreille River.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

Introduction of Bills

ASIA-PACIFIC FOUNDATION OF CANADA ACT

MEASURE TO ESTABLISH

Hon. Yvon Pinard (for the Deputy Prime Minister and Secretary of State for External Affairs) moved for leave to introduce Bill C-42, and Act to establish the Asia-Pacific Foundation of Canada.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

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CANADA-NOVA SCOTIA OIL AND GAS AGREEMENT ACT

MEASURE TO ESTABLISH

Mr. Speaker: Before putting the question to the House, I draw its attention to a discrepancy between the English and French versions of the title of the Bill and the wording of the royal recommendation as they appeared in yesterday's Order Paper. The English version in both cases was correct. In today's Order Paper, the French version in both cases has been corrected and the title of the Bill and the wording of the royal recommendation are in conformity in both official languages. I draw this to the attention of the House, but I see no difficulty in putting the question on the motion for leave to introduce the Bill at this time.

Hon. Yvon Pinard (for the Minister of Energy, Mines and Resources) moved for leave to introduce Bill C-43, an Act respecting the Canada-Nova Scotia Agreement on Offshore Oil and Gas Resource Management and Revenue Sharing and to make other related and consequential amendments.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

Order Paper Questions

YUKON QUARTZ MINING ACT

AMENDMENT RESPECTING STAKING OF CLAIMS

Hon. Yvon Pinard (for the Minister of Indian Affairs and Northern Development) moved for leave to introduce Bill C-44, an Act to amend the Yukon Quartz Mining Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 190, 719 and 784.

[*Text*]

OUTSIDE CONSULTANTS EMPLOYED BY EXTERNAL AFFAIRS

Question No. 190—**Mr. Blenkarn:**

1. In the fiscal year (a) 1981-82 (b) 1982-83 were outside consultants employed by the Department of External Affairs and, if so (i) how many (ii) what was the total amount paid?

2. Were any consultants paid more than $20,000 and, if so, in each case what (a) was his/her name (b) was the amount (c) services were provided?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): 1. (a) Yes. (b) Yes.

	(i)	(ii)
1981-82	33	$ 591,126
1982-83	48	943,281
Total	81	$1,534,407

2. Yes, see list below.

	1981-82	
(a)	(b)	(c)
BuiltEnvironment Coordinators Ltd.	$ 42,650	Preparation of brief for a construction project
R.A.D. Ford	47,980	Special advice on East/West relations
A.E. Lepage	23,197	Property Management Study
Peter Louch and Associates	23,000	Market Study
Sutherland Asbill and Brennan	49,952	Special Advice on Foreign Legislation
Wellford, Wegmen, Krulwich & Gold	71,982	Special Advice on Foreign Legislation
	1982-83	
Arthur Erickson	25,000	Preparation of a report for a construction project
R.A.D. Ford	50,093	Special advice on East/West relations
Hayes/Hill Incorporated	32,500	Market Study
Hickling-Johnston	20,246	Technical expertise
Hickling-Partners Inc.	54,253	Feasibility Studies (2)
Peter Louch and Associates	52,742	Market Study
L. Mohr and Associates	32,000	Market Study
Wellford, Wegmen, Krulwich & Gold	91,467	Special Advice on Foreign Legislation

EXEMPT STAFF EMPLOYED BY MINISTER OF STATE (YOUTH)

Question No. 719—**Mr. Hnatyshyn:**

1. Are any exempt staff employed by the Ministry of State (Youth) and, if so, what are their (a) titles (b) positions (c) names?

2. Do any of the staff mentioned in part I receive income, financial assistance or other benefits related to their employment from sources other than the ministerial budget and, if so (a) which members (b) what are the details of the income, financial assistance or other benefits?

Hon. Céline Hervieux-Payette (Minister of State (Youth)): 1. The Minister of State (Youth) employs exempt staff as follows:

(a) & (b)	(c)
Executive Assistant	Décary, Michel
Policy Advisor	Bouchard, Charles
Special Assistant	Graham, David
Secretary	Turmel, Mireille
Press Attaché	Breton, Francine
Special Assistant	Laurin, Diane

2. No.

DIAND—COST OF MEDIA MONITORING

Question No. 784—**Mr. St. Germain:**

Since April 1, 1983, did the Department of Indian Affairs and Northern Development spend any amount for (a) electronic media monitoring services performed by private firms or individual contractors (b) print media clipping services performed by private firms or individual contractors and, if so, in each case, what amount?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): During the period April 1, 1983 to March 31, 1984, the Department of Indian Affairs and Northern Development spent the following amounts on electronic and print media monitoring by private firms or individual contractors:

(a) electronic media—$22,187.00

(b) print media—$6,565.75

[*Translation*]

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

Mr. Speaker: The questions enumerated by the Parliamentary Secretary have been answered. Shall the remaining questions stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 62—NON-CONFIDENCE MOTION—REVENUE CANADA

The House resumed consideration of the motion of Mr. Beatty:

That this House regrets the failure of the Government to satisfactorily protect the civil liberties of Canadian taxpayers in their dealings with the Department of National Revenue and calls upon the Government to implement without delay the recommendations of the Progressive Conservative Task Force on Revenue Canada and, in particular, to curtail the Department's powers of search and seizure under Section 231 of the Income Tax Act, to guarantee taxpayers the right to a fair hearing on disputed reassessments before having to make payments or post security, to create a Taxpayers' Bill of Rights, and to provide an adequate system of appeals of unfair decisions concerning collections.

And of the amendment of Mr. Althouse to remove the period at the end of the motion and add the following words:

—and further, to recognize the inequity of the appeal process by guaranteeing to taxpayers who are succesful in an appeal through the courts that their legal costs will be paid for by Revenue Canada.

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, just before the luncheon adjournment I introduced an amendment to the motion before us today. I noticed when I received the "blues" over the lunch hour that when I introduced the amendment, some Hon. Members seemed to think that indeed there were now guarantees which recognized the problems of taxpayers appealing their cases before the courts. They shouted that the Government would now permit Revenue Canada to pay legal costs when taxpayers are proven to be in the right. I have a slightly different understanding of what is a guarantee.

I recognize that the Minister of National Revenue (Mr. Bussières) has directed his Department to pay the cost of such appeals when the Department is clearly in the wrong. However, I do not think that is a guarantee which will be of any good to my constituents who run into difficulty next year, the year after or 10 years from now. Indeed, constituents have experienced problems with the Minister and with the Department interpreting somewhat differently that same law of Parliament. When I talk about guarantees, I mean guarantees in

the form of a law or Bill passed in the House of Commons which makes it clearly understood where the responsibility lies. This is what we will be voting upon later this afternoon.

I should like to deal with some of the cases to which I referred just prior to the luncheon adjournment. For example, a small farmer who is in his late fifties or early sixties, has farmed all his life on a small acreage, raised his family and has run into a succession of crop failures due to hail and frost for four years in a row, has no choice but to go out and work. The very fact that he did this in his late fifties or early sixties got him into trouble under Section 31 of the Income Tax Act. An assessor in the Department decided that because crop failure forced him to go out and work, according to the rules he was suddenly a hobby farmer, even though he had lived and worked on that farm all his life.

On the fifth year, as luck would have it—and it was purely luck—he showed a profit from his crop. He had that argument to make when the Department decided to press its case and take him to court. The poor man had no recourse but to obtain legal assistance from a lawyer and pay the legal costs. The case reached the point where the prosecuting attorney looked at it and decided that there was really no case to win in court. Therefore he telephoned my constituent's lawyer and said: "Why do we not get the Department to change the allocation and, instead of putting him under no losses, allow him to operate under the restricted farm loss section?" This meant he could have losses of up to $2,500 per year. Since the difference was somewhere between $3,000, the amount of the original assessment, and $600 to $700 under the new assessment, the lawyer convinced his client that it was the way to go. Instead of being assessed at something in the neighbourhood of $3,000, my constituent paid between $600 and $700 to the Department of National Revenue and a legal bill of something over $1,000. Had he and thousands of other small taxpayers been guaranteed in law that the Department would be responsible for paying the legal costs if the case were pursued, he would have pursued it, showed that he was indeed a farmer and liable to no taxation. The legal costs would have rested on the shoulders of the Department rather than his own. As it turned out, he paid out nearly as much in combined legal and tax fees as he would have paid had he paid the original assessment.

• (1530)

Thousands of small taxpayers are in this position. They have the choice of fighting the case and paying more in legal fees than what the assessment is, or simply caving in, paying the assessment and writing it off to experience. It is necessary to have guarantees written into the law of Canada, not into the operating procedures of the Department or leaving it to ministerial discretion. There should be guarantees from this House of Commons that taxpayers' rights are clear and guaranteed to them.

I have a number of other cases I want to point out to the House to show where I believe the responsibiilty of tax collectors and tax assessors has been overrun. I cite the case of a younger farmer who ran into some financial difficulties. His

best choice was to sell the farm and leave farming. He sold the farm. Because of the requirement in our tax law that allows the principal residence to be free from capital gains tax, he worked out an agreement with the buyer of the property, which included the farmhouse, as to the valuation to be put on that house. They agreed that it should be done at about $30,000. Taxes were filed and paid accordingly.

The subsequent buyer of the property decided to move the farmhouse into town and put it on a lot and foundation, which cost him $5,000. He moved the house on to it and sold the property for $35,000, which is a clear indication that the house was worth $30,000. An assessor came to reassess his claim. The assessor only looked at the broken basement on the farm and never looked at the house. He never interviewed the buyer of the house or the subsequent seller after the original buyer resold it. He did no ground work. On the basis of the broken foundation, which naturally was broken because the movers broke down the sides to get the house off it, he decided that the house could not have been worth $30,000 and reassessed him. The case has been in the appeal process for two and a half years.

These types of things should not happen. On some occasions, I dare say, we have incompetent assessors, people who are perhaps trying to rush through too many cases. I do not know what the excuses are, but they do not do a complete and proper job. Because of that and because there is not adequate protection in the Act for individuals who are attempting to play the game fairly, live by the rules, be fair in their self-assessment, and are subsequently proven to have been fair-minded people in their assessment of what they owe in taxes, they have been harassed by the Department. There have been demonstrations of incompetence. It is only fair that the laws of the country be tightened up and changed in Parliament to guarantee that those taxpayers so harassed will have their costs paid when proven to be innocent of the charges laid by the Department.

It is extremely important to discuss and to have in this motion a guarantee from the House of Commons that taxpayers' interests will be looked after when they are taken to court by the Department of National Revenue. When the taxpayer is proven to be correct in his self-assessment, it is the Department and not the taxpayer who should pay the cost of that defence.

I see my time is up, Mr. Speaker.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments.

Mr. Bosley: Mr. Speaker, I have just a simple question. Can the Hon. Member tell me whether his Party was aware of the change in policy earlier today when it moved the amendment?

Mr. Althouse: Yes, Mr. Speaker, we were.

The Acting Speaker (Mr. Herbert): Are there other questions or comments? If not, continuing debate, the Hon. Member for Cariboo-Chilcotin.

Mr. Lorne Greenaway (Cariboo-Chilcotin): Mr. Speaker, how interesting it is that the NDP has put forward this amendment to our motion. For the last two or three years we have been battling Revenue Canada. Where has the NDP been? We have heard very little from these people. Now they bring forth an amendment to a motion that is clearly past history. This situation was addressed in the Budget. On April 25, the Minister released a further amendment to his Budget, lifting the ceiling on the costs that are paid by taxpayers who have won their case. They are trying to play catch-up, and it is reprehensible.

When I was elected as a Member of Parliament, little did I know that I was destined to spend a good portion of my political life corresponding, questioning, arguing and fighting with a huge federal bureaucracy called Revenue Canada. If I had been forewarned, I would have surely returned to university and taken a double-barrelled degree in accounting and law. As a matter of fact, I would have enrolled in law school in Philadelphia, because I am convinced that only a Philadelphia lawyer could ever hope to do battle with Revenue Canada and come out on top.

What I have learned over the last few years has at time dismayed, discouraged and even disgusted me. I must quickly admit, however, that there have been occasions in dealing with the Department when I and my staff have received prompt, courteous and fair treatment on behalf of my constituents. There are many good and dedicated personnel in the 20,000 people who work for the Department. Unfortunately, there are the other type as well, and they should be, and will have to be, dealt with as they deserve.

Naturally, one must keep in mind that in many situations Revenue Canada employees are simply following the guidelines and interpretations of legislation passed by Parliament. Tax legislation endorsed by Parliament is obviously the root cause of most problems that we run into, all of which can be exacerbated by the attitudes of personnel whose job it is to collect taxes; not a pleasant task at the best of times, as has been recorded down through the ages.

I feel certain that there are very few Members of Parliament who, if they really understood the income tax legislation they were asked to pass, would ever vote for it. For years, Ministers of Finance have continued to table tax legislation written by bureaucratic drafters that is continually more complicated and incomprehensible. Much of it reads like fine print in an insurance policy. Those drafters probably never really intended to bring forth rules and regulations which, when interpreted to the letter, could literally bankrupt taxpayers and give powers expected only in a police state. However, that is what they have done and that is what we have done. The Act now is so large, complicated and convoluted that I do not think there is anyone in this country who really understands it. Members of Parliament henceforth should be certain, in fact they must ensure, that tax legislation is clearly understood, its ramifications clearly explained, before ever voting in favour of it. If only it were possible to scrap the entire Act and put in its place something clear and simple, it would be much better, because

that is what Canadians want. I do not think that any administration will ever have the fortitude to do what the majority of the people wish. One becomes rather cynical in this place. So often, people never receive the commonsense things that they want.

● (1540)

It was actually four years ago that I received my baptism respecting Revenue Canada. I recall that my office had been contacted by two ranchers in Williams Lake, British Columbia, a part of my constituency, who claimed to be having tax problems. I met with them on my next regular trip to my riding and was presented with two similar tales of woe, both of which I could not believe. Without going into great detail, let me say that both had been reassessed under Section 31 of the Income Tax Act, a particularly stupid, ambiguous, poorly drafted and odious rule, and both feared huge tax bills.

Both of these men, because of hard times, had taken jobs off the ranch to augment their farm incomes. Both had large families and were struggling to stay in business. Both were working along with their wives day and night to keep from going under. Both were good, honest Canadian folk who were trying to do what their forefathers had done and succeeding, until they were descended upon by the collectors of tax. While everyone agreed that the situation facing my constituents was most unfair, we lost both appeals, and as the men involved had no money to hire expensive professional help, they had to give up and they had to pay up. One survived and one did not.

About one year later, it suddenly became evident that there was an audit blitz going on in certain parts of my constituency and that the target was the small farmers and ranchers. Hundreds were audited and reassessed. People were left stunned and in a state of shock. We learned that this was going on in other provinces as well. Farmers were being targeted as had been fishermen a year or two before for what the Department refers to as a project "L" audit.

This concern was raised time and again in the House and we then progressed to the situation concerning quotas. Several of my colleagues did a superb job of drawing attention to this disgusting process. Finally, as Members know, after the Minister refused to appoint an all-Party task force to investigate the operations of his Department, our leader appointed a Tory task force on Revenue Canada. It was my good luck—although sometimes I wondered about that—to be appointed as a member of that task force.

Because I had received so many complaints from farmers respecting Section 31 of the Act, I took special interest in such cases as they came before us. I continued to watch for what I felt was a typical case and I selected one to present today. This particular case concerns the plight of a couple, both of whom are medical practitioners, who are raising horses in the Fraser Valley of British Columbia. In 1969, because of a lifetime interest in horses, this couple decided to develop a racing stable. In 1970, they organized this venture as a bona fide business. Books were set up by a chartered accountant. A trainer and grooms were hired and salaries, feed costs, bills for tack, vets, farriers and other bills were all paid. At the end of this first year, a reasonable profit was recorded, which in itself is praiseworthy, and the couple paid income tax.

At this point Revenue Canada entered the picture and informed these people that because they were both professionals, they were not allowed to have more than one source of income. Consequently, all capital costs incurred in setting up the business were disallowed, resulting in a large reassessment. This reassessment was paid. At that time, Revenue Canada indicated that under Section 31 of the Income Tax Act, Revenue Canada would in future only permit costs of up to $5,000 to be deducted annually. In spite of this initial setback, this couple went ahead. The enterprise expanded and enjoyed a fair measure of success.

In 1975-76, their business was re-audited and everything was found to be in order. In 1977, because of the success of this business, they decided to expand into horse breeding and consequently purchased a small farm for this purpose. The farm was run down and they spent a considerable amount of money in its upgrading. The wife took charge of raising the horses and the husband took out a licence as a trainer.

In the spring of 1983, Revenue Canada commenced a further audit. All records and receipts plus a 13-page letter of information covering the period from 1979 to 1982 were submitted to Revenue Canada. The auditor in charge was asked repeatedly to visit the farm but refused to do so. To this day, no Revenue Canada employee has done so. In the guidelines to auditors who are doing a Section 31 audit, it is recommended that the auditor visit the farm. At no time was this done in this particular case.

On May 31, 1983, a letter from Revenue Canada was received by these people stating that the provision for the deducting of $5,000 per year in expenses was rescinded for the years in question because the auditor claimed that there was no expectation of profit. A reassessment was made, which the couple immediately appealed. As soon as the notice of appeal was lodged, the taxpayers began to receive threatening phone calls from Revenue Canada collectors stating that if they did not pay the assessed amount, they were liable to be sent to jail. Ironically, after being disallowed costs because of no reasonable expectation of profit, a profit was actually made in 1982 and 1983.

These taxpayers have been fighting this case ever since. They have spent a small fortune on professional assistance and have had a good portion of their bank credit tied up in a letter of credit payable to Revenue Canada. I personally investigated this case as did my colleague in whose constituency these people reside. Their story is irrefutable and has been presented publicly in great detail. These people are good, hardworking, honest individuals who believe in Canada and are trying to survive in business in spite of the bungling and harassment of Revenue Canada. What is even worse is that, as I said at the outset, this is a typical case.

To say that the situation is ridiculous is a gross understatement. It is nothing short of disastrous and is a travesty of justice. Hundreds of farmers across the country are in similar

circumstances all because of a section of the Income Tax Act that is clearly accomplishing nothing but is in reality destroying incentive and causing bitterness and ruin.

As I see it, the essential problem is that in many cases the taxpayers know that they are right. They understand the legislation and their current position with regard to that legislation. In addition, they know that if they appeal, a tax court will eventually rule on their case. However, that ruling comes after they have paid and after they have put up the hard earned money which they did not think they should have remitted in the first place. In addition, after shelling out for these unexpected taxes, many of them cannot afford to defend themselves against a Government that already has their money. This is clearly an injustice.

Because these citizens are at an overwhelming disadvantage, they are prepared, out of absolute fear, to accept payment plans and halfway deals from the Department. The taxpayer knows that he is right, but he is willing to pay the tax anyway because he risks losing his business, his house, his pay cheque and his savings before obtaining the right to an impartial review of the situation. All too often, it appears to be less expensive to pay than to fight. Is the Government protecting the civil liberties of Canadians in these cases? I simply do not see how it is doing so.

It is interesting to note that on a recent trip to British Columbia, Mr. John Turner, one of the Liberal leadership candidates, was asked about reforms to the tax law of Canada. In response, he said:

> I will look very carefully into the Administration of that system. I will read the report that Mr. Beatty, the Conservative Member of Parliament, has put together—as a matter of fact I've read it. And, if I'm in a position of authority I'll see that the Administration of the Act is brought back into unquestioned equity and fairness.

● (1550)

That is a fine statement. It is interesting that the present Minister of National Revenue (Mr. Bussières) is a supporter of Mr. Turner. I certainly do not think that Mr. Turner is a very strong supporter of the present Minister of National Revenue.

The power of the Department is so insurmountable that the taxpayer is completely at the mercy of the collector. The taxpayer will have the right to a hearing sometime in the future, but in the meantime his whole livelihood could be taken away. The situation is pitiful. Re-assessed taxpayers feel that they are taking on the whole world and no one can offer them the guarantee of a fair and impartial review before payment of disputed tax. Taxpayers receive conflicting advice and guidance from the Tax Department, tax accountants, lawyers and politicians. They are left alone to evaluate the conflicting advice with no indication of their personal rights. Tax officials offer them deals and remind them of the enormous powers of enforcement which the Department has. Tax accountants maintain that the returns they file on behalf of taxpayers, which are under dispute, are still correct. In Section 31 cases, lawyers—if they can be afforded—say that the law is in a state of flux. National Revenue has the advantage at the moment, but important cases are currently before the courts, and that could be changed. Politicians argue that the law should be changed. Consultative groups and committees have been set up, but the process is slow and taxpayers cannot rely on them. If a taxpayers' bill of rights such as the one proposed by the task force existed, these people would at least be guaranteed the right to a review of their tax situation before having to pay disputed taxes.

It seems that Canada now subscribes to the Napoleonic form of jurisprudence, at least where Revenue Canada is concerned. Thus, the accused stands guilty as charged and the onus is on him to prove his innocence at great personal cost and inconvenience. This is diametrically opposed to the basic tenet of our common law whereby the accused is presumed innocent until the courts prove him guilty. It must be changed. In my mind every Canadian should be guaranteed these rights. In order to provide these rights, we should adopt a bill of rights as proposed by the PC task force on Revenue Canada.

In closing I would like to read a short portion from a submission which was made to the task force. It states very clearly the feelings of many taxpayers of the country. In part it reads:

> In summary, then, we have presented in detail just one case, which we believe shows an overbearing bureaucracy at its worst. Countless other examples exist—you have heard many of them already during your deliberations.
>
> Are all these people, as Revenue Canada would have us believe, all deliberate tax evaders? Are all these Canadians dishonest entrepreneurs, trying to beat the system? We don't think so. We are a generally peace-loving people, and tolerant probably to a fault. But we have reached the end of our tether, and we demand that something be done to right the inequities in this system, and restore to us the dignity and consideration which is our right.
>
> If this Task Force accomplishes nothing else, it must seek to make Parliament curb these unwarranted and unjustified powers of the bureaucrat over his employers, namely the besieged taxpayers of Canada, and allow the taxpayer the right to redress through the courts.

That is the reason for the debate today. We have done enough talking. We have done enough consulting. We have scores of proposals for change to act upon. The only logical thing to do now is to act. We must move quickly and decisively to institute the important changes that have been proposed so that Canadians once again can rely on an efficient, fair and voluntary tax system.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments. Are there any questions? The Hon. Parliamentary Secretary to the Minister of National Revenue (Mr. Robinson).

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, the Hon. Member has mentioned a number of what might be called horror stories with regard to the implementation of the Income Tax Act. I wonder if he could tell the House if all of the cases are very recent and if they are presently being acted upon efficiently and effectively by people in the Income Tax Department.

Mr. Greenaway: Mr. Speaker, there were some 300 oral submissions and 100 written submissions brought before the task force in its hearings. Some of the cases go back 10 years

or 15 years. Many of the cases are current, but the Section 31 cases basically go back to 1978-79. Some of those cases are being acted upon, but I am not sure with what diligence or speed. It seems to me that many of them are hung up in the appeal process and the Department is waiting for court decisions. There is a tremendous amount of apprehension and unease among taxpayers. They do not know whether or not they owe money. In many cases, the taxpayers have had to sell out because they have had to pay before their appeals were heard. If they could not raise the money, they had to sell some of their equipment, stock and, in some cases, their real estate. The whole situation must be addressed and addressed very quickly.

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, I agree that these matters must be addressed and that they must be addressed quickly. However, I would ask the Hon. Member if he knows of recent cases in which taxpayers are not receiving compassion and consideration in accordance with the dialogue which has been going on in the House for the past six months.

Mr. Greenaway: Mr. Speaker, it is my experience, since we have started to raise this issue and since the task force began its work, that we are getting a much better service from the Department, at least in my constituency. There are hundreds of cases. Very few of them have come to an end. The majority of cases are still in progress.

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, I agree with the Hon. Member because I have problems in my constituency with regard to income tax cases. I am sure every Member has. But I would like to ask one further question. He referred to a Napoleonic Code approach in the Income Tax Act. I would point out to him that, of course, it is a negative piece of legislation in that people are guilty and must prove themselves innocent as opposed to the normal trial situation in which a person is innocent until proven guilty. I appreciate that point. Maybe it is something which does have to be addressed. However, I wonder if the Hon. Member realizes that amendments to the Income Tax Act would have to be made through the Department of Finance and the Minister of Finance and not through the Department of National Revenue and the Minister of National Revenue.

Mr. Greenaway: I certainly do realize that. It must be taken into account by the Minister of Finance. I know that he has made one move toward correcting the Section 31 situation and has appointed a group to look into it. However, it took the Minister three and a half months just to appoint the group. Lord knows how long it will take for that group to report and how long it will be before action is taken.

I would also remind the Hon. Member that in the United States the situation is the other way around. Taxpayers do not have to pay money until they are found guilty. If a taxpayer is deemed to have been using the system to try to delay his payment of taxes, he can be assessed and fined for a spurious attempt to delay the payment of his tax.

The Acting Speaker (Mr. Herbert): If there are no further questions or comments, for continuing debate, the Hon. Parliamentary Secretary to the Minister of National Revenue.

Mr. W. Kenneth Robinson (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, at the outset I would like to point out that, in my view, the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty) has brought before the House a very interesting and timely motion. It follows the filing of income tax returns for the year 1983 and it also follows the concerns which have been expressed in the House for many, many months. I am sure every Member of the House of Commons share the same concerns as the Hon. Member. I share those concerns and I think that it is most timely that we are considering it further in the House today.

The Hon. Member, I am sure, is concerned about the fairness of the tax system, the rights of the individual, the Public Service versus the taxpayer relationship and, of course, service to the public. I would like to make a few comments on the latter point. It must be evident by now, Mr. Speaker, even to Members of the Opposition, that Revenue Canada, Taxation is currently engaged in a process which is substantially increasing service to taxpayers in Canada. Furthermore, proposed changes to the legislation are designed to support and enhance this upgrading in service. There is no question, Mr. Speaker, but that additional improvements will also result from the study being conducted by Woods-Gordon, the group commissioned by the Department to study the entire operations of Revenue Canada, Taxation. This study, which is headed by Mr. W. A. Farlinger, will identify areas for improvement for the longer term. In the meantime, there are a number of steps which have already been taken by the Minister. Operational changes to improve service include additional staff, increased tax advisory service by the Department, and greater access to the Department.

• (1600)

I would like to outline briefly some of the improvements which are already made, and then provide an indication of just how taxpayers will benefit from the proposed changes contained in the last Budget.

The Department has added more than 1,000 person years to provide the public with a faster and more complete tax information service. This is clearly a commitment on the part of the Department, and also an indication of the priority this Government places on service by Revenue Canada Taxation. The increase in almost 40 per cent of the total number of additional person years authorized by the federal Government for the current fiscal year. Revenue Canada has also established feedback procedures which will make the Department more accessible as well as provide a means to measure taxpayers' satisfaction in their dealings with the Tax Department. I am glad to see this happen because, in my view, this is indeed very important.

I think it is significant that the Minister has issued a number of directives which were subsequently supported by recommendations contained in briefs presented to the Woods-

Gordon group. I assume this also includes the brief presented by the Hon. Member for Wellington-Dufferin-Simcoe. This is a clear indication that modifications to a government service are in line with the wishes of the public which is being served.

Included in these directives are instructions to put in place a means of monitoring and reporting on taxpayer satisfaction. These reports will be provided to the Minister on a quarterly basis beginning in September of this year. The Department will also be introducing surveys, questionnaires and interviews to identify the level of taxpayer satisfaction in the areas of audit, assessment and appeal activities. All three of these areas are, in my view, tremendously important and I am happy they are being attended to in this way.

Another area of increased service to the public is a recent pilot project which saw the creation of nine seasonal tax assistance centres for the peak filing season. These centres were established for the sole purpose of making the Department more accessible and making information more readily available to the tax paying public. The effectiveness of this service, which was available to approximately 300,000 taxpayers across the country, is now being evaluated. Depending on the outcome of that evaluation, this additional face to face assistance may well become a permanent feature in coming years. I would also point out, Mr. Speaker, that this service is in addition to the existing network of some 30 district offices and the several sub-offices which were introduced in the last few years.

I believe the spirit in which the taxpayer service is being upgraded is embodied in a recent letter from the Minister of Revenue Canada, Taxation to his Deputy Minister, Mr. Harry Rogers. I believe most Hon. Members already have a copy of that letter. It is a letter dated April 2, 1984. I will not read all of the letter but there are certain parts which are quite relevant at this time. That letter, in part, covered the following points:

> Letters and messages to taxpayers should be reviewed and, if necessary, revised to make them more understandable, personalized and courteous.

This, of course, is in respect of the attitude of the Department of National Revenue about which so many people have complained. Another point in the letter was:

> Where appropriate, correspondence should include an outline of taxpayers' rights and responsibilities.

This, in my view, is absolutely essential as a step in the right direction. Other points in the letter were:

> Officials of the Department should consider the introduction of more storefront services and additional sub-offices to make tax help more accessible to more Canadians.
>
> The Department should ensure the establishment of liaison committees with tax practitioners in each of the district offices and examine ways to more effectively distribute interpretive material to taxpayers.

There is now under way, Mr. Speaker, a process which will generally ensure greater personal contact with taxpayers, provide additional checks and balances to protect the rights of taxpayers, and provide training of department staff to better ensure the fair and equitable application of the legislation. In fact, all training will reflect a commitment to taxpayer service and the communication of taxpayer rights. I feel that is absolutely essential.

These measures have been put in place, Mr. Speaker, to provide better service to taxpayers and, at the same time, to maintain public confidence in our self-assessment system of taxation because, without that public confidence, the system will not work. I believe we have some confidence, and I hope and trust we will have more in the future, because the vast majority of Canadian taxpayers have little or no problem with Revenue Canada, Taxation. Notwithstanding the media attention, less than half of 1 per cent of taxpayers filed notices of objection last year. Of these, the majority were settled at the local level to the taxpayers' satisfaction. That leaves the balance of about 16 million taxpayers with routinely filed and processed returns. I doubt very much if many private sector enterprises enjoy such a low rate of unsatisfied customers. Nevertheless, the numbers of unsatisfied taxpayers should be further reduced. It is hoped that many of these proposals will be helpful in this regard.

I believe it is also important to note, Mr. Speaker, that the steps I have outlined represent only the beginning of the general upgrading of service to taxpayers. More long-term improvements will follow the study by the Woods-Gordon group and, certainly, changes in the Budget will have a lasting effect when they are passed into law. That brings me to the other vital player in this process of change and improvement to taxpayer service, namely the Department of Finance. As Hon. Members know, the Department of Finance is the source of budget change, and the last Budget provided for a number of changes in the Income Tax Act which will directly affect taxpayers. Proposed simplification of the legislation will not only provide tax savings for a number of groups, but will also substantially reduce paper work for almost 300,000 small companies. In fact, Mr. Speaker, approximately two-thirds of the legislation relating to small business will actually be removed from the books. That is really a step in the right direction. Small business is going to be very happy about that.

Proposed changes in the Budget will also exempt in the order of 350,000 senior citizens from having to pay quarterly tax instalment payments, and the same holds true for about 50,000 small businesses. Other measures will make it easier for taxpayers to file an objection to an assessment, and there is now no restriction on the amount a taxpayer may be awarded in costs upon completion of a successful appeal. I believe this satisfactorily takes care of the amendment to the motion which was put forth by the Hon. Member of the New Democratic Party.

All these measures are in addition to existing services such as the more than 600 different forms and guides produced to assist a wide variety of taxpayers in filing returns. To further improve communications and help develop stronger ties with the business and financial communities, the Department established the taxation advisory committee in 1970. Composed of tax experts from these sectors, the committee meets regularly with departmental officials to offer constructive criticism of the Department's policies and procedures. Departmental offi-

cials also meet annually with representatives of the joint committee of the Canadian Institute of Chartered Accountants and the Canadian Bar Association. I understand that the Hon. Member for Wellington-Dufferin-Simcoe has a copy of the latest publication of both the Canadian Institute of Chartered Accountants and the Canadian Bar Association. Unfortunately, I have not received a copy as yet. He seemed to be able to get it much more readily than myself.

To help taxpayers plan or make decisions involving complex business transactions, the Department also offers an advanced rulings service.

• (1610)

These initiatives, Mr. Speaker, demonstrate the good faith of a government which sincerely wants to encourage open dialogue with all sectors of the tax-paying public. The wide variety of tax information material made available free of charge illustrates an awareness of the special needs of the many different groups and individuals who participate in the self-assessment system. Take for example the information circulars and interpretation bulletin series, to which I am sure many Hon. Members subscribe. Intended primarily for lawyers, accountants and other tax consultants, these publications explain the Department's administrative interpretation of tax law as the Department's own auditors and assessors apply it. I think it is fair to say that there are few Departments in the federal Government which have greater direct contact with the general public. It is equally fair to say that there are few Departments with a greater information flow to and from the general public. The process now under way will not only increase that contact but also increase that two-way flow of information.

The Acting Speaker (Mr. Herbert): There now follows a period of up to ten minutes for questions and comments.

Mr. Beatty: I have a question, Mr. Speaker, but I might start by associating myself with my friend's remarks regarding the NDP amendment. One would be hard pressed to think of a more irrelevant amendment that could be moved. Nothing to date could better characterize the NDP contribution to the Revenue Canada debate than the fact that the task force made its report which recommended lifting that ceiling on the awarding of costs at the Tax Court of Canada on April 8, and on April 25 the Minister of Finance (Mr. Lalonde) tabled his amendments which did precisely that. A month later the NDP comes along and puts itself squarely in favour of a policy which has already been announced. Certainly one wonders where it has been throughout this debate, if it has been serious about this.

I want to ask my friend about another matter. I was somewhat confused about one part of his speech where he seemed to be implying that the fact that a high percentage of the notices of objections filed by taxpayers are resolved in favour of the taxpayers was proof that the system is working well. Would it not be more correct to argue that in fact it was proof that the Department was wrong, in whole or in part, in 70 per cent of the cases where a notice of objection was filed? Is that not proof of how badly the system is working instead of how well?

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, it depends on whose glasses you are looking through and whether you are a pessimist or an optimist. I like to look at things optimistically, and I am looking at it from the right end of the telescope at this time. We are looking for all kinds of improvements, and I think we are going to get them. Probably a great deal of the impetus is a result as well of what the Hon. Member and his colleagues have been trying to do.

Mr. Beatty: If my friend has his optimists glasses on at the present time, does he find it encouraging that there was an increase of something like 36 per cent, year over year, in notices of objections being filed by taxpayers? If he finds it encouraging that 70 per cent of those people are in the right and the Department is in the wrong, would he be doubly optimistic if twice as many notices of objections were filed of which 70 per cent of taxpayers were right and the Department was wrong?

Mr. Robinson (Etobicoke-Lakeshore): I think the approach I would like to take is that if the assessors and auditors are doing their job as efficiently and effectively as I hope they are and will be, if not now at least in the future, we will not have as many objections. People will find that they owe the tax and will pay it or make arrangements to pay. I think it is most unfortunate when people have to go through a court process in order to determine if they owe money. I think this is really what the Hon. Member is bringing to the attention of the House.

Mr. Beatty: Mr. Speaker, my hon. friend has a strong interest in civil liberties and the rule of law. Could he take off his Parliamentary Secretary's cap for a moment and put on his MP's cap, and deal with the issue of the Department of Finance and the Department of Justice? He pointed out quite properly that some of the recommendations made in the task force report would require the consent of and initiative on the part of those two Departments. In particular he will be aware of the fact that both the task force and the joint committee of the bar and the CICA recommended that Section 231, the search and seizure powers, be amended to bring them back into line with civil liberties. Is he prepared as a Member of Parliament to recommend to his colleague, the Minister of Justice (Mr. MacGuigan), that in fact such amendments be put in place before this House recesses for the summer or is dissolved for an election?

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, the Hon. Member brings up a very important point. There is plenty of power there, but it is a question of carrying out the power and responsibility with discretion and feeling to help the individual taxpayer. This is really what we are looking at. It is in part attitudinal. We want to be sure that we are being fair with the taxpayer. I am not afraid of the power; I am only concerned about how it is actually carried out.

Mr. Beatty: Mr. Speaker, do I understand my colleague correctly? If he is not concerned about the power that is given in the first place but only about the administration, would he not be concerned if the Government were to say that the Department may seize any documents it sees fit irrespective of their relevance or the effect upon civil liberties, and then amend the Act in that way and just hope the officials in the Department will act wisely? Or does he feel the responsibility of Members of Parliament is to ensure that, on the one hand, the Department has all the powers it needs to enforce the law, but that, on the other hand, those powers do not go beyond the basic need and do not offend against basic civil liberties? Does he not feel that Parliament has a direct and very real responsibility to write the law in such a way as to prevent abuses from taking place? Should we not be writing the law for the worst case, not the best case?

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, maybe what we have been doing is writing the law for the worst case and that is why there has been so much power put into it. That is why I think it is a question of how you use the power that is important. There may be extreme cases where you need to have a lot of power, but there are a lot of other cases which do not fall within that ambit. That is where I think discretion has to be shown. Having said that, yes, I agree with the civil libertarians, I agree with freedom of information and the Charter of Rights and so on.

Mr. Beatty: Save the whales.

Mr. Robinson (Etobicoke-Lakeshore): I agree that taxpayers have the same rights as any other citizen and they should be properly respected. I understand what the Hon. Member is saying, but all I am saying is that it is the way the Act is perceived and the way the power is used that is of the utmost importance to me.

The Acting Speaker (Mr. Herbert): If there are no more questions or comments, the Hon. Member for Don Valley West in debate.

Mr. John Bosley (Don Valley West): Mr. Speaker, in opening my comments on this motion, I say with great respect to the Parliamentary Secretary that it is not the way in which one applies the thumbscrews to an innocent taxpayer that matters. It is the applying of thumbscrews to an innocent taxpayer that matters. That precisely is the issue that we in the Revenue Canada task force found underlines the whole problem. I know the Parliamentary Secretary is at heart a decent person. I suspect that what we have seen today is a speech prepared by the Department for him and I do not believe they are his words. I say that directly to him, Mr. Speaker, through you.

I may say almost as an aside, Mr. Speaker, that one of the tragedies of our task force was the fact that we had to go out ourselves and that we could not go as a full parliamentary inquiry with Members from the opposition benches, including the Parliamentary Secretary, who would then have seen and heard what we saw and heard. If the Department abuses a taxpayer—and I think the Parliamentary Secretary knows that there are dozens of those cases—it is not whether that abuse is applied or conducted courteously that matters. The Department has done some things which are unbelievable, and if it walks into someone's place of business or property—and in one case we know that happened in advance even of a reassessment notice being issued—and seizes every piece of personal property, it does not matter how courteously that property is seized. What matters is that the property was seized. It is simply that. All the good will in the world, all the attempts to communicate better, do not get at the fundamental issue. The fundamental issue is not treating the taxpayer with courtesy or improving the service of the Department. The fundamental issue is captured absolutely aptly in the words of the joint committee on taxation of the Canadian Bar Association and Canadian Institute of Chartered Accountants. Their section happens to be in collection procedures, but it applies throughout the whole system. Their first recommendation is:

• (1620)

> The tax liability ought to fall due only after the taxpayer's liability has been established—either by expiration of the period for filing a Notice of Objection, by the appeals process, or by the courts.

That is the fundamental principle. Somehow we have to get through to the Parliamentary Secretary, his Minister, the Minister of Justice (Mr. MacGuigan) and the entire Government that that is the fundamental issue.

I listened with care to the words of the Parliamentary Secretary, as I listened earlier with care to the words of the Minister. They confirm the reason for the need for the motion because the fundamental message has not got through. Earlier today the Minister said that all the rights and protections that Canadian taxpayers need are found in the Charter of Rights. That is not good enough. If we had thought that was good enough we would not have recommended a taxpayers' bill of rights. There is no right in the Charter of Rights which guarantees that a taxpayer will be presumed, treated and regarded as innocent until proven guilty. There is a law of this House and of the Parliament of Canada which says that the Department has the right to presume that a taxpayer is guilty until the taxpayer proves himself or herself innocent. In fact, the law of the land is what is at fault. No charter of right protects against that law as it is written.

If it is the attitude of the Government that the taxpayers of the country have to go to court to have that law declared unconstitutional, that is the clearest evidence from the very top of the Government down that the attitude which is expressed in that law, which is the problem, is accepted by the Government of Canada. The Government of Canada could stand before this House and the people today and say that it finally understands that it must create fundamental protections for Canadians when the Tax Department comes to them. The Government does not choose to do that today in response to this motion tabled by the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty). The Government repeats the old chestnuts.

For instance, earlier the Minister made the statement that every freedom carries responsibility. Of course it does. Every right carries obligations. Of course it does. He went on to talk about the freedom that is guaranteed in the self-assessment system as though the self-assessment system were created to create freedoms. The self-assessment system exists because it is the single best way to collect taxes at the least cost. That is its reason for existence. It is not to guarantee freedoms.

He used the following argument, and it is specious. The vast majority of Canadians have their taxes deducted at source. I do not know of any taxpayer who has his tax collected at source or any employer who employs employees who has any freedom to do anything but collect taxes at source. He then went on to say that those who do not have their taxes deducted at source have to be checked by the Department in order for the system to be just so that those who do not have their taxes deducted at source are found and encouraged to pay the taxes they owe. The whole case put by the Minister is that those who have their taxes collected at source are clearly honest and can be trusted—the translation is that they have no choice—and everyone else should be checked. If you start from the premise that everyone who is self-employed or files an independent tax return in the country needs to be checked, you have built into that premise an assumption that they are guilty and are trying to do something other than pay the taxes they owe.

That is precisely the attitudinal problem that members of the task force found throughout the country in terms of the way the Department approaches a taxpayer. We could never get this clear to Members on the opposite side. We thought perhaps that we would never find an occasion on which to demonstrate the problem to Liberal Members. Recently, when studying the Estimates of the Minister we persuaded the Government to bring to the committee some of the training films which were used and may still be used. Although there is some lack of clarity about whether they are going to be abandoned, I believe they should be. At this point it appears that they are going to be used.

We saw a film in which an interviewer was interviewing actors portraying senior members of the Department on the question of the powers of the Department. They were discussing whether they were broader than the British and American powers. Senior members of the Department were proud to say that there is no guarantee of one's right not to incriminate oneself as there is in the United States. We do not have that in Canada. Departmental officials sat before the committee and said that this is only for the big companies, those people with gross sales of more than $12 million a year. I remember that Liberal Members opposite looked at us and asked what we were talking about. They said that those powers are only applied against big companies and that big companies should have big treatment.

We asked whether there was not a preamble to that film recorded by the then Deputy Minister. The departmental officials admitted that there was in fact a preamble. Having seen the film in the morning, the Department was able to find that introduction to the film that afternoon. They ran the introductory piece for members of the committee, including Liberals who had been present in the morning. Lo and behold, the Deputy Minister introduced the film with the following statement, which I paraphrase; "You are going to see a film now about techniques that we use primarily with companies with over $12 million a year in annual sales. However, these are the same techniques we use for all taxpayers and companies in Canada".

For the first time we saw the beginning of shock and awareness on the faces of Liberals on that committee. In the morning they had been assured by senior departmental people that those practices were not used with ordinary taxpayers. Those are practices of fishing expeditions which were touted in the film, the practice of trying to go around tax advisers to Canadians and of assuming that there was probably something to find in any audit that was out. In the afternoon the Deputy Minister made perfectly clear to members of the Liberal bench what we already knew from having been on the road. We knew that those were indeed the practices which are used against all taxpayers.

The importance of that is to remember a human thing, that is, that the biggest people in the country have the biggest resources with which to defend themselves. Consequently, across the land it is not particularly the biggest taxpayers who are being abused. Equally, if you are a good assessor or good auditor you tend to get promoted up the system. That means that the best tend to deal with the biggest. Those who have the least capacity to defend themselves get the people who are either new or perhaps, in one sense, not the best or the most aware of the proper interpretations of the Tax Act. The combination is self-evident.

Add to that the situation which occurs when supervisors pass files on to auditors for review and tell those auditors they would not be giving them those files if there was not something to be found in them. The assumption is created at the lowest level of the system that a junior auditor must find something when he is given a file. If a junior auditor has ambition, he or she had better find something in that file in order to have a career.

• (1630)

Although we did not hear from enough members or ex-members of the Department, we did hear from several of them. I will never forget the story told to me by one ex-departmental auditor who appeared before our task force. She told us that we should understand that when she is given a file and returns to say to her supervisor, after conducting an audit, that she found nothing in the audit, she is told by the supervisor that she was wrong because she would not have been given the file if there was not something there. She was told to find it. She said that she re-audited the taxpayer, but still could not find anything. She went back to her supervisor, who told her again that she was wrong because she would not have been given the file if there was not something there. That auditor did what anyone else would do in the same circumstances, she reassessed the taxpayer. That is how she met the goals, the

model and role set for her by her boss. The consequence of that is, to put it mildly, difficulty for the taxpayer. It is that type of situation that illustrates excessive use of the Department's powers.

The Parliamentary Secretary asked one of my colleagues if it is true that the Department is treating taxpayers better than previously. The answer is yes, they are being treated better. The local office treatment of my constituents is better at this point than it was a year ago.

However, that is not a defence for keeping the law as it is. It only means that four or five years from now if the Government does not change, God help us if it does not, another group of parliamentarians will have to go on the road again to make the same report and attempt to restore the proper treatment for taxpayers. That misses the whole point.

No taxpayer in this land who believes that he or she does not owe the money that the Government tells them they owe should have to put up one cent or a day in court. If we as the Parliament of Canada do not accept that principle, we are saying that we do not trust the taxpayers, the people who pay us. That is a phenomenal statement for us to even contemplate.

I find it incredible that it is even necessary for the Parties to debate this question or that there should be any delay in changing the basic structure of the system. Our report and the report of the lawyers and chartered accountants make it clear that when the Government believes there is fraud or has reason to move expeditiously it should have that right. But it should go to court first. We also believe that anyone who tries to cheat the rest of us should be subject to severe penalties and the potential awarding of costs by the court.

However, the premise of our report and the report of the chartered accountants and lawyers is that we cannot base our system on the assumption that everyone is a cheat and will be forced to prove his or her innocence. The consequence of that is that the self-assessment system will be destroyed. We will run the risk of people not trusting the Government. They will not report their income and will make the Government go to them. We found in our hearings across the land that that view is beginning to be felt by too many Canadians.

What would you say, Mr. Speaker, to a couple who owned a trailer park and came home from vacation to discover that their house was ransacked? This appeared to have been done by burglars but in fact it was Revenue Canada, that had done it. The Department conducted a net worth audit on that couple, which is a means by which the Department decides what one actually earns and then taxes one on it. You must then prove your innocence. The Department decided that these people had an unreported income of $1.6 million. When the case was finally settle in court and the dust had settled, a reassessment was issued. The Department determined that their taxable income for the year was $20,000. In the meantime their property, their car, their clothes and their radios were seized and sold at a sheriff's auction at a loss. Not once has the Department admitted that it treated those people unfairly. In fact, it was not very long after that that the Department was still after penalties and interests.

I want to close by replying to the comment by the Parliamentary Secretary that one-half of one per cent of cases turn into objections. It is not those cases where there are no disputes that should concern us in this debate. There is no problem with the 15 million taxpayers who file their returns and there is no re-assessment, no objection and no appeal.

It is when there is a dispute that the question of civil liberties and treatment arises. Surely when the taxpayers are winning 70 per cent of the appeals that are launched and when there are well-known cases of excessive use of power, it should take no more than that for the Department to understand that an increasing number of innocent people have been hurt. They are not people who have tried to cheat the system.

It is important to improve the communications practices and to improve the taxpayers' knowledge of the system. The fundamentally important principle, for which we will press until it is accepted, is that we should not have a situation in this land where a taxpayer must prove his innocence against the resources of the Department. There should be a recognition on the part of the Department of Justice, the Department of Revenue and the Government that a fundamental principle of our way of life and justice is that taxpayers should have every opportunity for a day in court. If taxpayers succeed in their day in court they should get their costs and damages if it is deemed appropriate. If we do not accept that principle, then shame on us.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments.

Mr. Robinson (Etobicoke-Lakeshore): Mr. Speaker, I believe that we all agree with the last points made by the Hon. Member. There is no reason to think otherwise.

Surely he realizes that the people who work in the Department of National Revenue are public servants who are also taxpayers. They are only doing the job that they are required to do under the Income Tax Act. While we may differ about how they are doing that job, we agree that they must carry out their functions in accordance with the present law. Does the Hon. Member not agree that the law should be changed but not by the Department of National Revenue but by the Government through the Department of Finance?

Mr. Bosley: Mr. Speaker, the people who have been abused do not care which Department changes what law. They are only concerned that the law be changed.

Of course we agree that the law should be changed. That is the whole purpose of the motion. However, it is no defence for maintaining the law as it is for one branch of the Government to say that it is not its fault. Of course the employees in the Department of Revenue are doing what they have been taught, trained and told to do by their superiors. Of course they are implementing law and the practices they have been taught. The question is, when will the Government change the law?

● (1640)

The point of this motion is to say that the Government has had adequate time and knowledge to change the law. All it has to do is to table the change in the House of Commons. We have indicated repeatedly that it will receive quick passage. Instead of asking us whether we know that the Department of Justice has to introduce the law, the Parliamentary Secretary ought to be going to the Minister of Justice and to his superiors and saying that he wants the law changed before the summer, before the election, because it is only right and fair.

The Acting Speaker (Mr. Herbert): If there are no further questions or comments, for continuing debate, the Hon. Member for Welland.

Mr. Gilbert Parent (Welland): Mr. Speaker, I should like paraphrase the question asked by the Hon. Member for Don Valley West (Mr. Bosley). He asked what was the humane thing to do. When we are attacking institutions, we must remember that these so-called institutions are run by humans. Yes, we agree with his statement that the people in the Department of National Revenue are simply carrying out their responsibilities as they have been trained to do. However, what we are doing is destroying in many ways the people who are carrying out their responsibilities. I hear an Hon. Member opposite laughing. He thinks it is funny when we put extra hardships on these people.

Today we have heard many hardship stories. Perhaps I could put the other side of the story on the record. Approximately 10 days ago I was flying home and I happened to sit beside a gentleman with whom I eventually conversed. I asked him what he did, and he said that he worked for the Government. I asked him three or four questions before he told me that he was a tax assessor. I said: "You fellows have been under a great deal of pressure within the last few months, in the last year". He said: "Yes, and most off it unjustifiably so". I want to put that part of the argument forward on behalf of those people who are carrying out the responsibilities placed on them by the Government of Canada. Tax assessors have never stood in very high repute with their fellow citizens. If taxes were not assessed or collected, how could society have existed as it has?

I should like to deal with two points that were raised by the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty). One was the payment of tax under dispute, and the other concerned tax appeals. The Hon. Member suggested that the Government has failed to protect satisfactorily the civil liberties of Canadian taxpayers in their dealings with the Department of National Revenue. That is the crux of his argument and of his motion. He heralded a cry for a guarantee to taxpayers of the right to a fair hearing on disputed reassessments before having to make payments or post security. Is there anyone in the House of Commons who would not agree with that position? It is a reasonable position to take. My friend across the floor is certainly good with slogans. He captured the attention of taxpayers with his battle cry that they must be considered innocent until proven guilty. I agree with this, and this is what is being done in the overwhelming majority of cases. Despite the Hon. Member's ability with slogans, his foundation in fact is somewhat shaky.

I should like to bring forward a few matters which perhaps have not been considered to this point in time. Few tax systems in the world depend upon and operate upon a voluntary reporting of income as does the Canadian system. The Canadian taxpayer is awarded the highest level of trust, of innocence and of basic rights by the very structure of our tax system. It cannot be a system without checks. It cannot be a system operating under naive principles. It is voluntary, but the system is not naive. Does the House not think that after so many years in the tax collection business, the Tax Department and its employees have not seen their fair share of schemes, devices, plans and dodges for evading or avoiding altogether the payment of taxes? Is it not a human trait of some of us perhaps to try to beat the system? Does the House not think that one of the reasons for the complexity of today's tax law stems from the very fact that the wording of every section of the Act has been examined for the smallest, most imperceptible loophole, and that in closing these loopholes the Act has grown in length and in complexity? Does the House not think that without audits, some investigations, cross-references and matching programs, some of us in our human frailty might be tempted to forget to include some of our income or overestimate the expenses or deductions we claim?

While there is in Canada an extremely high standard of compliance with the law, 99.9 per cent, I believe the self-assessment system can be maintained only through a vigilant inspection of tax returns. This does not mean that we check everyone's tax down to the final comma. I am not saying that, but the examination of a taxpayer's books and records to determine accurately the legitimate taxes, interest and penalties payable under the law, is a method used to monitor and maintain the self-assessment system which I believe to be one of the best in the world.

The argument has been put forward that when Revenue Canada reassesses a taxpayer following one of those audits or other types of checks, the taxpayer should not be required to pay the tax assessed if the amount is challenged by an objection or an appeal. In theory, this idea has great merit and in fact I understand that serious consideration is being given to it. However, I must point out the obvious difficulty in taking the position that tax would not be due until all objections or appeals have been settled. It seems obvious that the number of objections and appeals would rise drastically, some based upon very legitimate arguments with an assessment and others, in fairness and in honesty, would be used as a delaying tactic to avoid the immediate payment of the tax. If someone owed $1 million in back taxes—and I know that amount is very high—and if the interest on that money was 10 per cent, that is $100,000 per year that that taxpayer would have over other taxpayers who did not owe that amount of money, if indeed he owed the $1 million of assessment. We must strive for an assessment system which is fair to all taxpayers in Canada.

Mr. Bosley: If you destroy someone for the sake of fairness, that is okay?

Mr. Parent: I cannot hear the Hon. Member. Perhaps he could rise on a point of order.

Mr. Bosley: I will.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Welland has the floor.

Mr. Parent: Clause 43 of the notice of Ways and Means motion to amend the Income Tax Act tabled in the House of Commons by the Minister of Finance (Mr. Lalonde) on February 15, 1984 indicated that for taxes in dispute which are payable at any time after that date, taxpayers should be permitted to provide security for payment satisfactory to the Minister of National Revenue (Mr. Bussières).

I am pleased to inform Hon. Members that Revenue Canada has modified its policy regarding accounts under notice of objection or appeal, so that the Department now accepts any negotiable security in lieu of payment for the duration of the appeal process. This means that the Department does not limit itself to bank letters of guarantee. Of course, where the security may be of fluctuating value such as in bonds or not immediately realizable, a satisfactory payment arrangement may be required as part of the agreement to protect the Department's interests. While the Opposition calls for an end even to the provision of security in cases where the tax is in dispute—and I believe that is what the Hon. Member for Don Valley West was alluding to—I am sure you can appreciate, Mr. Speaker, the dangers inherent in such a move. However, with the possible guarantees that I spoke of, guarantees against frivolous disputes intended only to delay the payment of tax, the question can be taken up for consideration and no doubt will be examined seriously.

• (1650)

My concern continues to rest with that vast majority of taxpayers, really the silent majority from whom we hear few if any complaints, whose taxes are deducted at source and who have little or no cause to dispute their tax assessments. I personally feel that the rights of these taxpayers must be protected at all costs.

We have heard figures in this House in answers from the Minister of National Revenue and the Minister of Finance that as much as $3 billion a year go uncollected. If that is the case, who is paying for that $3 billion if not the other taxpayers who have their taxes deducted at source? It is we who pay our taxes who are being penalized by those who do not. I have not heard anyone here dispute the fact that $3 billion more in taxes should be collected. I have not heard that addressed. If it has, by whom and when?

I now turn my attention to tax appeals. This matter was raised by the Hon. Member for Don Valley West in his request that we make the whole system more humane. The rights of taxpayers have become the watchword of the day, and rightly so. Every citizen in Canada—I should not say every one because some are too young to pay and some do not earn enough to pay taxes, but the watchword is that the rights of these taxpayers have to be first and foremost. No doubt the wrongs of taxpayers are of somewhat less interest to my colleagues on the other side.

I would like to discuss briefly some of the rights that taxpayers enjoy under the current system, the changes which the Minister of National Revenue has already made in his Department and some of the measures that the Minister of Finance recently introduced that will further ensure the protection of rights of Canada's taxpayers. I will begin by talking about the tax appeals. The Canadian taxpayer has available a system of appeal that reaches right to the Supreme Court of Canada. I must point out that for the vast majority of people who object to a tax assessment, a resolution is found at a much lower level than the Supreme Court, and rightly so.

Let us look at the figures for last year. Of the 45,000 notices of objection filed last year, fully 35,000, as mentioned by the Parliamentary Secretary, were resolved at the local level to the satisfaction of the taxpayer. That is the overwhelming majority. Before examining this figure further, let me also point out that those notices of objection represent one-quarter of 1 per cent of the 16 million taxpayers in Canada. With all respect, that is not a high degree of dissatisfaction.

When the task force set up by the Opposition was going across the country—and perhaps the Hon. Member for Wellington-Dufferin-Simcoe will ask some questions later—were there any people who appeared before the committee who thought the taxation system was fair, or did they only hear from those who, for want of a better term, had a beef to bring forward? Perhaps that could be addressed a little later.

With regard to the degree of dissatisfaction, not only does this performance seem inconsistent with the criticism levelled at Revenue Canada, the premise on which I started my remarks, but I would suggest that it represents a Department more than willing to listen to and accept the objections of taxpayers. Notices of objection are the means of redress for taxpayers written into the Income Tax Act, and the Department publicizes them.

There has been a great deal of talk concerning the cost to the taxpayer in taking this particular route. This too was alluded to by the Hon. Member for Don Valley West. Let me make the point that the initial review at the district office level does not involve cost to the taxpayer. If the taxpayer wishes to engage a representative such as a lawyer or an accountant, this cost is deductible for income tax purposes.

There are no charges in appealing to the Tax Court of Canada and if subpoenas are required, they are provided without charge. Again, if the taxpayer engages an agent, these costs are tax deductible. If taxpayers lose an appeal, they are not required to pay court costs. The Hon. Member must have had this information when he brought up this argument. I hope he does question me. Perhaps he could then let us know whether this information was available to him.

We have recently taken steps to protect the taxpayer even further. Legislation proposed in the Budget presented in this House on February 15 which allowed a judge to award up to $1,000 in costs to the taxpayer has now been modified, removing the $1,000 limit and leaving the award of costs at the discretion of the Tax Court. This proposed legislation also specifically prohibits any such award to the Department of National Revenue.

There has also been a change in one other area. When the Minister appeals a decision of the Tax Court of Canada involving disputed tax not exceeding $2,500 or a disputed loss not exceeding $5,000, the Federal Court will order the Minister to pay all reasonable and proper costs of the taxpayer. The February Budget provides that these amounts be increased to $10,000 and $20,000 respectively, thus increasing the number of appeals eligible for costs. Surely Members opposite will agree that this is going in the right direction. I guess that wanting us to stand here and object to everything they said is not reasonable. I see my time is running out, so I will terminate my remarks.

In addition to the measures recently undertaken by the Minister of Finance, the Minister of National Revenue has also taken steps to ensure that the taxpayers are fully protected in their dealings with Revenue Canada. The Minister has recently advised his Deputy Minister that a complete evaluation of the appeals function be undertaken to determine its independence of the assessing or audit functions. I hope I will receive some questions. I will be very happy to answer them.

Mr. Beatty: Mr. Speaker, I would not want the Hon. Member to be disappointed. I want to take him up on his invitation. He put a question to me that I can respond to at this point. He asked whether the only people we heard before the task force in the over 300 submissions we received were those who had a gripe with the Tax Department. I suppose the implication of his question was that somehow the only people we would hear were chronic complainers who wanted to destroy the system.

If he put people like the Canadian Institute of Chartered Accountants in that category as well as the Canadian Federation of Independent Business, the Canadian Organization of Small Business, the various arts groups which came before us, federations of agriculture and others, that would be a judgment which he would have to make. As a matter of fact, we went out of our way to solicit balanced views, to hear from experts, and indeed we went so far as to indicate that we wanted to receive representations from officials within the tax Department itself. We had hoped to hear from the Deputy Minister and from other senior officials within the Department.

● (1700)

When attempting to get this information, we found that the Minister took the trouble to send a memorandum to every single employee of the Tax Department indicating that they could not come near us and that in no way would they be allowed to speak before us. He put a gag on every single employee within the Department. Now the Hon. Member has the temerity to suggest that we were not seeking to hear other points of view. Of course we were, but the Minister put every possible impediment in our way.

Notwithstanding that, we were able, through groups like the Canadian Institute of Chartered Accountants, to hear good, balanced and very fair opinions. I would be interested to know whether or not the Hon. Member agrees or disagrees with the submission that was made jointly by the Canadian Bar Association and the Canadian Institute of Chartered Accountants, a submission which was referred to earlier today.

I would like to ask a question of the Hon. Member. He can correct me if I do not quote him correctly, but my understanding is that he said that our system of taxation has the highest degree of trust and protection of the rights of taxpayers of any system in the world. I am interested in how the Hon. Member does his research. Exactly which authority did he refer to when making that statement?

Mr. Parent: Mr. Speaker, I have two things to say. The first is that the Hon. Member for Wellington-Dufferin-Simcoe makes the assumption that I am judging the people who appeared before him. To the contrary. He has said that he tried to get a balanced view. My question remains: did he indeed get a balanced view, or did everyone who came before him have a problem? I do not judge these people and these different groups to which he referred. If they came before him, I would hope that they put a balanced view before him.

As far as the appearance before the task force of employees of the Department of National Revenue is concerned, surely they are not the only Canadians in the country who are satisfied with the way the taxation Department is being run. What the Hon. Member would have us believe is that all Canadians are dissatisfied with the taxation system.

Mr. Beatty: False again.

Mr. Parent: I beg your pardon.

Mr. Beatty: Wrong again.

Mr. Parent: There you are. Whatever deductions we make are wrong and whatever deductions he makes and whatever groups he refers to are correct. That does not require argument. I will just let that pass and take it at face value.

The Hon. Member asked me what the source was for my remarks. There are tax systems in the western world, and if he wants a specific quote from a specific publication, I will be happy to table that for him in the very near future, if I can get the information for him. The Hon. Member for Crowfoot (Mr. Malone) laughs again.

Mr. Malone: Indeed I do.

Mr. Parent: Indeed he does. You can see, Mr. Speaker, that whenever we do not have information that is documented to the nth degree right at our fingertips but say that we will get that information, it is always a cause for rejoicing on the other

side. That is because their research is so slipshod that whether they had a day or a week, they would not be able to get the information to us.

Mr. Beatty: Mr. Speaker, I would like to pursue the question of the Hon. Member's research. Is he saying that he simply does not know where he got the information he used to make the assertion that there was the highest degree of trust and protection of the rights of taxpayers in Canada of any system in the world? How could he make a bald assertion like that if he does not have the foggiest idea where he found the information? Second, in what form will he be conveying this information to us? Will he be tabling it in the House or will he send us a letter? Can we release any letter that he sends?

Mr. Parent: Mr. Speaker, any information that I put forward can be released at the discretion of the Hon. Member. I said to him that I did not have the specific quotation. I also gave him my opinion after having looked over some of the tax assessment systems in the western world. I will get him direct quotations if that is what he wants.

Mr. Bosley: Mr. Speaker, could I ask the Hon. Member through you why he believes that if he were to receive an assessment that was improper, that he knew to be improper and that he could not get resolved at the lowest levels and were thus forced to go to the courts, it would be fairer for him or for any taxpayer to pay the taxes that are claimed to be owing prior to having his day in court? This can be compared with the system that we have recommended and that the chartered accountants and lawyers have recommended whereby the Hon. Member would not have to pay anything until he had had his day in court but interest on the moneys that the courts indicated were owing would run from the day the assessment was issued. In other words, if someone were to make an appeal and lose, they would wind up owing the taxes plus the interest. That is normal. Could the Hon. Member tell me why it is fair for any Canadian, including himself, to be forced to put up what could amount to a very large sum of money which may even bankrupt that person or his business before having his day in court?

Mr. Parent: Mr. Speaker, in my remarks I stated specifically that I do not agree that a taxpayer should have to put up money, so let us start from there. However, today, this very day that we are debating this issue and asking each other questions, it is possible to put up collateral which is not money. Is the Hon. Member saying that this is not the way it should be? Is he saying that he does not agree with this? Perhaps he could give me his views on that.

Mr. Bosley: Sure I can. Mr. Speaker. May I ask the Hon. Member whether he knows that that power to accept security did not begin with the Budget but has always been with the Department? If the Hon. Member were a small businessman who was reassessed and the Department claimed that he owed $50,000, and he had a working capital credit line of $20,000, $30,000 or $40,000, why would it be fair to require him to tie up his working capital in some form of security which, as the Hon. Member knows, would be a liability on the books of his corporation? Why would that be fair when that liability might in fact shut his business down and put it into bankruptcy? That is exactly what has happened in several cases. Why would that be fair when it turns out in the end that his business does not owe a penny in taxes?

Let me ask the Hon. Member a supplementary question because it is part of the same issue. When a business is deemed by the courts to owe tax, why is it left entirely to the discretion of the Minister what security will be taken? Would it not be fairer, when there is a dispute about the payment process, to allow an appeal to the courts in order to find out whether the Department has been unreasonable in refusing the form of security that is available to that taxpayer? That is also a part of our recommendations.

[*Translation*]

The Acting Speaker (Mr. Guilbault): The Hon. Member for Welland (Mr. Parent) has one minute to answer the question.

[*English*]

Mr. Parent: Mr. Speaker, the Hon. Member asked two questions. I agree with the proposition put forward in his second question, so we can put that one out of the way. With regard to the first question, it is my understanding that one can put up collateral which is not money or currency. For example, one can put up a collateral part of one's business or a structure. One could pay money for that later on. That does not tie up the cash flow to which the Hon. Member refers.

Mr. Bosley: Of course it does. That is the point.

Mr. Parent: In my view, if a man has assets in his business which are put up for collateral, that would be fair. As long as one has collateral, it should not be necessary to put up the money. I agree that that has happened and I agree that it should not happen.

The Acting Speaker (Mr. Guilbault): This puts an end to the question period. We are resuming debate.

Mr. Arnold Malone (Crowfoot): Mr. Speaker, throughout the course of this debate, not only today but also over the course of this past year, the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty) has been asking for a taxpayers' bill of rights. The speech made by the Hon. Member for Welland (Mr. Parent) has now underscored the need for precisely such a bill of rights.

Using some false form of logic, the Hon. Member suggested that if collateral is put up, it somehow justifies everything. He suggested that if one has been charged but not yet heard, it makes everything okay when one puts one's collateral forward. If the Member had had some business experience, he would have known that as soon as collateral is put forward, that limits collateral for any other business enterprise. He would also have known that in many cases tax reassessments are made many years before the hearing process. In effect, he is asking that we simply freeze the capacity of an entrepreneur who has developed some collateral to raise capital against the

collateral he has. Why? Because Revenue Canada has made an assessment that the taxpayer believes is wrong.

● (1710)

In the normal legal process an individual pays, or receives punishment for a charge, after the hearing has been held. However, the Hon. Member for Welland would like to see the full payment made and only then hearing held. Had he applied that method to capital punishment, we would be executing people and then, on some occasions, finding that the person was innocent. In effect, he is proposing the same kind of punishment. It will prevent capital flow by causing people to pay the price. Often it is an extensive price for an extended period of time. The damage is done.

Throughout the past year, the Government denied that there was a problem. Then it admitted that there might be a problem with Revenue Canada. Then it admitted in the House of Commons that there was a problem. However, it admitted only that the problems were isolated examples which existed in Kitchener. Then, when it found out that these problems existed in other places, it was basically a day by day and pick by pick method by the Opposition which exposed the Department's incompetence.

Frequently, many issues are raised by all Parties in the House of Commons. However, one of the interesting things about this issue was that shortly after it was raised there was immediate public reaction. People said to our Party, "You are on the right track on this one". The people immediately understood and believed that there was something wrong with Revenue Canada. As all of us will quickly concede, there is no great love affair between Revenue Canada and taxpayers. There are not many Canadians who love to pay income tax. In spite of that fact, most of us believe that in many cases our taxes do some good. I know the old Will Rogers' saying of, "Thank goodness we don't get all the government we are paying for", but nevertheless, we concede that we need a public Treasury.

However, the public is saying that there is something fundamentally wrong with Revenue Canada. We have heard today Hon. Members from the Government side praising the system. They have said that it is a great self-assessment system. When I was elected to Parliament in 1974, about 80 per cent of the farmers in my constituency filled out their own income tax forms. That is my own estimate, and I will have to swallow those words if I am wrong. Today, I doubt if 10 per cent of those farmers fill out their own income tax forms. Whether those are the precise figures or not, certainly that is the trend. Fewer and fewer small business persons today fill out their own income tax forms. I doubt if I could go to any community in my constituency and get two accountants, working separately and apart, to fill out a business person's income tax form and arrive at the same number on the bottom line. The specialists in the field look at this boondoggle of a mess called Revenue Canada regulations and guidelines. The truth is, the specialists will come up with a different set of numbers every time. If that is what the professionals are faced with, then we cannot claim to have a self-assessment system. When I heard the Hon. Member for Welland telling us in his speech that we have the most trustworthy system in the world—ignoring Australia, New Zealand, England and the United States—and claiming that ours is the best, I believe that all that I am hearing is one more Liberal speaker trying to defend the undefendable.

There has not been any action. Interestingly enough, one of the leadership candidates for the Liberal Party, the Hon. Member for Bay Street, Mr. Turner, proclaimed that the report of the Hon. Member for Wellington-Dufferin-Simcoe was one of the finest reports he had ever seen. If that man should by some chance happen to win the Liberal leadership race, I do not know how we could possibly be effective in instrumenting such a program because of the nature of persons such as the Minister and those who stood up today to defend the status quo. I submit that if that is the defence, it is not a question of the leadership of the Party, it is a question of the Party. Truly, there needs to be a whole rethinking of the question of how taxes are collected.

I would like to turn to some specifics. First, I would like to deal with Section 31. It indicates that farmers who work beyond their farms must classify those farms as hobby farms because they have other income. The truth of the matter is that we are in a situation today in which interest rates are very high. Not only are those interest rates high at the banks, but they are high at the Farm Credit Corporation. Farmers are also faced with fuel taxes imposed by the federal Government and the provinces, royalties and the like. For example, today when a person buys $15 worth of gasoline, he pays $5 for the gasoline and $10 goes to tax. Actually, the gasoline is not expensive. The tax is expensive. The result of that, added to the fact that there is the PGRT—the front-end taxing on fertilizers and natural gas which makes nitrogen fertilizers—is that we are experiencing record farm bankruptcies.

In the last decade, farm input costs have increased 150 per cent. Statistics Canada has projected that by the year 1988 the farm input costs will have increased another 110 per cent. The prices today for farm commodities on the average are the same as they were in 1973. So we are comparing 1973 receipts with a 150 per cent increase in farm input costs. Obviously, because of that situation, the economy of our nation has driven many farmers to seek second jobs to supplement their farms. High interest rates have meant that many young persons who want to start farming for the first time cannot do it unless they work as well in the oil fields, drive a truck, or earn income in some other way. Often it is the farmer and his spouse who are both out earning income to contribute to the farm. Yet the Government has the harshness to say that that farm is just a hobby. They do not allow that farmer to write off any normal deduction which would be presumed for a full-fledged farmer. What the Government is doing by that policy is saying that the only people who can continue to farm are the ones who are already farming and have their debts paid. One of these days those people will die and we will end up with no food in the country. The truth of the matter is that we have frightened

away an enormous potential number of young people who could be coming into the farm enterprise sector. Section 31 obviously needs to be amended, because the only way for people to establish themselves in farming today is by either winning a lottery or taking an extra job.

● (1720)

I would like to focus also on a subject which is of considerable concern to me. That is the question of third party demand. I agree that a third party demand on a person's account is probably a tool which the Government should have, but it should be exercised with very strict control under the authority of someone at the highest level of Revenue Canada. That is not what is happening today, however. If you talk to the manager at any bank in the country you will find that he has had third party demands put on his bank. And who is it who is doing this? Someone new to the Department, often young in age, arrives with a briefcase with forms which have a rubber stamp of a person's signature on them. He can say to the bank manager, after showing his identification, "Do you have the account for a certain person"—and name him or her—and then with that rubberstamped signature he can close that person's account.

It is shoddy, Mr. Speaker, to destroy a person's credit in this country in that way. It is too easy to do this. In my constituency it was happening with some regularity. It was brought to my attention by a banker who was concerned. I was very interested to find out, Sir, that with the exception of two, every one of those third party demands was reversed within 24 hours. Someone might say, "In that case, what are you crying about? What are you giving a speech on that for?" I come from a small community, Mr. Speaker, and news travels fast in a small community. City people think they have some advantage with their telephone service, but I can tell you that news travels much faster in a small community without the benefit of a telephone. I can tell you, Sir, that a lot of financial reputations were severely damaged when people found out that the Department of National Revenue had come in and, not with a stroke of the pen but with a rubber stamp, closed out a person's account.

I found out something else, Mr. Speaker. When people wrote letters, made phone calls and had personal conversations with Revenue Canada personnel trying to set up arrangements for a pay-back because they did not have the amount of money owing at that time but were expecting some money very soon and wanted to pay what they owed in some regulated way that they could afford, Revenue Canada preferred to bring down the guillotine and just throw them right out of business. I will not give you the name of any particular business, but I can tell you that one of the firms employed four people, and when it was closed down, not only was its capacity to pay taxes ruined from then on, but the four people who worked for it became unemployed. And that has repeated itself throughout the country. Surely, the danger of third party demands ought to have been recognized.

I would also like to raise the matter of the insensitivity of those persons who put into effect those third party demands on behalf of the Department. They did not do it in the private back office of some bank. Right out in the public rotunda of a bank, they filled out third party demand forms, side by side with the people who were making a withdrawal or deposit or in other ways doing business with the bank. There is a notion, Mr. Speaker, that the subject of income tax is absolutely private and personal to the person involved. But here was an employee of the Department of National Revenue, standing where one could look over his shoulder and see him, closing out accounts. One official stood in one bank that I know and did that for ten different accounts. He closed them out right there in that public area. I tell you, Mr. Speaker, that that kind of behaviour is shoddy. No wonder the Hon. Member for Wellington-Dufferin-Simcoe brought forward a motion calling for a taxpayers' bill of rights.

It is not a question of whether or not we live by the rule of law. That has never been the question. The question is whether or not we have a recognition of where power comes from in this country. The presumption has been since the Magna Carta that power belongs to the people. All this place is is an institution where we work on behalf of the people. That is why it is called the House of Commons. It is where we work for the common people. The common people said that the king will not have the control, that we, the people, will. But Revenue Canada is all-powerful. As a matter of fact, it is so all-powerful that people have more protection under the Criminal Code of Canada. A criminal who commits such atrocious sins against society as Clifford Olson, even though he mass murdered young girls in the Vancouver area, has more rights than the taxpayer of Canada. At least under the Criminal Code you are presumed to be innocent until you are proven guilty.

I believe very strongly, Mr. Speaker, that there should be no third party demand unless it is signed in pen and ink and unless someone at a high level in Revenue Canada accepts the responsibility. No one today accepts the responsibility. No one admits that he or she did this. Someone just shows up with a briefcase and closes out accounts, and you cannot find out who ordered it. We cannot trace this action back to anyone who will accept the responsibility.

I see you are indicating, Mr. Speaker, that my time is up. I am sure my colleague will take over where I left off in debating this motion.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments?

Mr. Baker: Mr. Speaker, before I direct my question to the Hon. Member, I would like just to comment that it is quite unfortunate that a massive tax audit was started in the fall of 1979 when the Progressive Conservative Party was in power, and we saw for four years fishermen harrassed throughout Canada. Some of the statements made by previous speakers on the unfairness of the collection system certainly ring true. It is unfortunate that the tax audit was ordered in 1979. I am sure

that if the Liberal Government had been in power at that time it would not have been ordered.

• (1730)

Mr. Beatty: It was and it did.

Mr. Forrestall: You would not want to mislead the House, would you?

Mr. Baker: The Hon. Member who introduced this motion was, I believe, a Cabinet Minister at the time. It is unfortunate that some of the good things he is suggesting now were not initiated by his own Government.

Mr. Beatty: In those two months!

Mr. Baker: My question deals with the third party demand. Does the Hon. Member have the same difficulty I do with a disgusting aspect of that third party demand on low-income people, the primary producers? The third party demand is made on the gross amount, not on the net. If a fisherman owes money to the dealer to whom he is selling fish and he has other expenses, the 25 per cent, sometimes 50 per cent, is taken right off the top. You take the Revenue Canada portion of the attachment, then you take out his expenses and he is left with zero, or sometimes less than zero. Does the Hon. Member find the same thing in dealing with primary producers in his part of the country?

Mr. Malone: Mr. Speaker, with respect to the Hon. Member's first comment, I can only tell him that after not being in power for the better part of this last half of the century, obviously when you come to power you cannot stop everything and start all over again. We inherited quite a hornet's nest when we came into Government. If the Hon. Member is saying that some things continued which ought not to have, then we concede that. We only wish that they had given us enough of an opportunity in power so that he would not have to lament his own actions today.

As to his question concerning the third party demand, I can only say that I believe from the tone of the Hon. Member that he and I would be in full agreement. Certainly the demand ought not to be on the gross, it ought to be on the net. As a person who represents farmers and ranchers, I have a great affinity with the people he represents in his area such as fishermen. In the primary resource sector, whether on land or on water, the economics are very similar, and I am sure we would share a similar view.

Mr. Scott (Victoria-Haliburton): Mr. Speaker, the Hon. Member has a farm background, and my question has to do with a fellow in the farm implement business who was assessed an amount of $750. He appealed the assessment and it cost him $10,000 in legal fees and procedural costs thus far. He has not yet come to the end of the case. It seems to me that an appeal like that is not worthwhile. This is why so many people will pay these smaller amounts rather than go through the cost of appealing the assessment. It does not make sense to appeal, given the costs, even if you are right. I would like to get the views of the Hon. Member on that.

Mr. Malone: Mr. Speaker, the answer is obvious. Surely when the cost of an appeal is greatly in excess of the assessment, only those persons who are fighting for a principle will proceed with the battle. I know of cases, as do other Members, where a person has been reassessed and the cost of defending their case might be half as much as the reassessment. That does not sound so bad; you are reassessed $8,000 and it is going to cost you $4,000 to defend. But then comes the word from a Revenue Canada staff person who says, "We will continue to reassess you until you do pay". Then the person starts to think that there is no sense in winning because they are going to reassess and reassess. When that is the process, people just give up in fatigue. What my hon. friend is saying comes down to the need for a taxpayers' bill of rights. The Government has the right to make a reassessment, but when it loses the reassessment, it has the obligation to bear the burden of costs. If it does not, it can virtually destroy the private citizen economically through the process, which is absolutely wrong and must be done away with.

Mr. Scott (Victoria-Haliburton): Mr. Speaker, I am sure the Hon. Member will recall the meeting of the task force in Calgary where John Bullock, representing over 60,000 small businesses, appeared. He said that not only did he fully support the measures of the task force, but that the Conservative task force was the taxpayers' finest hour. I think you will recall that he was applauded and then he went on to elaborate.

The Acting Speaker (Mr. Guilbault): Order, please. The Chair regrets to interrupt the Hon. Member but the question period is up. For debate, the Hon. Member for The Battlefords-Meadow Lake.

Mr. Doug Anguish (The Battlefords-Meadow Lake): Mr. Speaker, I see I have only about seven minutes left, but I want to put some comments on the record in the debate today. I agree with much of what the Official Opposition has said regarding the taxation system. I disagree with other aspects which they have touched on from time to time. The most important point I want to bring out is that both the Liberals and the Conservatives have overlooked a large part of the problems in the system, and I would like to touch on that briefly.

Since I have been a Member of Parliament I have had many farmers and small business people come to me about their feelings of being dealt with unfairly by the system, by auditors and collectors from Revenue Canada. In some cases they have had very just complaints. The most common complaint seems to be about the aggressiveness with which Revenue Canada sometimes pursues audits and collections. At the same time, I think people feel a great deal of unfairness, especially those involved in small business and farming operations. An auditor from Revenue Canada can tell an individual that his business or farm is not a viable operation and therefore he cannot deduct the year's losses or the legitimate expenses which he

feels he is eligible to deduct. The Department is going to have to consider that case very seriously. I have some confidence that the pressure of the Opposition will cause the Government to recognize that there is a problem and that it will be rectified in the future. It had certainly better be or we will not have many farmers left in many areas of western Canada other than long-time established farmers or those who have very large and wealthy farming operations, which is not the norm.

● (1740)

The other problem is that in pressing economic times many people, especially young farmers, find themselves leaving the farm to earn income, when they are not involved in the farming operation itself, to put bread on the table and enable themselves to live at a standard of decency that is above the poverty line. The issue of off-farm incomes and the arbitrary assessments by Revenue Canada people that a business or farming venture is not viable must be reckoned with.

In the literally dozens of cases which have come to me in the past four and a half years I have found most of the public employees within Revenue Canada to be quite helpful. There are some who are not, just as in any other organization or government Department. The taxation office in Saskatoon has been helpful, as has the regional office in Winnipeg. I usually deal at these levels with problems which constituents have brought to my attention.

I will turn to what I think both the Liberals and the Conservatives have overlooked. Our taxation system has become a nightmare of complexity and unfairness. As the Hon. Member for Crowfoot (Mr. Malone) pointed out, very few people anymore fill out their own income tax forms. That is just one example of the complexity of the system. The unfairness is what many of the politicians and parliamentarians are overlooking. The Canadian tax system is based on a simple premise that one pays taxes on income earned. The more money you make, the more taxes you should pay. In 1981, 8,000 people earned more than $60,000 and paid no taxes. That is what the Hon. Member for Kamloops-Shuswap (Mr. Riis) refers to as the golden loophole award for the people in those brackets. In 1981, 239 Canadians earned an average of $635,000 and paid no income tax. There were another 1,200 Canadians who earned $100,000 and paid no income tax.

Some of the largest and most profitable corporations in Canada have been able to defer taxes. In 1980, $25 billion, which was more than the deficit, was deferred in taxes. They say they do not owe this money. During the committee meetings on Bill C-155 when the Crow rate was abolished, CP said that it did not owe those taxes. It said those were deferred taxes. I think that is a good indication that it never intends to pay them.

I only have about one minute left. Since the mid 1970s the tax breaks to corporations have more than quadrupled. They now total more than $25 billion and are equal to roughly $1,000 in lost revenue for every adult Canadian. These tax breaks mean lower tax rates and higher profits for corporations. The result has been higher rather than lower unemployment. I see your clock is about one minute different from the clock on the wall.

The Acting Speaker (Mr. Guilbault): It being 5.45 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply in accordance with Section 9 of Standing Order 62.

Mr. Althouse, seconded by Mr. Lewycky, moved that the motion be amended by striking out the period at the end thereof and adding the following immediately thereafter:

—and further, to recognize the inequity of the appeal process by guaranteeing to taxpayers who are successful in an appeal through the courts that their legal costs will be paid for by Revenue Canada.

The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Guilbault): I declare the amendment lost.

Mr. Deans: Agreed. What are you talking about? Point of order.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Hamilton Mountain (Mr. Deans) rises on a point of order.

Mr. Deans: I am sorry, Mr. Speaker, but there is a procedure one must go through in order to determine whether a vote has been carried or lost. You asked, "All those in favour?" We said, "Agreed", and they said "No". You do not declare the amendment lost. Surely you must ask for the yeas and nays.

The Acting Speaker (Mr. Guilbault): The Chair has been following the procedure, except that when the Chair asked, "Is it the pleasure of the House to adopt the motion?", the Chair listened. The Chair heard "noes" but did not hear any "yeses". I may ask again. Those in favour of the amendment, will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Guilbault): Those opposed to the amendment, will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Guilbault): In my opinion, the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Guilbault): Call in the Members.

The House divided on the motion which was negatived on the following division:

Supply

(*Division No. 45*)

YEAS

Messrs.

Althouse	Hamilton (Qu'Appelle-Moose Mountain)	McMillan
Andre	Hawkes	Miller
Anguish	Heap	Munro (Esquimalt-Saanich)
Beatty	Hnatyshyn	Nickerson
Blackburn	Howie	Nielsen
Blenkarn	Jarvis	Nowlan
Bosley	Jewett (Ms.)	Nystrom
Carney (Miss)	Keeper	Oberle
Clarke (Vancouver Quadra)	Kempling	Parker
Coates	Kilgour	Patterson
Cook	King	Reid (St. Catharines)
Cooper	Lambert	Robinson (Burnaby)
Corbett	La Salle	Roche
Cossitt (Mrs.)	Lawrence	Schellenberger
Crosbie (St. John's West)	Lewis	Scott (Hamilton-Wentworth)
Crouse	Lewycky	Scott (Victoria-Haliburton)
Dantzer	MacDonald (Miss) (Kingston and the Islands)	Siddon
Darling	Manly	Stevens
Deans	Mayer	Taylor
Domm	McCain	Thacker
Fennell	McCuish	Towers
Forrestall	McDermid	Vankoughnet
Fulton	McGrath	Waddell
Gamble	McKenzie	Wenman
Gass	McKinnon	Wise—79.
Greenaway	McLean	
Gurbin		
Halliday		

NAYS

Messrs.

Allmand	Dubois	LeBlanc
Appolloni (Mrs.)	Duclos	Leduc
Axworthy	Dupont	Lefebvre
Bachand	Duquet	Lumley
Baker	Ethier	MacBain
Beauchamp-Niquet (Mrs.)	Evans	MacEachen
Bégin (Miss)	Ferguson	Mackasey
Berger	Fisher	MacLaren
Blais	Fleming	MacLellan
Blaker	Flis	Malépart
Bloomfield	Fox	Maltais
Bockstael	Garant	Marceau
Bossy	Gauthier	Massé
Breau	Gendron	Masters
Bujold	Gimaïel	McRae
Burghardt	Gingras	Nicholson (Miss)
Bussières	Gourde (Lévis)	Olivier
Caccia	Gray	Ouellet
Campbell (Miss) (South West Nova)	Guilbault	Parent
Campbell (LaSalle)	Harquail	Pelletier
Chrétien	Henderson	Penner
Collenette	Herbert	Pepin
Comtois	Hervieux-Payette (Mrs.)	Peterson
Corriveau	Hopkins	Pinard
Cosgrove	Hudecki	Portelance
Côté (Mrs.)	Isabelle	Prud'homme
Cousineau	Ittinuar	Regan
Cullen	Joyal	Roberts
Cyr	Kaplan	Robinson (Etobicoke-Lakeshore)
Dawson	Kelly	Rompkey
De Bané	Killens (Mrs.)	Rossi
de Corneille	Lachance	Roy
Demers	Lajoie	Savard
Deniger	Lalonde	Schroder
Desmarais	Landers	Simmons
Dingwall	Lang	Tardif
Dion	Laniel	Tessier
Dionne (Chicoutimi)	Lapierre	Tousignant
Dionne (Northumberland-Miramichi)	Lapointe (Charlevoix)	Trudeau
	Lapointe (Beauce)	Turner
		Veillette
		Watson
		Weatherhead
		Yanakis—123.

Mr. Speaker: I declare the amendment lost.

Mr. Hnatyshyn: Mr. Speaker, I wonder whether there would be a disposition to apply the same vote to the main motion as was recorded on the amendment?

Mr. Deans: Mr. Speaker, I would be quite prepared to have that vote apply.

[*Translation*]

Mr. Pinard: We agree, Mr. Speaker.

[*English*]

Mr. Speaker: Are there any Hon. Members who wish to be recorded as voting who did not vote the first time? If not, then the vote as recorded for the amendment will be the same vote recorded for the main motion.

The House divided on the motion (Mr. Beatty) which was negatived on the following division:

(*Division No. 46*)

YEAS

Messrs.

Althouse	Hamilton (Qu'Appelle-Moose Mountain)	McMillan
Andre	Hawkes	Miller
Anguish	Heap	Munro (Esquimalt-Saanich)
Beatty	Hnatyshyn	Nickerson
Blackburn	Howie	Nielsen
Blenkarn	Jarvis	Nowlan
Bosley	Jewett (Ms.)	Nystrom
Carney (Miss)	Keeper	Oberle
Clarke (Vancouver Quadra)	Kempling	Parker
Coates	Kilgour	Patterson
Cook	King	Reid (St. Catharines)
Cooper	Lambert	Robinson (Burnaby)
Corbett	La Salle	Roche
Cossitt (Mrs.)	Lawrence	Schellenberger
Crosbie (St. John's West)	Lewis	Scott (Hamilton-Wentworth)
Crouse	Lewycky	Scott (Victoria-Haliburton)
Dantzer	MacDonald (Miss) (Kingston and the Islands)	Siddon
Darling	Manly	Stevens
Deans	Mayer	Taylor
Domm	McCain	Thacker
Fennell	McCuish	Towers
Forrestall	McDermid	Vankoughnet
Fulton	McGrath	Waddell
Gamble	McKenzie	Wenman
Gass	McKinnon	Wise—79.
Greenaway	McLean	
Gurbin		
Halliday		

NAYS

Messrs.

Allmand	Caccia	Demers
Appolloni (Mrs.)	Campbell (Miss) (South West Nova)	Deniger
Axworthy	Campbell (LaSalle)	Desmarais
Bachand	Chrétien	Dingwall
Baker	Collenette	Dion
Beauchamp-Niquet (Mrs.)	Comtois	Dionne (Chicoutimi)
Bégin (Miss)	Corriveau	Dionne (Northumberland-Miramichi)
Berger	Cosgrove	Dubois
Blais	Côté (Mrs.)	Duclos
Blaker	Cousineau	Dupont
Bloomfield	Cullen	Duquet
Bockstael	Cyr	Ethier
Bossy	Dawson	Evans
Breau	De Bané	Ferguson
Bujold	de Corneille	Fisher
Burghardt		
Bussières		

Messrs.

Fleming
Flis
Fox
Garant
Gauthier
Gendron
Gimaïel
Gingras
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Landers
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McRae
Nicholson (Miss)
Olivier
Ouellet

Messrs.

Parent
Pelletier
Penner
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Roberts
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Yanakis—123.

Mr. Speaker: I declare the motion lost.

It being 6.18 p.m., this House stands adjourned until 11.00 a.m. tomorrow, pursuant to Standing Order 2(1).

At 6.18 p.m., the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friday, June 1, 1984

The House met at 11 a.m.

• (1105)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

FISHERIES

PLIGHT OF NOVA SCOTIA LOBSTER FISHERMEN

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to make a statement regarding the Shelburne County enforcement crisis. By condoning the oppressive crackdown on lobster fishermen in southwestern Nova Scotia, the present Liberal Government is once again demonstrating its insensitivity to the need for Canadians in small communities to retain their dignity and economic self-determination.

These fishermen are being unfairly attacked because they were honest enough to inform the Government that the lobster trap limit set in 1968 was being over-fished and needed to be revised. Last fall, these fishermen were anxious to consult with federal officials and resolve the issue, but it soon became clear that the Government did not respect the knowledge and opinions of the fishermen. The Government was determined to bring in its heavy artillery and enforce the old trap limit in spite of evidence that lobster stocks are increasing. This enforcement would ultimately keep these fishermen below the poverty line, or drive them out of business altogether.

It is not only the fishermen who are under attack but the entire social fabric of Shelburne County. The reputation of the Crown is being defiled in the process. Fisheries officers are destroying legal fishing gear and refusing to acknowledge the fact. They are also guilty of making misleading statements and of unreasonable search and seizures, harassment, and unequal application of the law. Every attempt by fishermen to resolve this issue peacefully has been contemptuously rejected. I wrote to the Minister about this on February 28—

Mr. Speaker: The Hon. Member's time, unfortunately, has expired.

Mr. Crouse: —and have received no response.

[*Translation*]

ABORIGINAL RIGHTS

NATIVE PEOPLE FISHING FOR SALMON—INTERPRETATION BY MEDIA

Mr. André Maltais (Manicouagan): Mr. Speaker, in the last few days, there have been frequent comments on television and on the radio that Indians are overfishing salmon. I would like to say that this is not altogether true, because last November, when the Government of Canada, through the Department of Indian Affairs and Northern Development, purchased fishing rights for the Mingan River, the Montagnais Indians in the area unanimously decided to refrain from all fishing in this river, in order to protect the salmon and evaluate fish stocks.

Mr. Speaker, what we must understand at this point is that the issue is not really the Indians' salmon fishing rights but their ownership claim on the salmon rivers.

Mr. Speaker, I think there are two things we must distinguish here. When the media tell us that the Indians refuse to observe salmon quotas, it is not the same as being told they refuse to act responsibly in this area. By fishing selectively, the Indians want to show us that they own these rivers. What the provinces must do is ensure that the Indians are given responsibility for the rivers and leave it at that. I am convinced the Indians will do exactly what they did on the Mingan River this year, where no salmon was taken at all. They are now proceeding with a scientific evaluation of the fish stocks.

Mr. Speaker, I think we should be careful when the media say the Indians are acting irresponsibly with respect to salmon fishing, because it is another case of claims being made on the basis of aboriginal rights.

* * *

[*English*]

EXTERNAL AFFAIRS

UNITED STATES PROPOSAL TO ISSUE BEAUFORT SEA OIL DRILLING LEASES

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, on several occasions my colleague, the Hon. Member for Esquimalt-Saanich (Mr. Munro), has risen in this House to condemn the action by the United States of putting out to tender sub-sea oil and gas drilling leases in the Dixon Entrance area off the coast of British Columbia in waters which belong to Canada. This action constitutes a deliberate slight to Canadian sovereignty and threatens the peaceable resolution

of Canada-U.S. boundary disputes, yet our own Government stands mutely by and does virtually nothing.

It has now come to my attention that the United States plans to issue more oil and gas leases, this time in the Canadian sector of the Beaufort Sea east of the 141st meridian. As the Member of Parliament who represents the area concerned, I take great exception to this unwarranted, incautious, and antagonistic proposal, and call upon the Government of Canada to protest this infringement on our national sovereignty in the strongest possible terms.

* * *

• (1110)

VETERANS AFFAIRS

NON-RECOGNITION OF PENSIONABLE INJURY CLAIMS

Mr. Dan Heap (Spadina): Mr. Speaker, the Government has recently announced that it is increasing the veterans allowances for those veterans whose claims are recognized, which, of course, must be welcomed by everyone. But the Government should also deal with the problem of veterans whose claims have not been recognized. There are many veterans of World War II who claim that they have pensionable injuries which are not being recognized or are being underrated by the Pension Review Board. Some of them received back or leg injuries which seemed slight at the time of discharge when they were young and healthy, but now, after many years of heavy industrial work, are seriously hindering the ability of these veterans to earn a living.

Some of these veterans have hearing problems, such as tinnitus, which can be related to the heavy bombardment they endured at places such as Arnhem. However, because it took years to show up, their claims are either not recognized or are very slightly recognized.

Many of these people have organized into a new group called "Suffering Veterans", some being members of the Canadian Legion and some not. They are trying to bring their case to public attention. When we have $100,000, which I welcome, to give to those veterans whose claims are recognized, we should also consider doing something for those whose claims are not recognized or are being underrated, in the opinion of the claimants. I would urge the Minister—

Mr. Speaker: The Hon. Member's time, unfortunately, has expired.

* * *

WESTERN GRAIN STABILIZATION ACT

ABSENCE OF LIBERAL MEMBERS FROM COMMITTEE MEETING

Mr. Fred King (Okanagan-Similkameen): Mr. Speaker, Liberal Members are so in the habit of blaming others for all of our nation's difficulties that they forget to look at themselves. According to the Liberals, high interest rates are the responsibility of the Yanks, and unemployment is the result of a world-wide condition. With respect to the national debt, the Liberals say: "Golly, that just happened. Don't blame us". And when the Ministers mess up with poor legislation and ridiculous scheduling of House business, the Liberals blame the Opposition.

But careless Liberal priorities were revealed last night. With real urgency to complete the Standing Committee study of the Western Grain Stabilization Act amendments, which will provide immediate financial relief for western farmers facing financial disaster, who fails to have members in attendance? The Liberals. To the shame of the 145 Members of the Liberal Party in Parliament, they could not find even two of that number who had enough interest to attend. The Liberal Chairman would not try to fill the empty chairs, saying: "I have 300 miles to drive tonight". What a way to run a country! What a way to accept responsibility!

Who is responsible for the failure to get Bill C-33 out of committee? Not the six opposition Members who waited for Liberal Members to show up. This is the same Liberal gang who are responsible for high interest rates, the national debt, two million unemployed, and the lack of respect which many Canadians hold for the institution—

Mr. Speaker: The Hon. Member's time has expired.

* * *

SOCIAL SECURITY

INCLUSION OF WORKERS' DISABILITY BENEFITS IN CALCULATION OF INCOME

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, it is difficult enough in these hard economic times for average Canadians to live comfortably on their earnings. For our elderly living on low and fixed incomes it is virtually impossible. Our senior citizens struggle to stay alive while the Liberal Government wastes billions of Canadians' dollars on Canadair, de Havilland, Petrofina, and Maislin. Now the Liberals are trying to pay off their massive deficit on the backs of Canadians, taxing everyone and everything in sight, including the elderly.

Previously, when applying for the guaranteed income supplement, workers' compensation benefits were not counted as income, because a disability is a disability regardless of age. This year the Government decided that workers' disability benefits must be counted as income. Senior citizens who have suffered an injury on the job need and deserve the disability benefits which they effectively lose through this totally unnecessary government action.

There is a real fear among our senior citizens that this Liberal Government, insatiable in its quest for tax revenue, will directly tax workers' compensation benefits next. This must not be allowed to happen.

• (1115)

After a two-year delay, the Minister of Finance (Mr. Lalonde) has the nerve to announce a $25 increase in the GIS, while simultaneously declaring compensation benefits must be counted as income. This type of Liberal chicanery has driven one of my constituents, Mr. Harry Kuzick, of Surrey, B.C., to express his frustration: "Do those Liberal idiots in Ottawa know what $70 means to an elderly person's income?"

Mr. Speaker: The Hon. Member's time has expired.

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UNEMPLOYMENT INSURANCE

PROPOSED VOLUNTEER INITIATIVES PROGRAM

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, the House is so quiet today I think I should make an announcement. The Department of Employment and Immigration will announce in early June a new program called the Volunteer Initiatives Program. It is for people on unemployment insurance who are unlikely to find work. It will pay $50 a week to sponsors for their overhead. I am not sure whether it will pay the people on unemployment insurance any extra money. The sponsors are charities, schools, hospitals, and some community centres.

The problem is that this program is the old Liberal shell game of job creation. You take some workers off the streets and possibly replace people who are already working full time in these voluntary organizations. The Government is again using charities to fill gaps in the Public Service. We in B.C. know what it is like when nurses are laid off and low wage, unskilled volunteers are hired to fill their place.

I have three suggestions for the Government, one, that there be a mechanism in this program to protect existing workers in agencies so that we are not just displacing existing workers. Second, more people should be eligible. People on welfare, for example, should be eligible. Third, we should look at a full-scale program of job creation, not just one more stop gap, band-aid measure.

ORAL QUESTION PERIOD

[*English*]

POOLS

FEDERAL SPORTS POOL CORPORATION—APPOINTMENT OF COMPTROLLER

Mr. John Bosley (Don Valley West): Mr. Speaker, my question is for the Acting Prime Minister. He will know that the Minister of Sport, through his executive assistant, has put his riding president, friends of the Minister of Finance and relatives of Liberal MPs on the payroll of the Sports Pool. The latest news is that another of the Minister's election organizers, Mr. Norman Merssier, has been hired as comptroller of the Sports Pool, at a salary of $70,000 a year. Will the Minister now admit that, even for a Liberal, this Minister has gone too far? Or has the Liberal Party become so fat and arrogant that there is no standard of public morality below which it will not sink?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I would like to invite my hon. friend to take that information with a grain of salt. For example, I was reading in one of the papers recently that a gentleman by the name of Mr. Deschèsne from St. Laurent was a well-known Liberal organizer. My information is that this particular gentleman never got involved in politics or any political party at all. As a matter of fact, one wonders whether he ever voted. I think my friend should be very careful in throwing names around, and to begin with make sure he has the right information.

Secondly, the Minister has answered this question extensively in the House, saying that the people hired by the Corporation were hired after the normal interviews were carried out, and the decisions were taken by the Corporation itself. I am sure that if my friend looks carefully he will know that one of the chief organizers of his friend and colleague, the Hon. Member for Rosedale, former Conservative Minister, was hired by the Corporation in a very senior position. If he looks carefully I am sure he will find Conservatives, and maybe even a few NDP people, among the staff in the organization. The Minister has said that the hiring was not based on political affiliation.

REQUEST FOR PARLIAMENTARY INQUIRY

Mr. John Bosley (Don Valley West): Mr. Speaker, it is well known that advertising contracts have been let without tender to Liberal firms. The Minister will know that employees have been hired temporarily for six months at salaries of $40,000, with expense allowances, and two years' severance built into their contracts. He will also know that the Minister of Sport, who says it is just a sports pool, held meetings especially with members of the Liberal Caucus in order to tell them how to get their relatives, friends and neighbours on the payroll of the Sports Pool. How long does this have to go on before the Government will finally recognize that it is time for the House of Commons to have a full inquiry into the hiring practices, advertising practices, and employment contracts which have been let by the Sports Pool at the request of the Minister responsible for sports?

• (1120)

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I will take the case of the advertising companies. McLaren's advertising is doing the English advertising, and Planicom is doing the French advertising. Together these companies have several hundred employees. If my friend wants to investigate, I am sure he will find that there are people of all political affiliations and parties working for these two large organiza-

tions. Both of them are recognized as outstanding advertising agencies in Canada. Both of them have won prizes from their national associations for the quality of their work. Both of them have been recognized by receiving large contracts from private firms all across Canada. These are the facts.

My friend should look at the facts and recognize that the quality of those firms compares favourably with any other corporation. As the Minister has already said, the decision in that regard was made by the Corporation on the basis of the quality of the work which was going to be provided by those firms, and on the basis of their track record in terms of performance in the private sector over the last several years.

REQUEST THAT CONTRACTS BE TABLED

Mr. John Bosley (Don Valley West): Mr. Speaker, let the Minister explain why contracts are let by the Government without tender. The Minister says this is just a normal matter. Will the Government arrange to have all of the contracts which have been let, and all of the employment arrangements which have been made, tabled in the House of Commons so that Members of the House may see whether the protestations of innocence are accurate, or whether in fact what we believe to be true is the case, that is, that the Minister of State (Fitness and Amateur Sport) is proving to be no amateur at patronage, potentially unfit for office, and an even sleazier user of patronage than the Minister of Employment and Immigration?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, by his own sleaziness the Hon. Member shows that he is the one who is mainly unfit to sit in the House of Commons. I would hope that the people of his riding will take care of that when the next election comes.

Mr. Mayer: Call it. Let them decide.

Mr. Lalonde: It will be called in due time. You are going down fast enough. We will give you a little more time to go down even further, and then you will see.

An Hon. Member: Call an election.

Mr. Lalonde: The Hon. Member knows the rules of the House very well. If he is interested in getting information, he can put a question on the Order Paper. That is one way of doing it. In addition, there are parliamentary committees where the Estimates of all Departments are put forward. Witnesses can be called, and Members can ask for any information they wish to have. He knows what the rules of the House are. Rather than grandstanding like he does at the present time, and rather than resorting to the kind of phoney allegations he is making, he should at least read the rules of the House, and follow them.

ENERGY

PROPOSED DISTRIBUTION OF BROCHURE ON NEWFOUNDLAND OFFSHORE RESOURCE ISSUE

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my question is not for the OECD reject. It is for the Acting Prime Minister, in the absence of the Minister of Energy. The OECD reject has proved himself well rejected.

Apparently the Government has made a decision to send a brochure out to every householder in Newfoundland two days before the Liberal leadership convention which will come in the middle of the month. It is supposed to deal with the Government's offer to the Province of Newfoundland with regard to the offshore mineral question. Cabinet has apparently approved this. The only question remaining is whether it should be signed by the Minister of State (Mines), the Minister from Newfoundland, or the Minister of Energy who, as we know, is the new Rocky and a leadership contender.

What is the purpose of the Government and the Department of Energy now in sending out such a brochure over a year and a half after all negotiations ended? Why are they sending it out? What will it cost the taxpayers? The cost will be at least $50,000 to $100,000. Why is this felt to be necessary? Is this to give publicity and support to the Minister of Energy, Mines and Resources in his bid for the leadership? Just what is the purpose that lies behind this latest sleaze-bag effort in Newfoundland?

• (1125)

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, I should think that the purpose of the effort should be self evident, that is, to give the people of Newfoundland the information that they ought to have about the attitude of the federal Government. I understand that the Government of Newfoundland has been quite active in making known to the people of Newfoundland its views on the offshore question. Doesn't the Hon. Member think it is reasonable that they ought to know what the federal attitude is, to enable them to make up their own minds? That is the sole purpose. I think that is pretty reasonable.

Mr. Crosbie: The hon. gentleman's definition of reasonable does not correspond with ours.

CONTENT OF BROCHURE

Hon. John C. Crosbie (St. John's West): Mr. Speaker, there was some suggestion that this brochure might also explain what the agreement is that the Government is entering into with Nova Scotia. Certainly the documents that were issued yesterday obscure every provision of the agreement.

Will there be photographs of these Ministers in the brochure and, if so, is there not a grave danger that there might be a rash of premature births in Newfoundland if the pictures of these gargoyles get into every household in Newfoundland in such an insidious manner? Can the Deputy Prime Minister

promise the House that there will be no photographs of those Ministers, particularly not of the two I have mentioned?

Will the brochure explain why the Minister of Energy, Mines and Resources was repudiated by the Minister of Finance and the Prime Minister after he reached a verbal agreement with the Newfoundland Government on the offshore matter? Could he please deal with those questions in a succinct and reasonable manner?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, I do not know what photographs, if any, will appear in the brochure, but I would think that if the people of Newfoundland can stand the photographs of the Premier of the Province and of the Hon. Member, they can pretty well stand anything.

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SOCIAL AFFAIRS

NEED FOR NATIONAL DAYCARE SYSTEM

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Minister responsible for the Status of Women. As the Minister knows, 85 per cent of the children in Canada who have need are denied access to daycare. She said in committee yesterday that she, as Minister, was "persuaded there was a need for action now". Yet the day before she announced the establishment of a committee that would have the task of looking into ways of somehow improving the situation but would not report back until the end of this year.

Given the real need of the children of Canada, which the Minister has publicly discussed herself, is the Government committed to the principle of universal accessible daycare for all of Canada's children?

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, the Hon. Member must be aware of the controversy that rages around this particular issue, and he must be also aware of the provincial sensitivities. That is why I met with my provincial counterparts on Tuesday and Wednesday of this week to discuss this very issue in depth.

I might add that the provinces justly guard their area of jurisdiction very carefully and want to be very sure of the direction we are taking, to ensure that we do indeed face the realities of child care needs in this country but do so on a flexible basis, and on the understanding that there are many kinds of daycare. We are all committed to changes to meet the needs in the country. I can assure the Hon. Member that, with the formation of this task force, we at the federal government level are taking a very real position of leadership in this area.

Mr. Broadbent: That is to define leadership as simply setting up a committee to study something for another six months. Once the report comes in, presumably it will be another six months before whatever Government is in power acts on it.

GOVERNMENT'S POSITION—REQUEST FOR COMMITMENT

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Minister said that there is a need for action. We agree. Instead of setting up committees, will the Minister take action? The current jurisdictional authority is with the provinces. However, when we took action on medicare the federal Government committed itself to the principle and then negotiated ways of implementing that principle with the provinces. I want the Minister to be clear cut today. Will she tell the House if the federal Government, the Liberal Party of Canada, is committed to the principle of universally accessible daycare?

• (1130)

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, I think it is very clear that the federal Government is committed to changes in the daycare system. Whether the kind of system the New Democratic Party wants to put in place is the right answer, we do not yet know. It is clear the NDP is committed to this. What we, the Government, are committed to is a program that will meet the needs of the country. If the New Democratic Party were to examine the real childcare needs in the country, the NDP would know that there is not universal support for the kind of universal daycare the Hon. Member is describing. There is universal support for change, the kind of change that will meet the real needs of the parents and the children of this country.

Mr. Broadbent: Mr. Speaker, at one time there was not universal support in this country for medicare either, but some parties took leadership on the issue to build universal support.

Some Hon. Members: Hear, hear!

ASSOCIATION'S FUNDING PROPOSAL

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Minister is clearly not committing herself to the principle at all. She has said there is an immediate need for the children. She said:

> The current situation is just not acceptable.

Those are the Minister's words. On the question of immediate need for all the children of Canada, she has had a proposal submitted to her by the Canadian Day Care Advocacy Association for an immediate grant of $5 per day from the federal Government for each licensed daycare space. That would amount to only 15 per cent of what the Government used to bail out Canadair. Will the Government at least commit itself, before Parliament recesses at the end of this month, to spending this minimal amount of money of $5 per day which the children of Canada badly need?

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, no one knows better than I the requirements of daycare in this country. The Hon. Member should be very much aware of what the Government has done in this area. Through the CAP program we are spending something like $150 million a year, and we are also spending an incredible amount of money through the tax system. This Govern-

ment has already indicated that we are prepared to move, and we have moved. We upped the childcare deduction from $1,000 to $2,000 last year, to a maximum of $8,000 per family. That is a considerable amount of money and a clear indication of this Government's commitment to this problem.

The Hon. Member brings up the Canadian Day Care Advocacy position, which is a very valid one, but it is only one position. I suggest the Hon. Member take a more realistic position. I suggest he sit down with representatives of those provincial Governments with whom I sat down to hear what their positions are, and then begin to negotiate honestly and fairly to do something. We are prepared to do that. I suggest he not make empty statements about what the NDP would do, because we know very well the NDP cannot do it.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF HIS EXCELLENCY OSKAR FISCHER, MINISTER OF FOREIGN AFFAIRS OF THE GERMAN DEMOCRATIC REPUBLIC

Mr. Speaker: May I call to the attention of the House the presence in the gallery of a delegation from the German Democratic Republic, led by the Minister of Foreign Affairs, His Excellency Oskar Fischer.

Some Hon. Members: Hear, hear!

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ENERGY

DISTRIBUTION OF PROPOSED BROCHURE IN NEWFOUNDLAND

Hon. James A. McGrath (St. John's East): Mr. Speaker, my supplementary question is for the Acting Prime Minister and it is supplementary to the one asked by my colleague, the Hon. Member for St. John's West. Why is the Government of Canada sending a brochure to the general population in Newfoundland? Will the Government be sending a brochure, a direct mailing, to the other coastal provinces, such as British Columbia? Why is the Government going over the head of the Government of Newfoundland in this way as opposed to taking the initiative to resume negotiations? More particularly, now that we have a Bill before the House, putting the Nova Scotia agreement in legislative form, why did the Government not take that opportunity to announce its position to the people of Canada?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, we are not going over the head of the Government of Newfoundland.

Mr. Forrestall: You are going behind its back.

Mr. MacEachen: Surely the Government of Canada has an equal right with the Government of Newfoundland to advise the people of that province what its policies are. I understand the Government of Newfoundland has been very diligent in ensuring that the people of the province know what it thinks about the off-shore. I believe it is in the interests of the people of Newfoundland to know what the federal Government is prepared to do. They can look at that, understand, and make their own judgment. It seems to me the maximum information that the people of Newfoundland have, the better. I do not understand why Newfoundland Members would object to that, unless they feel the attitude of the federal Government somehow ought to be concealed from the people of Newfoundland, or misrepresented.

Mr. Forrestall: You are an expert at that.

TIMING OF DISTRIBUTION

Hon. James A. McGrath (St. John's East): Mr. Speaker, all I am saying to the Acting Prime Minister is that he will have an opportunity and the Government will have an opportunity, to tell the people of Newfoundland and the people of Canada just exactly what their position is when the Nova Scotia legislation is debated. I suspect the real reason is an intrusion into the Liberal leadership convention by this Government at taxpayers' expense, in order to help the aspirations of the Minister of Energy.

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, the on-going, whatever one might want to call it, debate, controversy, about the off-shore has nothing to do with the Liberal leadership race. It existed long before that event took place—

Mr. Forrestall: Then keep it out of the race.

Mr. MacEachen: —and probably it will continue well after it. I understand, and the Hon. Member can enlighten the House, that the Government of Newfoundland has been very active at taxpayers' expense, telling the people of Newfoundland what it believes about the off-shore. Is it not reasonable that the federal Government should be able to put its case before the people of Newfoundland? I think it is an act of confidence and an act of respect for the people of that province that we are prepared to tell them what we are prepared to do, and to let them make up their minds.

Mr. Speaker: The Hon. Member for Lanark-Renfrew-Carleton.

Mr. Dick: Mr. Speaker, my question is for the President of the Treasury Board, but he has left the Chamber again.

Mr. Speaker: The Hon. Member for Saskatoon West.

DISASTERS

EFFECT OF WEATHER ON FARMING OPERATIONS IN NORTHERN SASKATCHEWAN

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, my question is for the President of the Privy Council, who has responsibility for Emergency Planning Canada. My question relates to the very serious situation that exists in northern Saskatchewan's agricultural areas. Because such severe weather conditions have occurred, there is a serious matter which negatively affects farming operations in that area. Has the Minister been in receipt, through Emergency Planning Canada, of requests for financial assistance to this important part of our country? Is Emergency Planning Canada going to respond in a positive way?

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, we have a regional office in that region and we are in close communication with it. I want to assure the Hon. Member that if the natural disaster referred to meets the thresholds of our national policy to help regions suffering from such natural disasters, we will be pleased to assist in a financial way. We cannot do that unless we receive a request from the province, and we have not yet received a request from the Province of Saskatchewan. The minute we receive that request, I want to assure the Hon. Member that we will be most pleased to help in the same way as we have very often in the past helped many other regions of the country.

REQUEST FOR MINISTERIAL ACTION

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, my understanding is that the Province of Saskatchewan is taking action with respect to this unfortunate situation in northern Saskatchewan.

By way of a supplementary question, will the President of the Privy Council, as a member of the national Government, take the initiative and make inquiries to ensure if at all possible the wheels are put into motion so that we can get some assistance in northern Saskatchewan to help those people who are operating farms in that part of the country?

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, as I have just stated, whenever a natural disaster occurs in an area of the country, we usually have in the vicinity a regional office where the manager makes the necessary investigation and keeps us informed about any development. He is also there to provide all required information to the Provinces or regions involved and to brief them on how to proceed to apply for federal assistance if the criteria underlying our assistance policy in cases of natural disaster are met.

In this case, I can repeat what I have just told the Hon. Member in my answer to his previous question, namely that we have a regional director in the area, that we shall see to it that the Province is informed of all its rights and that we shall co-operate fully to provide assistance if at all possible under the provisions of our federal assistance program in cases of natural disasters.

Presence in Gallery

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CANADIAN NATIONAL RAILWAYS

APPOINTMENT OF WOMAN CHAIRPERSON

Mr. André Maltais (Manicouagan): Mr. Speaker, I am not sure whether I should direct my question to the Minister responsible for the Council on the Status of Women or to the Parliamentary Secretary to the Minister of Transport. In any case, I will direct it to the Parliamentary Secretary to the Minister of Transport to find out whether there is any truth to the rumour we heard this morning about a woman being appointed as new chairperson of the CN board of directors.

Mrs. Eva Côté (Parliamentary Secretary to Minister of Transport): Indeed, Mr. Speaker, all Canadian women were very pleased this morning to learn that the Minister of Transport has appointed a woman, Mrs. Betty Hewes, as the new chairperson of the CN board of directors. As you know, Mrs. Hewes is from the City of Edmonton and she has a wide experience in the field of public administration and social affairs. She has been a member of Edmonton's municipal council for ten years, sits on Canada health councils on mental health, and is a former special adviser to the Minister of Health of the Province of Alberta.

Needless to say, Mr. Speaker, this is a great day as much for Canada as for the CN which will be headed by an extremely competent chairperson who will represent all Canadian women and make them proud. We are delighted and, on behalf of all my colleagues, I want to extend to Mrs. Hewes our best wishes of success in her new career.

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• (1140)

[*English*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF LIEUTENANT GOVERNOR OF THE STATE OF ILLINOIS

Mr. Speaker: May I call the attention of the House to the presence in our gallery of the Lieutenant Governor of the State of Illinois, the Hon. George Ryan.

Some Hon. Members: Hear, hear!

Oral Questions

PARLIAMENT HILL

AUTHORITY FOR USE BY PEACE CAMP

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, my question is for the Minister of Public Works. Each day as I come from the Confederation Building I notice a mini campground in front of the entrance to this great place, the House of Commons. I understand that the grounds are under the Minister's jurisdiction, and I ask him to clarify the status of the public grounds around Parliament Hill. Do these members of a special interest group have an agreement with Public Works, or are they paying rent?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, I presume the Hon. Member is referring to what has commonly become known as the Peace Camp. Am I correct? This situation arose quite a long time ago, as the Hon. Member knows. In fact it lasted throughout the winter. Perhaps the Hon. Member knows that under the previous administrative arrangements there was a committee composed of a number of Departments which, in fact, gave permission for the initial demonstration or manifestation of views to take place. So far the Government has not chosen to put an end to this expression of views.

CAMPING REGULATIONS

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, my supplementary question is directed to the same Minister. I would then assume that any Canadian citizen or group of Canadian citizens could apply for permission to camp there, or camp there without permission. What action would the Government take? Would they be welcome to camp there during the summer season in particular when there are a lot of campers who would be interested in such a nice camping spot?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, the NCC provides other camping facilities with somewhat better services than those provided in front of the Centennial Flame. That being said, it is because of the possibility that other groups might want to set up a permanent Hyde Park corner type of arrangement that we are reviewing the administrative processes that I mentioned earlier.

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NATIONAL RESOURCES

BRITISH COLUMBIA GOVERNMENT'S PROPOSAL TO EXPORT WATER

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is directed to the Minister of the Environment. I am sure he is aware by now that the auctioneers presently running British Columbia, known as the Socreds, who are the Liberal wing in the West, have authorized in principle the export of fresh water from British Columbia. A short time ago, and I am glad to see him in the Chamber today, the Hon. Member for Dollard proposed damming the southern part of James Bay with a 160 kilometre-long dike and diverting those rivers to the United States, undisputed by any members of Cabinet as to the legality or illegality of such a proposal.

In a letter to me dated February 3, the Minister said, and I quote:

> —the Government of Canada has never formally sanctioned any water export scheme, and is clearly on record as opposing the export of our water resources. Provincial statements parallel federal policy in this regard.

Will the Minister tell us whether the proposal by the British Columbia Government is legal or illegal? Since it is not sanctioned, what does that mean? Will he stop it or not?

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, as a citizen of British Columbia the Hon. Member holds part of the responsibility for that Province being up for sale. Having said that, I would confirm the letter from which he is quoting dated last February, by saying that a number of ideas have been floating around, not just in British Columbia, about water diversion and the export of water. Nevertheless, our position on that is clear and consistent. We do not subscribe to this notion. We reject the contention that water is available for export. This will be a very important commodity for Canadians in the decades ahead. We therefore reject any such notion, whether it comes from provinces, municipalities, or regions in the North.

JAMES BAY WATER RESOURCES

Mr. Jim Fulton (Skeena): Mr. Speaker, my supplementary question is directed to the Minister for International Trade. The Minister wrote me on February 15 stating that he supports the export of Canadian pop, Canadian beer and Canadian booze, but, to quote him: "You can be assured that the policy of the Government of Canada is not to sanction the export of fresh water." I wonder whether the Minister had his thinking cap on this morning and whether he can tell us if he supports and endorses the proposal by the Hon. Member for Dollard to divert James Bay to the United States, and what he thinks sanctions are in terms of the approval in principle by British Columbia to export water internationally.

Mr. Speaker: The Chair is concerned about moving from one Minister to another for supplementaries.

Mr. Broadbent: Why?

Mr. Speaker: Either we have procedures in the House or we do not. The Chair will permit the supplementary question.

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, we certainly subscribe to the idea of exporting beer to any part of the world that recognizes the high quality of our product, but we do not subscribe to the idea of exporting our water. It is as simple as that.

NATIONAL DEFENCE

AURORA AIRCRAFT—ENGINE DEFECTS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a question for the Minister of National Defence. It has to do with the engine problems experienced some months ago in the Aurora aircraft. Will the Minister indicate whether the engineering defects in those Pratt & Whitney engines have been overcome? Are all aircraft now operational?

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, I thank the Hon. Member for his question. He is quite right that engineering difficulties were experienced with the guide vanes on the Aurora aircraft engines. Those problems have now been rectified. There has been a replacement of the guide vanes. I am pleased to advise the Hon. Member that we identified the engineering changes that will be required. Those changes are presently being tested.

OPERATIONAL STATUS OF AIRCRAFT

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I asked whether all the aircraft were operational. If not, can the Minister indicate when they will be operational? Can he indicate whether as a result of contracts with Pratt & Whitney and Lockheed, the cost of re-engineering these engines is to be borne by Canada, or were those engines under some form of warranty?

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, I can advise the Hon. Member that as of this morning 12 of the 18 aircraft are fully operational. The changes have been effected on all the engines that had manifested difficulties. We have had a great deal of co-operation from the engine manufacturer and from Lockheed in effecting the changes. In terms of the cost, I will have to review and report to the hon. gentleman.

* * *

NATIONAL RESOURCES

PROPOSED EXPORTATION OF WATER FROM BRITISH COLUMBIA

Mr. Lorne Greenaway (Cariboo-Chilcotin): Mr. Speaker, I have a question for the Minister of the Environment. It is further to the question of the Hon. Member for Skeena. I think he has misrepresented what is going on in British Columbia. What they are proposing to do is take water from a waterfall that is dumping into the Pacific Ocean, in a tanker and export it to Mexico. That would not be much more water than goes every year in beer bottles to the United States. What could possibly be wrong with taking water that is going to waste, and exporting it in a tanker to Mexico?

• (1150)

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, it is interesting that a Conservative Member must rise to clarify a policy statement made by the Social Credit Government of British Columbia. I would draw his attention to the fact that when one begins to pump water into tanks for export purposes, one deprives the water basin of its water. In addition to that, it deprives the river of the biological role that that water plays downstream in its estuary. Thus, it affects the life forms along the shores and under the water surfaces that exist as a result of that water coming down from higher levels. Therefore, the removal of water has long-term and very serious biological effects. I am surprised that the Hon. Member is not aware of such an elementary notion, one that is known by every child in grade five.

WATERFALL ON PACIFIC COAST

Mr. Lorne Greenaway (Cariboo-Chilcotin): Mr. Speaker, with all due respect to the Minister, I would like to tell him that this water is coming from a waterfall and is dumping into the Pacific Ocean. It is not being caught upstream and diverted, but is going to waste. It is a completely different situation from the one which has been presented.

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, I have a little bit of envy for the capacity of the Hon. Member to think in compartments. To him, water that falls from a waterfall is different from water that flows along a river. I reject that notion because water is water, and it performs a biological role downstream no matter whether it comes from a waterfall or from a normal, peacefully flowing stream anywhere on this planet.

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HUMAN RIGHTS

PLIGHT OF SOVIET DISSIDENT, ANDREI SAKHAROV

Mr. Fred King (Okanagan-Similkameen): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. The Minister is fully aware that the Sakharov case continues to receive world-wide attention and that much anxiety over this case is being expressed in Canada. That fact was impressed upon Dr. Arbatov, Director of the Soviet Institute of the United States and Canada, during his Wednesday visit to Parliament Hill. At that time we emphasized that abuses of human rights such as those affecting the Sakharovs are major impediments to achieving better relations between our countries.

Would the Minister inform the House of the results of the consultations he undertook with the Foreign Ministers of NATO countries during the NATO meeting in Washington earlier this week, which were prompted by the unprecedented action of the Nobel Peace Prize Committee in putting the prestige of that Committee behind a direct appeal to the President of the Soviet Union requesting that Andrei Sakharov and his wife Yelena Bonner be freed?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, I thank the Hon. Member for raising the matter of this important human rights case in the House once again. Before I went to the NATO meeting in Washington we had an exchange, and I said that I would be exploring the possibility of having anything further done by the NATO Foreign Ministers.

Certainly the matter of the Sakharovs was mentioned frequently by Ministers in their assessments of East-West relations. On reflection, it appeared to me that it would probably be counterproductive for NATO Ministers to make a declaration on this particular case because it might be construed as being a confrontational and political move on the part of the Alliance, when it is really a case of human rights and humanitarian considerations. For that reason I certainly did not press my colleagues to go beyond that which each of us is presently doing, namely, carrying out the wishes of the people of all of our countries to urge the Soviet Union to respond to our pleas. As the Hon. Member knows, we have made quite a number of representations, and will continue to do so.

Mr. King: Mr. Speaker, may I remark to the Minister that that was the reason for the original suggestion which I made in the House, which was that this be done through the nations which are signatories to the Helsinki Accord, the C.S.C.E. nations, those nations which have a feeling for human rights that parallels our own.

REQUEST THAT JOINT APPEAL BE CONSIDERED

Mr. Fred King (Okanagan-Similkameen): Mr. Speaker, could the Minister indicate to the House whether or not he would in fact be prepared to proceed with some type of joint appeal with the Helsinki Accord nations?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, Canada would certainly have no difficulty joining in such an appeal. As the Hon. Member knows, the conference on disarmament in Europe is presently in progress in Stockholm and I believe that that is a place where one might make further representations or further references. I know that our ambassador in Stockholm has been discussing this matter with his colleagues.

As I said to the Hon. Member when responding to his question of last week, it is unlikely, and in fact will not happen, that all the signatories to the C.S.C.E. will sign such an agreement. However, while Canada would link itself with a joint appeal, I wonder whether such an appeal would be any stronger than the appeal which each of us in his own way and each country in its own way is presently making, and will continue to make to the Soviet Union.

The Hon. Member may have noticed that our friend, the Foreign Minister from Australia, made the case directly to Mr. Gromyko, as did Mr. Genscher and other Foreign Ministers of NATO who were recently in the Soviet Union. I think we are all working as hard as we can, and if there are other more effective methods, including the one put forward by the Hon. Member, we are prepared to consider them.

* * *

TRADE

EFFECT OF CLOTHING AND TEXTILE IMPORTS

Mr. Dan Heap (Spadina): Mr. Speaker, my question concerns international trade, and since the Minister responsible had to leave to catch a plane, he assured me that the Minister for External Relations would be willing to answer my question. As the Minister knows, Canada now allows a larger share than most other countries in western Europe and North America of its domestic market in clothing and textiles to be taken by imports from countries with Governments that have forced wages down to levels which are about 10 per cent of those in Canada. Furthermore, imports from those countries with very low wages have risen by about 20 per cent or 25 per cent over the last three years. This has created a serious unemployment crisis in the clothing manufacturing industry.

Will the Minister ask his colleague to reconsider his declared policy of reducing the import restrictions during the coming years? Will he ask him to institute import controls that enable Canadian clothing manufacturers to establish firm and long-lasting employment, on the basis of a reliable share of the Canadian domestic market?

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, the notes left by the Minister who is in charge of international trade really only cover the beef situation. I understand that there is such a thing as clothed beef, but clothing and beef are really two separate entities.

In the notes that are before me, the Minister makes the case that there are two types of beef imports. I myself knew that from being Minister of Industry, Trade and Commerce. One type is the chilled quality beef, and the other is the frozen beef. Most of our imports are in the second category. After that, the Minister makes the case that indeed there has been a tremendous increase in imports of beef, particularly from Nicaragua and Ireland, and that—

Mr. Speaker: I would point out to the Minister that, as I understood it, the question related to clothing quotas.

Mr. Heap: Mr. Speaker, thank you for clarifiying the question to the Hon. Minister. I realize that he may have been concerned with dressed meat and thought that that was what I was talking about when I mentioned clothing manufacturing. However, I am very much concerned for the tens of thousands of jobs which may be lost in several parts of Canada, and I am sure that the people who may be laid off are not laughing.

REQUEST THAT MINISTER MEET INDUSTRY REPRESENTATIVES

Mr. Dan Heap (Spadina): Mr. Speaker, I would ask whether or not the Minister would ask his colleague, the Minister for

International Trade, to convene a meeting of the interested parties, particularly the manufacturers and unions in the clothing industry, with himself and his staff to address the present crisis which is being caused by the escalating share of the Canadian market being lost to countries that pay wages of 50 cents or less per hour?

• (1200)

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, that kind of discussion is really one in which judgment plays a very major role. How much Canada should import and how much it should prevent the importation of something is constantly under study. I am looking at the Minister of DRIE because his Department studies that situation constantly. It is a problem of balance. If we are too protective against other countries which try to export to Canada, obviously they will reciprocate in kind—sometimes in even greater measure against our exports abroad. The whole exercise is one of balance. It is quite normal that after talking to interest groups in this area, a Member of Parliament tends to exaggerate or tends to bend the other way. But the Government's role is really not to be excessive either way.

IMPACT OF BEEF IMPORTS FROM IRELAND

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, I have a brief question which I would like to address to the Minister for External Relations. My question relates to the Irish beef situation, which has been raised twice before in the House with the Minister of Agriculture and with the Minister for International Trade. I would like to ask the Minister if he is aware of the situation and aware of the serious problems which it is causing? Every time we import beef, we potentially put Canadians out of work.

I would also like to ask the Minister if he is prepared, through his Department, to assist the producers of the country develop their case in order that they will not have to spend the $60,000 or $80,000 that apparently it will cost to prove injury. Is the Minister, under the GATT arrangements, prepared to slow down beef imports? It is a very serious situation. I wonder if the Minister could bring us up to date on what the Government is doing or is prepared to do about this situation?

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I am terribly pleased to be viewed as relevant, because this is a subject on which the Minister for International Trade has beefed me up. The case which he is making is that indeed beef imports from Ireland have gone from 1.3 million pounds to 11.8 million pounds for a comparative period this year over last year. The Minister says that it is due to a substantial subsidy which was paid by the Government of Ireland. That subsidy has now been reduced. Consequently the effect on pricing in Canada is lower than it was—the difference being that it has gone from ten cents a pound to seven cents a pound.

The Minister has already indicated to the cattlemen—the beef producers in Canada—what to do in this instance, and has given them an indication of how to proceed. The Minister for International Trade ended his analysis by saying:

—it may be difficult to substantiate their claims as domestic prices have been relatively firm and have even shown some evidence of strengthening.

That is the description which the Minister gives of the present situation. It may not be conducive to dramatic action against Irish beef.

REQUEST THAT GOVERNMENT ASSIST BEEF PRODUCERS

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, I have a brief supplementary question. Is the Government prepared to work with the producers to assist them in developing their case to show whether there has been injury? There is evidence which points out that there has definitely been injury. What I would like to know is whether the Government is prepared to work with the producers to develop a case as quickly as possible so that they will not have to go through the expense themselves.

Hon. Jean-Luc Pepin (Minister for External Relations): Of course, Mr. Speaker. The Minister a few days ago, indicated just that. He is very keen to help those who feel prejudiced and to make that case to National Revenue.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Thursday, May 31, 1984, meet the requirements of the Standing Orders as to form.

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POINT OF ORDER

MR. CROSBIE—REMARKS OF MR. TRUDEAU DURING QUESTION PERIOD

Hon. John C. Crosbie (St. John's West): Mr. Speaker, I rise on a point of order. It relates to the proceedings which occurred yesterday in the House and remarks made by the Prime Minister (Mr. Trudeau) which were wrong and incorrect. I would like to draw that to the attention of the House. Those remarks should not be allowed to remain on the record. The Prime Minister was questioned yesterday—

Mr. Speaker: Is the Hon. Member alleging unparliamentary language? It is not a point of order to have a disagreement relating to facts.

Mr. Crosbie: Mr. Speaker, then I will rise on a point of privilege. I have been lied about in this House by the Prime Minister and I want to draw that to the attention of the House.

Point of Order—Mr. Crosbie

Mr. Speaker: Will the Hon. Member please resume his seat. The Hon. Member rose on a point of order. I have asked the Hon. Member whether or not it was dealing with unparliamentary language, but that does not appear to be the case. If the Hon. Member feels that he has point of privilege, I will hear him on a point of privilege.

Mr. Crosbie: Yes, Mr. Speaker, I rise on a point of privilege—

Mr. Speaker: I would draw to the attention of the Hon. Member that, if he has a point of privilege, the normal course would be for him to give notice to the Chair, which he has not done. If there is a difference as to the facts, there are various opportunities open to the Hon. Member, one of which is the "late show". If the Hon. Member does not have a point of order, he should give notice to the Chair before raising a point of privilege at this point.

Mr. Crosbie: Mr. Speaker—

Mr. Speaker: On what point does the Hon. Member seek the floor?

Mr. Nielsen: Let him have a word, for God's sake.

Mr. Speaker: If the Hon. Member is seeking the floor, the normal courtesy to the Chair is to indicate the basis on which he seeks it, whether it is order or privilege. If it is privilege, I have indicated the problem. If it is a point of order, the Hon. Member should indicate the point of order.

Mr. Crosbie: I certainly do not want to interrupt your good self, Mr. Speaker. My point is a point of order in my view. If it is not a point of order, then it is a point of privilege.

I was misquoted in this House by the Prime Minister yesterday. He tried to divert the House with a red herring by saying that at some time I had said the Minister of Finance (Mr. Lalonde) should go to Gabon to be with people who were swinging from trees.

Mr. Speaker: The Hon. Member has made his point—

Mr. Crosbie: That is false and I want to give notice that I will raise it with the Prime Minister when he comes to this House again. He is a liar by public opinion.

Mr. Speaker: I suggest that it is a matter which the Hon. Member should take up with the Prime Minister on the next occasion the two are together in the House.

Some Hon. Members: That is exactly what he said.

Mr. Speaker: In that case he did not have to take the time of the House today.

ROUTINE PROCEEDINGS

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 638 and 770.

[*Text*]

LABORATORY INVESTIGATIONS PROGRAM

Question No. 638—**Mr. Stewart:**

Is there a Laboratory Investigations Program and, if so, what (a) department or agency is responsible for its administration (b) amount was budgeted for the program in the fiscal year (i) 1982-83 (ii) 1983-84?

Mr. Rolland Dion (Parliamentary Secretary to Minister of State for Economic and Regional Development and Minister of State for Science and Technology): (a) The National Research Council of Canada. (b) (i) $1.1 million, (ii) $2.7 million.

DVA—POST-GRADUATE FINANCIAL ASSISTANCE FOR STUDENTS

Question No. 770—**Mr. Towers:**

1. Does the Government give any grants, bursaries and/or scholarships to students who are children of veterans attending post-graduate schools in Canada and, if so, at what (a) total cost (b) cost, by province?

2. How many persons are now receiving such grants, bursaries and/or scholarships and (a) what is the average grant, bursary or scholarship and, in each case, what is the average amount paid, by province (b) during what average period do students receive such assistance?

Hon. W. Bennett Campbell (Minister of Veterans Affairs): 1. Yes, the Department of Veterans Affairs provides post-graduate financial assistance to eligible children through the Children of War Dead (Educational Assistance) Act. (a) $164,204.33 FY 1983-1984.

(b) Province	Cost
Newfoundland	Nil
Nova Scotia	$13,884.65
Prince Edward Island	$ 2,290.82
New Brunswick	$ 3,231.57
Québec	$42,244.79
Ontario	$48,559.26
Manitoba	$11,515.45
Saskatchewan	$ 9,584.28
Alberta	$ 6,049.79
British Columbia	$26,843.72

2. Fifty-six persons. (a) $2,932.22 per student annually.

Average grant by province	
Nova Scotia	$1,983.52
Prince Edward Island	$2,290.82
New Brunswick	$3,231.57
Québec	$2,484.99
Ontario	$3,468.52
Manitoba	$3,838.48
Saskatchewan	$2,396.07
Alberta	$3,024.90
British Columbia	$3,934.82

(b) The average period during which students receive assistance varies depending on students course of study and the degree of concentration of study. Generally speaking, their period is from one to four years of which six months per year is funded, based upon annual study requirements. However, no assistance is provided beyond age 30 or, the end of the academic term in which the student reaches the age of 30.

[*English*]

Mr. Speaker: The questions enumerated by the Parliamentary Secretary have been answered.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 749 could be made an order for return, this return would be tabled immediately.

Mr. Speaker: Is that agreed?

Some Hon. Members: Agreed.

[*Text*]

HIGHWAY ADVISORY BOARD

Question No. 749—**Mr. Mazankowski:**

1. Is there a Highway Advisory Board and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Board meet and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Return tabled.

[*English*]

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

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

YUKON QUARTZ MINING ACT

AMENDMENT RESPECTING STAKING OF CLAIMS

Hon. Jean-Luc Pepin (for the Minister of Indian Affairs and Northern Development) moved that Bill C-44, an Act to amend the Yukon Quartz Mining Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Neilsen: Mr. Speaker, I rise on a point of order. The Minister seconding the motion should be in his seat.

Mr. Speaker: The Bill will be seconded by Mr. Lumley.

● (1210)

Mr. Evans: I rise on a point of order, Mr. Speaker. I believe if you seek unanimous consent, Mr. Speaker, you will find that there is such consent that the Bill not be referred to the Standing Committee on Indian Affairs and Northern Development but be referred rather to Committee of the Whole; and we will proceed through all stages of the Bill with one speaker per party.

Mr. Nielsen: No, no!

Mr. McDermid: Mr. Speaker, the arrangements which were suggested by the Parliamentary Secretary are fine, with one exception. Because this Bill does affect the riding of my colleague, the Hon. Member for Yukon, we will have two speakers speaking on this Bill. I would not want to limit the motion brought forward by the Parliamentary Secretary to one speaker for each Party.

Mr. Evans: That is agreeable, Mr. Speaker.

Mr. Speaker: Then it is moved by Mr. Pepin for Mr. Munro, seconded by Mr. Lumley, that Bill C-44, an Act to amend the Yukon Quartz Mining Act, be now read a second time and, by unanimous consent, referred to a Committee of the Whole. Is it the pleasure of the House to adopt the motion?

[*Translation*]

Mr. René Gingras (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I am pleased with this opportunity to speak on second reading of the Bill to amend the Yukon Quartz Mining Act.

Although the proposed amendments are relatively minor since they concern only one section of the existing legislation, they are extremely important to the continuing stability and expansion of the mining industry in the Yukon. That is why I hope the House will expedite consideration and passage of these amendments.

Yukon Quartz Mining Act

As some Members may be aware, the Yukon Quartz Mining Act which regulates mineral prospecting and mining in the Yukon, is one of many pieces of legislation which the Minister of Indian Affairs and Northern Development (Mr. Munro) is responsible for enforcing. In practical terms, this Act regulates prospecting and the staking of mining claims in the Yukon, with respect to a large number of minerals including gold, silver, lead, zinc, and tungsten. Extracting the metalliferous ores is one of the basic activities of the mining industry in this territory.

I may recall that this legislation came into effect nearly sixty years ago, and although it was amended in 1952, a number of provisions are now obsolete and should be reviewed and revised.

Section 12, which is of specific interest to us today, sets strict limits on the rights of private citizens to stake claims in a given location and during a given period. When the legislation was introduced, most mineral prospecting and mining was not really extensive, and it was judged that such limits were necessary and desirable. However, with the expansion of the mining industry in the North, these activities have expanded as well. Because of the economic situation, the high cost of prospecting and setting up facilities cannot be justified unless one has good reason to expect substantial production.

Section 12 of the existing Act allows a person to stake only eight claims within a radius of sixteen kilometres or ten miles, over a period of twelve months. However, the territory covered by mining companies has expanded. Some companies hire a group of individuals who each stake eight claims, registered under their own name and subsequently ceded to these companies. That is how companies are able to acquire the vast amounts of land they need to warrant the cost of prospecting with modern techniques.

I am particularly concerned, and that concern is shared by those who are trying to expand mining in the North, that a court might rule that this procedure contravenes Section 12.

Mr. Speaker, a ruling of this kind would not only have disastrous consequences for the future of the mining industry in the Yukon, it might challenge the validity of all claims staked in this way over the years. The amendments presented in the House today will have the following consequences:

First, removal of restrictions on the number of claims an individual has the right to stake;

Second, removal of the provisions on staking claims by power of attorney;

And finally, validation of existing claims in accordance with the provisions of Clause 12.

Mr. Speaker, I may add that the proposed amendments will bring the legislation on staking claims in the Yukon into line with similar legislation in other jurisdictions in Canada. The regulations on mining in Canada, which deal with similar issues in the case of the Northwest Territories, were amended in 1975 in order to remove such restrictions. Thus, we now have two different pieces of legislation dealing with mineral prospecting north of 60°.

I believe Hon. Members will agree that this is not a desirable situation. The proposed amendments are firmly supported by the Government of Yukon and the mining industry. Those most affected by this issue are very anxious to see us take preventive action to end situations that might do considerable harm to the Yukon's economic expansion.

I hardly need remind the House how important the mining industry is to the people of the North. Since the Klondike gold rush, mining has played a major role in opening up the North to the outside world and has provided lucrative employment for the local population.

Even more important are future prospects for mining in the North, not only for the local population but for all Canadians. Forty per cent of Canada's territory is located north of 60°, where substantial mineral resources are as yet untouched. It is therefore in the interests of all Canadians that mineral prospecting and mining in the North should be done as efficiently as possible.

The Yukon's mining industry went through difficult times at the beginning of the eighties, because of a slump in demand and a drop in prices for its main products, lead and zinc. Nevertheless, in recent years this sector represented about 3 per cent of total mineral production in Canada, it provides about 10 per cent of the jobs, which works out to more than 5,000 person-years, and makes the most substantial contribution to the territory's gross domestic product.

Practically all the Yukon's mining production is exported and accounts for a substantial part of Canada's balance of payments. I may say that the mining industry has a promising future in the Yukon. Short-term forecasts for precious metals are good. More than half of current and projected spending on prospecting in this region is directed towards precious metals. Last year, three high-grade silver mines were operating, and placer mining, a traditional part of the mining industry in the Yukon, has resumed.

In the long run, it is quite probable that the discovery of substantial reserves of lead, zinc, iron and tungsten will increase exploration activity during the next twenty or thirty years. This means that the mining industry in the Yukon might expand further during the same period.

How are we going to make this come true, Mr. Speaker?

I believe that one of the most important things the Government should do is promote economic stability and political confidence, and maintain a climate that is favourable to the development of the North's resources. Developing mineral resources requires long-term planning and commitment of often very substantial funds. If we want to encourage mineral prospecting and exploration in the North, we must provide

guarantees that such activities will take place in a stable environment and that the Government is willing to contribute to the success of these ventures.

We have made many efforts to create such a climate. In fact, I feel that the definitive settlement of the general claims by the Yukon Indian Council will help politically to restore confidence and stability in the Yukon.

Furthermore, our policy for supporting a comprehensive and ongoing program for construction of roads and industrial facilities in the North is a clear indication to prospective entrepreneurs that the federal Government is prepared to make the North's resources more accessible. More directly, the Department has for some time been working closely with representatives of the Territorial Government and the mining industry to develop a comprehensive policy for mineral prospecting and mining in the North.

These efforts have been successful, and very shortly a series of documents will be published, dealing with some of the main problems connected with the long-term viability of mines in the North and their impact on the region's economic expansion.

Mr. Speaker, the Bill before the House today is a direct result of our concern for maintaining this climate of confidence and stability. We must deal with a situation that might create a lot of confusion in the mining industry in the North and thus preclude future resource prospecting and mining in the Yukon. It is a situation that is not in the interests of the people of the Yukon or of Canadians. The proposed amendments will give us the means to circumvent this problem and establish specific regulations that reflect the realities of our time. This Bill is supported by the Territorial Government and the people of Yukon, by the mining industry and by this Government. I believe it deserves the approval of all the Members of this House.

● (1220)

[*English*]

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, I am going to participate very briefly in this debate, and then I am certain the Chair will recognize my colleague from Yukon (Mr. Nielsen) who, needless to say, has a very great interest in this legislation.

I will begin my remarks by referring to something that the Parliamentary Secretary said, that these are minor amendments but extremely important. They are extremely important to Yukon. For that reason I am very disappointed that the Minister has not seen fit to bring the amendments to the House but has asked his Parliamentary Secretary to do so. I am not reflecting badly on the Parliamentary Secretary; he is a very fine gentleman. But I am extremely disappointed that the Minister, who has $3 billion in the Estimates, appeared once before the committee for approximately one hour and half and that is the last we have seen of him. I have heard rumours he is out campaigning for one thing or another, but we are not sure because he does not show up in any of the polls they publish these days. I am very disappointed that he is not here to bring this Bill through. It just shows the people of Yukon—

The Acting Speaker (Mr. Guilbault): Order, please. I would just like to remind the hon. gentleman that referring to the presence or absence of Members in the House is not in order.

Mr. McDermid: I am referring to the Minister's Bill and he is not here to bring it in. I am very disappointed at that and the people of Yukon can see that he really does not have an interest in them at all.

I was very interested to listen to the Parliamentary Secretary talk about the great interest in mining this Government has and how it is all fired up to encourage it. The amendments to this Act will no doubt help. On the other hand, the Government is bringing in big clubs to regulate the industry through some onerous conditions to be imposed on certain mining sectors in the north. We are very concerned about that. We feel the Government is speaking out of both sides of its mouth. Although the Parliamentary Secretary gave a very eloquent address this morning, one that was obviously written for him by someone in the Department, we treat those remarks with some suspicion. I just did not feel that there was conviction in the tone of delivery.

This Bill abolishes Section 12 of the Yukon Quartz Mining Act and replaces it with a new Section 12. I will not go through all the things it does once again. The Parliamentary Secretary fairly well laid it out, although there were a couple of things I was concerned about. He said individuals could lease to mining companies and I think he means that they could transfer to mining companies. One of the concerns we have is that the old Section 12 referred to every person 18 years of age, et cetera. Of course, under the interpretation section a "person" meant "company" and that has now been changed to "individual". We were concerned that companies were excluded.

Under Section 88 of the Act there are conditions for the transfer of a mineral claim from an individual to a corporation, or in effect, I guess, to another individual. Section 93 refers specifically to where a transfer is made to any person or company after a certificate of improvements has been issued. The intent is very clear that in fact companies can participate through their representatives and transfer claims to the corporation. That was our major concern.

I must say that on my recent trip to Yukon I spent a considerable amount of time in the placer mining area near Dawson City. It was a great experience. I got to learn first-hand of the miners' problems and concerns over the heavy-handedness of the Government in its dealings with them. The concerns are genuine and I would hope that this Government, although it has a very short time to go, would listen to those concerns. I can assure those people that when we form the next government, we will listen to those problems and act on them because they are very real.

The placer mining industry is a key industry to the economy of Yukon. It is an exciting industry. I can understand the fever that hits miners in the field having listened to them, watched them work and observed the atmosphere in that great metropolis of Dawson City. I can understand some of the motivation that the miners have in getting involved in placer mining.

We on this side will be supporting the Bill and we hope to move it through all three stages this morning and have it passed into law so that the mining industry will not be retarded in any way because of our negligence in not passing this Bill.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, it is my intention also to speak very briefly on this Bill. The objective of the Bill is to eliminate the restriction on the number of claims that can be staked by any one individual in the Yukon Territory. The reason that restriction was enacted years ago was to prevent one person from tying up too much ground. In the early part of this century and the latter part of the previous century prospectors would go out and, once they found a showing and had perhaps done a fair amount of work on that showing, it would then be staked.

That is not the way exploration is done these days. Most of the showings that could be found fairly easily have already been found and evaluated. On the basis of regional geology, regional geophysics or geochemistry, an area is now outlined and the exploration company or prospector will go into that area. They like to have some assurance of title on that area so that a fair amount of money can be spent on detail work. Very often the large area of ground is only required for a period of one or two years while this work is being done. When more desirable areas within that region have been delineated, the rest of the ground will be let go. That is the reason that for initial stages of exploration today it is necessary that far more than eight claims, which is about 400 acres, be held by one individual or corporation for the purposes of exploration.

● (1230)

I would like to bring to the attention of the House one instance of what I would call miscarriage of justice resulting from the Canada mining regulations made under the Territorial Lands Act. A few years ago under that Act there was a similar restriction on the number of claims that could be staked by any one individual. What is normally done in the Yukon today, as was done in the Territories on that day, is that people would go out and stake the maximum number of claims. A friend would stake the contiguous ground and then transfer it to the person who wanted it.

In this particular instance a prospector had gone up to the Hackett River area in the Territories. A group of some 150 claims had been staked and transferred to the principal by people who had assisted him. He then auctioned that ground to a British Columbia corporation. The auction payments were not made so he took the B.C. corporation to court and tried to sue it for the moneys owing. The judge in the case in a British Columbia court ruled that no moneys were owing because the claims had been improperly staked; that the intent of the regulations had been broken and he had in fact acquired more than the permitted number of claims.

That presumably meant that the ground was open because the claims were improperly staked in the first place. The gentleman went back and restaked over the top of the ground he had initially staked. When he tried to record these new claims with the government official he was told that he could not do that because they were validly staked already. He was not able to recover in one way and was not able to get satisfaction in another way. That is one of the worst instances I can think of in Canadian jurisprudence where somebody got a pretty bad going over by the courts.

As a result of that case, the restriction on the number of claims which could be staked in the Territories was removed. It was a lot easier to do in that case because we were operating with regulations rather than an Act of Parliament. I am pleased to see that this type of miscarriage of justice will not now happen in the Yukon as a result of the passage of these amendments.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have a chance to speak on Bill C-44 to amend the Yukon Quartz Mining Act. One of the reasons that there is some urgency to have this Bill dealt with today is that there is a trial pending in the Supreme Court of the Yukon. It was originally set for this month but is now set for September. Under the existing piece of legislation there would have been some pretty severe ramifications for mining companies and individuals involved in the staking of claims, prospecting or mining.

The Bill currently before the House does a couple of things to amend Section 12 of the Yukon Quartz Mining Act. It removes the limit on the number of mineral claims allowed to be staked. Second, it repeals provisions respecting staking of claims by power of attorney. Third, it validates all existing mineral claims which may be deemed invalid only by reason that they were staked without prior filing of a power of attorney and/or in excess of the limit imposed by the current Section 12 of the Act.

Having staked claims and mined myself in the Yukon when I worked at Big Creek south of Carmacks for Kaiser Resources, I know what the implications would be for many individuals and companies who have made use of the Act. As you will appreciate, it is a somewhat old piece of legislation; it was passed 60 years ago. It is the wording which is creating the problems. The existing Section 12(1) reads as follows:

Subject to subsection (2), a person eighteen years of age—

As has been noted by a previous speaker, "person" is no longer the proper word to be used in terms of interpretive law. It in fact should say "individual", as is now the case in the new Section 12. It goes on to say:

—or over, may personally or by attorney—

Historically that has meant that one can stake claims or by power of attorney one can be given the right to do that for someone else and then file those claims. It continues:

—enter, locate, prospect and mine upon any vacant territorial lands in the Yukon Territory, for the minerals defined in this Act, and upon all lands in respect of which the right to so enter, prospect and mine such minerals has been, or is after the 19th day of July 1924 reserved to the Crown.

The change for that section is essentially an interpretive one. It will now read:

Any individual eighteen years of age or over may enter, locate, prospect and mine for minerals on

(*a*) any vacant territorial lands in the Territory; and

(*b*) any lands in the Territory in respect of which the right to enter, prospect and mine for minerals is reserved to the Crown.

That clears up the interpretive problem in terms of who can do it and where.

The second major change is really a retroactive one. Section 12(2) of the old Act provided:

Subject to section 46, during any period of twelve months no person is entitled to locate, whether personally, as attorney for another or by an attorney, more than seven mineral claims in the aggregate within a distance of ten miles from any other mineral claim (making a total of eight mineral claims) located by him personally, as attorney or by attorney, during that period.

Subsection (3) reads:

Every power of attorney authorizing a person to enter, locate, prospect or mine pursuant to subsection (1) shall be filed with the mining recorder before the entering, locating, prospecting or mining is undertaken.

The possible impact of the trial which would proceed this September would be to rule invalid enormous numbers of claims throughout Yukon. It could place many individuals and companies who had staked claims in the last six decades in a very unpredictable situation. They have acquired claims in areas where they feel there is a substantial lode of some kind or another, whether tungsten, zinc, gold, silver or whatever.

The new Section 12.1 which deals with that retroactivity reads:

No mineral claim recorded before this section comes into force shall be held invalid by reason only that

(*a*) during any period of twelve months more than seven mineral claims were located by the same person,

That is the key new clause. It continues:

—whether personally, as attorney for another or by an attorney, within a distance of ten miles from any other mineral claim located by him, whether personally, as attorney for another or by an attorney, during that period; or

(*b*) a power of attorney authorizing a person to enter, locate, prospect or mine was not filed with a mining recorder—

Two key points are added in the new section. If I had given someone power of attorney to stake claims for me and he or I had not filed them properly or they had not been properly transferred, in most cases in Yukon that has now been retroactively dealt with. Part of the court case before the Supreme Court of the Yukon is to deal with what would happen if that process were to go ahead. As I said, it would have some rather serious negative repercussions on individuals.

● (1240)

I understand that all major northern mining industry representatives as well as the Mining Association of Canada and private corporations have indicated their concern and the urgent requirement of the House to deal with this section, especially prior to any kind of ruling by the courts.

It has been the practice in the Yukon for many years for groups of individuals to locate contiguous blocks. If you chain in one direction or the other, in fact it is possible to stake off eight claims rather quickly in an afternoon. It has been the practice to locate contiguous blocks of eight claims each and to transfer their interest to one person, whether it is a corporation or an individual. Thus it may be argued that this one person has acquired, by attorney, more than eight claims within a distance of ten miles in a single 12-month period in contravention of subsections 12(2) and 12(3) of the Yukon Quartz Mining Act. As I said, it would contravene the old Act but will not contravene this one either in the future or retroactively.

This problem has been recognized for a long time. The Act was last amended over 30 years of ago. A Bill was brought forward in 1970 that was to be a new Yukon minerals bill. In that Bill, Clause 104.1 would have validated the mineral claims acquired in a 12-month period beyond the limit imposed by the existing Section 12(2) of the current Act. However, there was not a lot of support in Yukon or in the industry generally for that particular Bill and it did not get anywhere.

In 1979 and 1980 another Bill was initiated to effect the minor amendments desired by the industry, one of which would have validated the subsisting mineral claims in the same way as the 1970 Bill as well as the Bill that we will pass this afternoon. The difficulty that arose with the 1970 legislation was that there were a number of other elements in it which were supposed to modernize the old 1925 Act.

Mr. Nielsen: It was a whole new Act.

Mr. Fulton: It was supposed to modernize it but there were a number of sections of that Act that were not popular with the industry. For that reason it did not make its way through the House.

Consensus for action has been difficult to achieve because, on the one hand, the mining industry which seeks this amendment has strongly opposed other measures which were included in the Yukon minerals Bill in 1970, and, on the other hand, there has not been much enthusiasm for opening the Yukon Quartz Mining Act to make only a few changes knowing that the whole Act must be brought into the twentieth century.

The anticipated reduction in investment in mining in the Yukon, foreseen if the Act was not amended, would have caused the loss of hundreds of jobs in mining which, as all Members will know, is one of the key employers in the Territory. Opportunities in the mining industry have provided employment for decades, not only to native Yukoners and Indian people in the Territory but to many who go there from other parts of the country, as I did from northern British Columbia years ago to work in the industry.

I am pleased to have spoken to the Leader of the Opposition in the Yukon Legislature, Tony Penikett, who supports the early and quick passage of this Bill to ensure that jobs are not

lost or that chaos is not brought to the industry by a court ruling which would have affected the number of claims, the title to many of those claims, and which could very well have brought a dark cloud over the mining industry in Yukon. I must say that with the existing government, the cloud over the mining industry in Yukon is dark enough.

Mr. Althouse: Mr. Speaker, I rise on a point of order. Since there was a House agreement to hear two speakers, including the member for Yukon (Mr. Nielsen), I think we should make certain that we keep our procedures clear. Since we did go to two speakers, we would be willing to make it three speakers, including the Member for Yukon, so that he could make his speech. I know that it is a variation from the original agreement between the House Leaders to have one member per Party. We had agreed to allow the Member for Yukon to speak but our Party would again agree to a third speaker who could be the Member for Yukon.

Mr. Pinard: Mr. Speaker, the Hon. Member is right. The understanding among House Leaders was that we would have one speaker per Party on the first Bill, one speaker per Party on the second Bill and that the Conservative Party would have two speakers on the third Bill. There would be one from the NDP. If time would allow, we would have a second speaker on the third Bill.

I understand that while I was away, unanimous consent was given so that the Hon. Member for Yukon may speak. I certainly agree to that. However, we were surprised to see that there was another speech; perhaps he did not know. In any case, provided that we get the three Bills this afternoon, I agree with the Hon. Member that the Member for Yukon should now speak. On the second Bill, it should be one speaker per Party and on the third Bill, it should be one Liberal, two Conservatives and at least one NDP member.

Mr. Nickerson: Mr. Speaker, I rise on a point of order. I just wanted to say that I had a knowledge of any agreement between the House Leaders. If I have disrupted that, I certainly apologize for it.

Hon. Erik Nielsen (Yukon): Mr. Speaker, I thank the Government House Leader (Mr. Pinard) and the member for Humboldt-Lake Centre (Mr. Althouse) for their courtesy. I will be very brief.

I was waiting for the briefing notes, which the Parliamentary Secretary was courteous enough to supply to us, to be dealt with, but he did not deal with the points made in those very excellent briefing notes by departmental officials. In those briefing notes, the real reasons for the changes are given which are, with respect, more accurate than those which were expounded by the Parliamentary Secretary. However, that deficiency was cured by the Hon. Member for Skeena (Mr. Fulton) who extensively used the briefing notes of the Department in making his remarks. Therefore I need not go into those now.

I think it would be of interest to members to know that there are two methods of mining in Yukon; placer mining and what we call hard rock. This Bill deals with the hard rock. The Yukon Placer Mining Act, which is not under discussion here, deals with the other method.

Historically, putting it into perspective, the Bill was the brainchild of a man who subsequently became a Member of Parliament. He is the late Hon. George Black, who indeed occupied the Speaker's chair during the Bennett Government of the thirties. That Act was the product of his intelligence, as was the Placer Mining Act. It has stood ever since 1924 when the Act was originally passed. This legislation has enabled the industry to function efficiently and well in Yukon.

One notable, remarkable feature about the Quartz Mining Act is that it has not been changed significantly at all in those almost 60 years since it was first passed. I am afraid that every Bill that we see coming out of this place and other levels of government has a tendency always to contain a power to regulate, a power to make regulations to achieve the purposes of the Bill. The argument of the bureaucrats always is that they may have overlooked something and must make a regulation to cover the oversight.

This Yukon Quartz Mining Act has no power to make regulations and has worked very well and efficiently for 60 years. It will interest the Member for Skeena to know that the prime reason that the 1970 legislation failed—I might add after being two years in committee—was that there was a power to make regulations. The industry, the prospectors and the mineral developers in Yukon were as certain as I am now standing here today that if that power to regulate were included in the mining legislation in Yukon, they would be suffocated, as they are being now in the Yukon placer mining industry. They are being suffocated by inspectors from the Fisheries Department and inspectors from the Department of the Environment. Not that those matters are not important, they are. We have situations where a public servant from the Fisheries Department goes to a placer miner, and speaking about his mining of gold says: "Why do you want to mine it anyway, you cannot eat it?" Then he shuts him down for one reason or another.

• (1250)

That kind of conduct is not expanding, as the Parliamentary Secretary said in his remarks; it is suffocating the industry in Yukon. When the Parliamentary Secretary speaks of the need to pass this Bill because of the rapid expansion of the mining industry in Yukon, he is topsy-turvy. By reasons partly attributable to government and partly attributable to international markets, there is no mining industry in Yukon now except the placer mining industry and one silver mine, not three, and that mine having only opened up less than a year ago. All the rest have been shut down. Cyprus Anvil has been shut down, Venus has been shut down and Clinton has been shut down. Again, why? Partly because of FIRA and because of the application of impossible to live with regulations made by people who do not know what they are talking about; made by people like those, again with respect, who wrote the material for the Parliamentary Secretary to which he treated us

this afternoon. The kindest thing the Parliamentary Secretary could do would be to divorce himself from the beliefs expressed in the material which he gave to us.

The mineral industry in Yukon is important not just to Yukon, it is important to Canada. We displayed that when the Cyprus Anvil mine was fully operating and exporting. It affected significantly our balance of trade. It accounted for 40 per cent of the economy of Yukon. Now it is all but shut down. All that is going on now is a stripping program, with $25 million put up by the company and $25 million put up by the Government in order, as it were, to improve the asset.

What happens when the mining industry closes down, as it has in the Yukon? The railroad closes down. The railroad is still closed down because there is no backhaul of mine products. It remains closed down and the Government, knowing that there are international elements to pull together, labour elements to pull together, industrial developments to pull together from several different areas in order to reopen Cyprus Anvil and the railroad, is not acting as the catalyst it should in order to achieve that opening.

I tell you, Mr. Speaker, that if that railroad or the Cyprus Anvil mine were in the area of Oshawa, Metro Toronto or Downsview, they would both be functioning by now. I cannot overstate the importance of the industry not being isolated to Yukon but being part of a very important asset that can be exploited to the benefit of the entire country.

Southerners really do not appreciate the richness of the asset that lies in Yukon and is affected by this legislation. Stability that amendment will bring; expansion, no. This very important amendment to Section 12 will not bring about any expansion. Expansion will be brought about by the Government addressing policy questions and solving problems that are solvable immediately. There is the question of transportation, a tied-up railroad, the question of energy rates set by a Crown corporation. We even had all-Party agreement on the Penner report, but the Government did not like it, shunted it aside and sent it over to the National Energy Board and the mine is still closed down.

What are the facts with respect to this specific amendment? Fifteen years ago when I was practising law actively I discovered the defect in Section 12 and some others, although they were certainly not as fatal as this one was. I prepared a very lengthy opinion, some 50 pages of legal opinion, for the client who eventually consented to have that opinion released to the Government.

I brought this matter to the attention of the Government some 14 years ago and asserted that, if it were not rectified, what the Hon. Member for Skeena (Mr. Fulton) calls absolute chaos would be extant in Yukon. It takes only one case to be successful and the floodgates of overstaking and claim jumping would open. This is what this case is about to do which the Hon. Member for Skeena speaks of as being before the Supreme Court in Yukon next September.

The flaw was always there. It is vitally important that it be corrected and it is vitally important that it be made retroactive to 1924 because every single mineral claim that has been staked under the provisions of Section 12 is fatally flawed by the defects. It strikes at the root of title to the holder of every mineral claim in Yukon. It throws a cloud over the operations—if it ever gets operating again, and I hope it will if the Government does the right thing—of companies such as Cyprus Anvil. It throws a cloud over the title of the operating silver mine in Yukon now, United Keno Hills, and virtually every other one that may come on stream. A change is vitally necessary. But the real reason for it is to cure a title defect. Without the change that case undoubtedly would go in favour of the interpretation of the existing legislation which this amendment is intended to cure.

I just want to ask the Parliamentary Secretary in the two or three minutes remaining, because I have finished my remarks, in the event future judicial interpreters of this legislation might get to the stage where they have to read the debates to clear up any meaning which a clause might have, whether he would give me his assurance that the changing of the word "person" to "individual" has no effect, when taken together with Section 88, in preventing partnerships, syndicates, consortia, partnerships between prospectors or companies, from acquiring mineral claims by way of transfer from the individual who stakes them under the new section.

That is my understanding of the effect. However, I think we should have the Government's assurance on the record that that is the intention, so that if we ever get that far in the judicial interpretation process it will be clear for future judges who might consider these matters.

I am sure the House would agree, Mr. Speaker, not to see the clock until the Parliamentary Secretary gives us that assurance.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent not to see the clock? Is there unanimous consent also for the Parliamentary Secretary to answer the Hon. Member's question?

Some Hon. Members: Agreed.

• (1300)

[*Translation*]

Mr. Gingras: Mr. Speaker, if one reads Section 88 concerning the transfer of a mineral claim and continues through to Section 93, I should think that there is no possibility of misinterpretation. When reference is made to the transfer of a mineral claim, whether from an individual or a person, it is actually stated:

> Where a transfer is made to any person or company after a certificate of improvements has been issued—

I do not see any interpretation problem because Section 93 does state that the transfer may come from anyone, from one company or other, from a person or from an individual. I can assure the Hon. Member for Yukon (Mr. Nielsen) that the

Government is not attempting to play hide-and-seek with this Bill.

[*English*]

The Acting Speaker (Mr. Guilbault): Is the House ready to proceed before the lunch hour?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Guilbault): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Guilbault in the chair.

Clause 1 agreed to.

Title agreed to.

Bill reported, read the third time and passed.

The Acting Speaker (Mr. Guilbault): It being after one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1.03 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Evans: Mr. Speaker, I rise on a point of order. If you will seek unanimous consent, I think you will find that there is unanimous consent for us to consider Bill C-41 in Committee of the Whole and to do third reading today with one speaker per Party.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent for the proposal just enunciated by the Parliamentary Secretary?

Some Hon. Members: Agreed.

* * *

SKAGIT RIVER VALLEY TREATY IMPLEMENTATION ACT

MEASURE TO ESTABLISH

Hon. Jean-Luc Pepin (for the Deputy Prime Minister and Secretary of State for External Affairs) moved that Bill C-41, an Act to implement a treaty between Canada and the United States relating to the Skagit River and Ross Lake, and the Seven Mile Reservoir on the Pend d'Oreille River be read the second time and, by unanimous consent, referred to Committee of the Whole.

He said: Mr. Speaker—

Some Hon. Members: Hear, hear!

Mr. Pepin: That is the right mood for us to be in because this is a good news Bill. One of the major successes in the relations between Canada and the United States in the past year has been the satisfactory conclusion of negotiations to resolve the Skagit issue. This issue, the threatened flooding of the Skagit River Valley in British Columbia by the raising of the existing Ross Dam in the United States, has been a long-standing irritant in Canada's relations with the United States. The settlement proposal developed during negotiations involving the Canadian and American federal Governments, the Province of British Columbia and the City of Seattle, when ratified and implemented by all parties, will remove the threat of flooding, thereby ensuring that the Skagit River Valley can be treasured and enjoyed by future generations in its present natural state.

It is for these two reasons of diplomacy and environmental protection that I am very pleased to introduce into the House Bill C-41, its short title being the Skagit River Valley Treaty Implementation Act, a Bill that will provide the basis for federal support of the over-all Skagit settlement.

As my hon. friends know, this Bill is necessary to the ratification of the treaty. Essentially, it is necessary in order to authorize the export of electrical power by British Columbia for 80 years and a federal guarantee of possible financial obligations. These are the two reasons why the Bill is necessary.

The basic document in the over-all settlement is a detailed agreement between British Columbia and Seattle which reflects the long-standing position of the Government that the solution of this problem was best left to those directly involved. The federal Government, however, pledged to do all within its power to facilitate the settlement in any way possible. This the Government has done.

[*Translation*]

That is why, Mr. Speaker, when negotiations began to bear on issues beyond the jurisdiction of British Columbia and the City of Seattle, the Canadian and American Governments took responsibility for settling those issues through a bilateral treaty, the Skagit River Valley Treaty. The Deputy Prime Minister and Secretary of State for External Affairs (Mr. MacEachen) had the great honour to sign that treaty on behalf of the Government of Canada when he met with his American counterpart, Mr. Shultz, in Washington on April 2, 1984. He said at the time that it was a supportive treaty, and that is indeed what it is. In fact, on March 30 1984, representatives of British Columbia and Seattle met in Vancouver to sign an agreement which is the keystone of the Skagit River settlement.

• (1410)

[*English*]

One of the essential provisions in the British Columbia-Seattle Agreement is the obligation on the part of British Columbia to supply electric power to Seattle over an 80-year period from 1986 to 2066. As you may know, Mr. Speaker,

currently the National Energy Board Act restricts the authority of the Governor in Council to make regulations respecting the duration of export licences to a period not exceeding 25 years. British Columbia, therefore, could not obtain a licence under the existing Act to fulfil the province's obligations under its agreement with Seattle. In order to overcome this, the Government of Canada undertook in the Skagit River Valley Treaty to seek the authorization of Parliament through the Skagit River Valley Treaty Implementation Act to approve in this specific case the export of electrical power by British Columbia for a period of 80 years. In doing so now—and it is asking the House to authorize it—the Government of Canada recognizes that the Skagit problem requires a unique solution including an exceptional override of existing legislation.

The other provision of the British Columbia-Seattle Agreement which is supported by the Treaty and addressed by this Bill involves undertakings on the part of both the Canadian and United States federal Governments to guarantee potential financial obligations on the part of British Columbia and Seattle under their agreement. I should point out that a separate Canada-British Columbia Agreement—a fourth legal document—would ensure that the federal treasury is reimbursed fully in the highly unlikely event—I underline that because I would not want to be chastised in British Columbia for lack of faith in the financial responsibilities of the provincial government—that funds are paid out by the federal Government on British Columbia's behalf.

I would like to outline briefly for the benefit of Members, and possilby more for the benefit of students of Canadian-American relations, the background of the issue and the over-all settlement. Since the City of Seattle obtained an order of approval from the International Joint Commission in 1942 to raise the Ross Dam and thus flood the Skagit River Valley, opposition to this proposal has grown in Canada, especially in British Columbia. Early attempts to have the Commission order rescinded did not prove to be successful. However, in 1982 the International Joint Commission temporarily suspended the approval given in the 1942 order to raise the Ross Dam and established a joint consultative group on the Skagit to oversee the development of a satisfactory agreement between British Columbia and Seattle. The group was co-chaired by Commissioner Richmond Olson—who I am happy to salute in the gallery—and also by Mr. Keith Bulen from the United States. Both of those gentlemen were from the International Joint Commission. The group also included representatives of the governments of Canada, the United States, British Columbia and the City of Seattle.

In December, 1983 the group formally reached a consensus on a settlement package proposal consisting of the British Columbia-Seattle Agreement, the Canada-United States Treaty and the Canada-British Columbia agreement. The basic provision of the settlement is that Seattle agrees not to raise the dam and consequently not to flood the valley, in return for a commitment from British Columbia to supply to Seattle the equivalent electric power it would have obtained if it had raised the dam. That is the quid pro quo. In return, I repeat, Seattle will pay to British Columbia an amount deemed to be the equivalent of the capital cost of the dam plus an annual amount in lieu of the operation and maintenance costs of the dam. That is the basic trade off. The agreement will last for 80 years, which is the estimated life of the dam.

I provide this information to Parliament, even if Members of this House are not being asked today to approve the details, which are between British Columbia and Seattle. I would, however, like to register my admiration for what is in reality a very sensible solution, one which serves to respond to the interests of all concerned. I am particularly gratified that the International Joint Commission has again proven its value in resolving bilateral issues with the United States.

The settlement as outlined in the British Columbia-Seattle Agreement will run for 80 years. On the date the Skagit River Valley Treaty comes into force, the 1942 International Joint Commission order of approval sanctioning the raising of the Ross Dam will be terminated and a major environmental objective will be achieved. Bill C-41 is necessary if Canada is to fulfil its commitment to ensure the successful resolution of the Skagit issue. It is but a part of a settlement formula developed in an atmosphere of close co-operation with the Government of British Columbia. By adopting the Bill, Parliament will not only authorize export of electrical power and provide a recoverable financial guarantee, but it will also ensure that important provincial objectives and expectations are met by this supportive federal action.

In pressing forward with negotiations, the Government was conscious that the potential flooding of the valley was of serious concern to the House as well as to the population of British Columbia. This House has expressed, in two unanimous resolutions which were made in 1970 and 1973, its desire for a solution. Ministers of environment of this Government and former governments took an active interest in promoting a successful resolution of the Skagit issue. I know that many individual Members of the House have also sought to ensure that a satisfactory settlement be found before the valley was flooded and would want to ensure that the solution was implemented without delay.

Finally, I would also point out that the United States administration, having successfully concluded its internal arrangements concerning the settlement, is now working hard to ensure Senate ratification of the Treaty. I understand that the Treaty will be submitted to the Senate next week for its ratification. We are under a deadline to complete our ratification and implementation process. The British Columbia-Seattle Agreement cannot, of course, be brought into force until this ratification and implementation Bill has been proclaimed. If the Treaty has not been ratified by both the Government of Canada and the Government of the United States by December 31, 1984, the Agreement will not come into force and will terminate. Should this happen, the settlement will fail.

The Government of Canada is not at all confident that, if that happens, it would be able to reopen negotiations and obtain as good a settlement as it has in this particular instance. So we had better make sure that we get to church on time! Of

course, I would not expect the opposite to happen—we will get to church on time. I believe that this House, which has already stated its desire for the kind of solution which is being proposed, will co-operate fully and ensure passage of the Bill before it adjourns for the summer. It might even do that this afternoon, if the mood remains as good as it has been up until now.

• (1420)

Hon. John A. Fraser (Vancouver South): Mr. Speaker, at the beginning of his remarks the Minister indicated that this was a happy occasion in the House today. I say through you, Mr. Speaker, to the Minister, to Government Members, to my colleagues in the New Democratic Party, to my colleagues inthe Progressive Conservative Party and to the public of Canada, that this is indeed a happy day in the House of Commons of our country.

What we are doing today completes the last stages of a struggle which commenced many years ago to save a beautiful valley in British Columbia from being flooded as a consequence of an order made by the International Joint Commission in 1942. That order was directed to permitting Seattle City Light, a power utility, to raise its existing Ross Dam on the American side of the border, and on the lower Skagit River, to an additional height which would have resulted in flooding on the Canadian side.

One may say, well, if that happened in 1942, how did it happen if so much objection was raised many years later? It is instructive, I believe, to advise the House of the hearing, which was held in Seattle, from which the 1942 order arose. It was held in the autumn, in September of 1941. I will read from a publication produced by a group of citizens, organizations and individuals who banded together years ago to save the Skagit River. It is called "A Citizen's Guide to the Skagit Valley". On page 54 the following records what happened in 1941, and I quote:

> The only opposition came from B.C. Game Commissioner J. G. Cunningham. After apologizing that "I am not familiar with the subject discussed here today . . . our Commission was not on the list of those advised", he continued "I am here merely to present a brief on behalf of the sportsmen of the Skagit River. It is one of the best fly fishing streams in the whole of British Columbia . . . the more of that stream you flood, the less fishing we are going to have".

The book from which I am reading continues on in the next paragraph, and I cannot help but enjoy the smile of bemused understanding on the Minister's face because he knows what is coming. It continues, and I quote:

> Canada's contribution to the Commission's deliberations was a fifty word statement from Victor Meek, Controller of the Dominion Water and Power bureau, who said: "I am representing the Canadian Government, Department of External Affairs, and I have no statement to make at this time. I assume that we will have an opportunity of presenting a brief later, after we have had a chance to study the details of this project as presented this morning."

The book goes on to comment on that pious hope of a further discussion and brief—and I see the Minister smiling broadly now "He never did". So the matter, Mr. Speaker, drifted away out of the consciousness of even those few people who did attend on that momentous occasion, and for many years in British Columbia those of us who loved fly fishing, camping and the outdoors visited the Skagit River never realizing that between the years 1941 and 1942 an order had been passed, without any public notice of any tangible degree, which, if acted upon, would take that valley forever from the people of our country.

Hon. Members of this House will know that eventually, in the passage of time, the Government of British Columbia negotiated with the Seattle City Light utility as to what should be a fair rental for the land which was to be flooded. For a long time the then Premier, the Hon. W. A. C. Bennett, would not come to an agreement with the City of Seattle because he apparently did not think it was a good enough deal.

Then something quite extraordinary happened. In 1967 British Columbia suddenly signed an agreement with the City of Seattle, and again I quote from this short but succinct history book:

> Considering how long the B.C. Government had stalled Seattle's plans, the terms of the final agreement signed by B.C. Resources Minister Ray Williston on January 10, 1967 are truly astonishing. For an annual rental of U.S. $34,566.21 . . . and taxes of about $10,000 per year, Seattle Light gained the right to flood 21 km of prime Canadian land and to save itself $12-15 million per year on the cost of alternative electrical power.

Therefore, Hon. Members will understand why, when this information finally became public in British Columbia, those who cared were mobilized into action. It is impossible today, Mr. Speaker, even to begin to honour, to extend our appreciation and congratulations to all those Canadians who tried so hard in those early years to mobilize public opinion and who, by their tenacity in staying with the challenge, have contributed so substantially to this moment today.

However, some of the people should be mentioned. One person is a former Liberal member of the Legislative Assembly, David Brousson. Another person is the present Premier of the Province of British Columbia, Bill Bennett. When he became Leader of the Social Credit Party, he made a political decision to try to save the Skagit River. He no doubt listened long and hard and carefully to the arguments of Mr. Brousson, who worked with other members of the Legislature, including members of the New Democratic Party, to persuade Mr. Bennett to fight to save the valley.

Another person who it would be remiss not to mention specifically is the Hon. Stephen Rogers, who was the Minister of the Environment and had an outstandingly capable Deputy Minister, Mr. Ben Marr, at the time when the most difficult negotiations were carried on with Seattle. I believe it has to be remembered that if it had not been for the conviction on the part of the Hon. Stephen Rogers that this was the right thing to do, to find a way to make an agreement with Seattle City Light and to do this in a civilized way between good neighbours who share a common border, we probably would not be discussing this Bill today.

Having mentioned these particular politicians, Mr. Speaker, it must also be recorded that men and women of all Parties with goodwill in political life, who sit in the Legislature of the Province of British Columbia and in this House, have worked

continuously for many years to be sure that a happy result would indeed come about. So I pay them tribute.

I would like to pay tribute also to the International Joint Commission. The Minister has referred to two members of that commission, one a Canadian and one an American. However, I believe for the record that we should record that when this arrangement was finally effected under the aegis of the International Joint Commission, the Hon. J. Blair Seaborn was, and is, the Canadian Chairman; Mr. E. Richmond Olsen and Monsieur Charles Bedard are the other two Canadian members. At the same time the American Chairman was the Hon. Robert C. McEwan with his commissioners, L. Keith Bulen and Donald L. Totten. I am sure that the other members of the International Joint Commission will not mind at all when I single out the Hon. Richmond Olsen and the Hon. Keith Bulen for having played a significant and at times almost dramatic part in establishing a regime and climate within which the Agreement the Minister referred to was worked out.

• (1430)

In closing, Mr. Speaker, I want to record the associations which made up the ROSS Committee, which was called the Run Out Skagit Spoilers Committee. These are citizens' groups in British Columbia. The Alpine Club of Canada; British Columbia Federation of Fly Fishers; British Columbia Wildlife Federation; Dogwood Canoe Club; Federation of B.C. Naturalists; Federation of Mountain Clubs of B.C.; Langara Environmental Voice; Recreational Canoeing Association of British Columbia; Sierra Club of Western Canada; Skagit Anglers; Society for Promotion of Environmental Conservation; University of British Columbia Environmental Interest Group; Vancouver Natural History Society; and the Western Canada Wilderness Committee.

Some may have been missed. Certainly there is no way that all the individuals who helped can be recognized today. But it is also very important for everyone in this House to realize that if we had not had the dedicated help of American citizens on the other side of the line who with us wanted to save this valley, we would not have been successful. I know all Hon. Members will agree with me that we wish a tribute to be extended to all of the Americans who, over so many years, helped us in Canada to save this valley, not just for ourselves but for our children and grandchildren.

This has indeed been for me an exciting and wonderful occasion this afternoon. Dave Brousson, who I mentioned earlier, was a Liberal member of the Legislative Assembly in B.C. in the late sixties. In 1970 he came to me and asked if I would get involved. Would I be prepared as a lawyer, in my own time and at my own expense, to present a brief to the IJC. We did and that put some of the legal arguments and constitutional and international issues in the public forum. There were a great many people who worked very hard because they believed in something decent and right. They were able to persuade others that this indeed was the way to settle matters between Canada and the United States. To them I want to express my deep appreciation for the work which has led to this Bill being presented in this House today. I am sure that all Hon. Members will agree with me when I echo again the Minister's words, that this is indeed a happy day.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am honoured as well to have an opporutnity to speak very much in favour of Bill C-41. It is a happy and important day where all Members of this House can rise and take some pleasure in complimenting those hundreds and thousands of Canadians who worked so long and hard to see the Parliament of Canada pass our part of this Treaty. I am sure we all share the hope that the U.S. Senate will move expeditiously next week to pass their part of the Treaty.

There are a couple of points which the Minister touched on which I think are worth reiterating. Power will be supplied by British Columbia to Seattle for the next 80 years. What this Bill does is override part of the National Energy Board Act which allows only a 25-year maximum firm power export. It also enshrines federal Government guarantees should there be any difficulties on either side regarding any change in view by Seattle City Light on the one hand, or by British Columbia on the other. The interim agreement reached on March 30 of this year, and the Bill we are going to pass in the House today, was signed by our Secretary of State for External Affairs (Mr. MacEachen) and his American counterpart, Mr. Shultz, on April 2 this year. The Treaty will take us to the year 2065.

Before entering into the long history of this matter, Mr. Speaker, I want to add some kind words for the Ross committee. They worked long and hard for more than a decade to get Canada, British Columbia and the IJC moving, and to mobilize public opinion with our good neighbours in the State of Washington. I must say that wherever I went on this matter the work of the Hon. Member for Vancouver South (Mr. Fraser) was well known. I think that Members of the House are aware of the work he did, even though at times certain Members on the other side tried to dispel that by saying it was simply a rumour. The record shows, and those who have been involved for many years know, that his work on this matter was crucial to our being able to stand to speak in favour of this Bill today.

The history of the High Ross Dam proposal is worth putting on the record for, as the Minister would say, the students of the history of Canada-U.S. relations on matters such as this. I will try not to go back over the points touched on either by the Hon. Member or by the Minister. The original concept of the integrated development of the Skagit River hydroelectric potential was formulated by Seattle City Light back in 1906. After they looked at the area and the size of the dam required to maximize power production, the next major move was in 1929 when Seattle acquired private lands within the proposed flood basin in B.C., lots 221 and 222, which totalled about one square mile. In 1937 the Ross Dam, stage one, began, and by 1941 Seattle City Light had applied to the IJC for authority to flood Canada under the 1909 Boundary Waters Treaty.

On September 12, 1941, a hearing in Seattle lasted one hour and 55 minutes on the Seattle proposal. The Hon. Member for

Vancouver South gave us a couple of appropriate quotations regarding that meeting. However, present at that time were only three of the six IJC Commissioners. The Canadian Chairman was absent. External Affairs was represented by a man who had not previously heard of this project and he stated that he assumed we would have an opportunity to present a brief after we had had a chance to study the details of this project as presented that morning. British Columbia, as has already been mentioned, was represented by Game Commissioner Cunningham, who was not officially notified of the hearing but simply came to talk about fly fishing for a total of about one minute.

In 1942 the IJC order of approval, giving provisional agreement for fair and adequate compensation of all interests in B.C., was concluded. The decision was taken by four of the six Commissioners, including the Canadian Chairman who had been absent at the earlier hearing. There is no known record of input by External Affairs on behalf of Canada, or by the public.

The next move in the long history of this matter was in 1947 to 1952 when there were a number of unsuccessful negotiations between Seattle City Light and British Columbia regarding compensation. Then the whole matter started to flare up in 1953 when Seattle City Light illegally flooded about one square mile of Canada's Skagit Valley line below the elevation of 1,600 feet. This was protested at the time and was subsequently covered by an interim agreement for British Columbia to receive the wonderful amount of $5,000 per annum from Seattle City Light for the flooding of a square mile of our country.

• (1440)

In 1967 it really started to heat up. British Columbia signed the agreement with Seattle City Light providing for the flooding of the Skagit Valley to an elevation of 1,725 feet, which is another 125 vertical feet of the valley floor, in return for an annual payment of just over $34,000 U.S. plus taxes. There was some quibbling as to how high the taxes would be. It depends upon which document you read; some say $3,000 per year and some say $10,000. Seattle was also required to clear the reservoir basin and replace the inundated sections of existing road before flooding using residents of B.C. for all the work.

It was at this point that Canadians started to realize the dilemma which had been created. The fishermen who went right down into the flood area at certain times of the year realized what was happening with the drawdown of the basin. They would see all the stumps and mud flats during the filling period, particularly early in the spring when there was some pretty good fishing. However, at that time it took most of the summer to fill the level of water up to any kind of a reasonable looking shoreline.

In 1969 there was an application for a licence by Seattle City Light and the public opposition really began. It was at that time that the ROSS Committee, the Run Out Skagit Spoilers, was formed. This group was very active for 15 years and still exists. In 1970 opposition to the High Ross Dam was announced by the Government of Canada. As the Minister pointed out, in that year and again three years later Parliament spoke as one voice, as we occasionally do, in unanimously opposing the flooding of the Skagit Valley.

In 1971 there was a bilateral reference to the IJC with the terms of reference limiting study to environmental effects and the potential for mitigation with recommendations not inconsistent with the 1942 order of approval of High Ross. We have to reflect on what was happening during that period of time when the initial order was made in 1942. The world was at war and the meeting, as we know, was a very unusual one in that our representative of External Affairs said 50 words. Our other representative was a game commissioner who said about the same amount. It is on that original meeting in 1942 that the City of Seattle based all of the litigation and desire to flood that part of the Skagit Valley.

In 1972 the Government of British Columbia announced opposition to the High Ross. It had taken some time. Perhaps to some extent a change in government had allowed for that initial change in view within the Province of British Columbia.

From 1974 to 1977 the U.S. Federal Power Commission, which is now called FERC, held hearings leading to the approval of High Ross. At that time there was no formal intervention by British Columbia or Canada. In 1975 negotiations between B.C. and Seattle in view of settlement began. These proved fruitless and were finally suspended in 1979. In 1980, at the beginning of this Parliament, the United States Court of Appeal upheld the Federal Energy Regulatory Commission decision in favour of High Ross, rejecting intervenors' petitions for review. I am sure that Members of the House recall that during the early days of this Parliament that matter was raised repeatedly and heatedly in the House. Various Members of the House intervened individually or as groups at that time.

On August 14, 1980 British Columbia filed a petition to the IJC requesting it to declare the 1942 order of approval a nullity. On reflection in a historical sense, I think we can all agree that in light of the circumstances of that period of the 1940s, that is something one would have hoped Seattle might have agreed to. The petition also requested the IJC to rescind the approval contained in the order, or to declare the raising of the Skagit River to an elevation of 1,725 feet contrary to the public interest of Canada and the United States, or to declare that no suitable or adequate compensation had been reached in accordance with the principles of the IJC, or to declare the 1967 compensation agreement invalid, and to direct Seattle not to flood the Skagit pending adjudication of the B.C. request.

The grounds for the request included the following: (1) That the 1941 IJC hearing was conducted by less than a majority of the Commission, and the 1942 order of approval was voted on by one member, of four voting, who had not heard the evidence, violating IJC rules of procedure and the rules of natural justice. (2) That the 1941-42 proceedings were undertaken during a state of national emergency in both countries with the

express purpose of rapidly increasing power production for military purposes, and these conditions no longer exist. (3) Failure of the Commission to consider environmental impact of the project before taking its decision. (4) That Seattle City Light illegally flooded into Canada in 1953 and no adequate compensation had been or can be afforded therefore. And finally, that the 1942 IJC order and subsequent 1967 compensation agreement effectively delegated to Seattle and B.C. the power to determine fair and adequate compensation, a power expressly reserved to the IJC by Article VIII of the 1909 Boundary Waters Treaty.

Having given a little history, I would like to restate a few of the remarks I made in an intervention to the IJC regarding the Skagit River in the fall of 1980 concerning the history of errors. I will try not to touch on the points that have already been raised by the Hon. Member for Vancouver South.

The 1942 meeting of the IJC to discuss approval of the dam consisted of four to six Commissioners, including the Canadian Chairman. Only one member actually voted to approve the application. This was against the rules of the Commission. Based on this information, the Commission's original order should be considered invalid and, in my view, is one of the fundamental justifications at that time for the full public hearings and review.

The Province of B.C. concurred in the project since there was a "state of emergency" existing in the United States and developments requiring electricity would be required. Despite these claims, no such building took place. In fact, comments from the IJC hearing in 1941 indicate an extreme vagueness in this area: "In other words . . . in view of the present national emergency we do not know how much more power and what facilities are going to be required, and we want to be prepared to proceed to increase our plant to take care of that situation if it develops". That quote is from the IJC hearings in 1941.

Clearly the mood and the context in which the original order was made was that the U.S. was requesting of Canada and British Columbia a future right for potential flooding, principally for military purposes in the case of a national emergency. Clearly that has never occurred, but nevertheless the order is what they based all of their following legal arguments on.

The Commission did not consider the environmental damage to the Skagit Valley that would result from the building of the dam. However, the Ross Dam was completed in 1949. In return for allowing the dam to be built the Commission ordered that "fair and adequate compensation" be provided to B.C. Those negotiations took four more years, when Seattle City Light finally and illegally flooded 500 acres in British Columbia.

I would like now to refer to some of those who were the most active with the ROSS Committee in getting British Columbia, Canada, and to a great extent the State of Washington, Seattle City Light, and hopefully next week the U.S. Senate, all on board for what really is a momentous and important act of co-operation between our countries. The membership of the ROSS Committee who have been active since about 1969 included the Alpine Club of Canada; the B.C. Federation of Fly Fishers; the B.C. Wildlife Federation; the Dogwood Canoe Club; the Federation of B.C. Naturalists; the Federation of Mountain Clubs of B.C.; Langara Environmental Voice; the Recreational Canoeing Association of B.C.; the Sierra Club of Western Canada; Skagit Anglers; SPEC; the Vancouver Natural History Society; the Western Canada Wilderness Committee; and a number of others who were active or are active now.

One of their key spokespeople, along with Ken Farquuson, was Tom Perry who authored the book which was being referred to by the Member for Vancouver South. He did a phenomenal amount of work at his own cost and in his own time, not only in putting the book together and travelling extensively in the valley, but coming here to raise the consciousness of Members of Parliament in the early part of this Parliament to get moving again on this matter.

● (1450)

He also wrote articles such as this one, which is entitled "Hey, this Land is your Land, Too!" It appeared in *Maclean's*. I quote:

> The issue is an environmental classic. City Light wants to raise the existing Ross Dam on the Skagit River, backing the reservoir 13 km north into B.C. Seattle would gain electrical energy worth at least $1 million annually. In return, B.C. would lose a unique river valley and get compensation of a mere $34,566 per year.
>
> The Canadian Skagit is a flat low-elevation valley,, which is a rarity in a region dominated by high mountains. (Eighty per cent of B.C. is over 900 metres high, and 40 per cent is tundra.) The Skagit is only a two- or three-hour drive from half the population of B.C., yet it remains in public ownership, protected as a Provincial Recreation Areas. Through it flows the finest fishing and canoeing stream in the southwestern quarter of the province, and the valley's meadows support a rich diversity of wildlife, birds and rare plants unrivalled anywhere in the region. Tens of thousands of people, Americans and Canadians alike, visit the Skagit to enjoy these special values every year.

The work of people like Thomas Perry and others should not go unnoticed by the House. For some period of time during the negotiations, this Treaty looked very fragile and as though this event today and next week in the Senate might not occur. I can give examples of this by going back to newspaper articles from two years ago of which I have many. It is a very widely reported story, to say the least, particularly on the West Coast but also all across Canada.

On the Canada-U.S. page of the Vancouver *Sun* on March 17, 1982, the headline read: "U.S. half of Skagit Decision in Hands of Reagan Backers". The story filed out of Washington included the following:

> President Ronald Reagan may as well have appointed three billy goats to guard a lettuce patch as to name the present members of the International Joint Commission to watch over the purity of boundary waters.
>
> The commission's meeting here last week with B.C. Environment Minister Stephen Rogers, Seattle Mayor Charles Royer and their entourages led nowhere. At the end of a long day's argument, the meeting was characterized as 'helpful' which, translated from diplomatese, means nothing had been achieved.

The rest of the article is much more vicious so I will not read it. It became somewhat of a tit-for-tat situation between British Columbia and the City of Seattle, many viewing it as a situation where the then Mayor of Seattle was seen as likely trying to become the Governor of the State of Washington. All sorts of politics began to spill everywhere.

Skagit River Valley Treaty

The Province, on April 29 of 1982, ran another banner headline on the front page which read: "Seattle ready to go with Skagit Work". The story filed in Victoria reads:

Seattle will go ahead immediately with preparations for raising the Ross dam a year from now—just in case negotiations with B.C. fail, Seattle Mayor Charles Royer said Wednesday.

But it remains unclear whether Seattle has been given the green light to do so under a decision announced Wednesday by the International Joint Commission (IJC).

The decision gives the picturesque Skagit Valley southwest of Hope a limited reprieve from the threat of flooding. It imposes a one-year moratorium on the flooding to allow more time for a negotiated settlement.

After this long history of difficulties and meetings that did not seem to be originally designed to come up with the conclusions they did, there was this long period of tit-for-tat particularly between the newspapers in Canada and the newspapers in Washington and other areas of the United States. It seemed that matters would likely heat up. This was evident on April 28 with another front page banner headline in *The Vancouver Sun* which read: "Skagit Flooding delayed a year to let B.C., Seattle Settle Dispute". In the same paper the story went on: "Seattle Mayor's Ambitions Blamed in Skagit Issue".

I will not get into all the things that went on, but from a historical perspective it is important for people to know that as well as this Parliament being united now for almost 15 years to bring about today's Treaty, many people on the U.S. side were mobilized as well because of flooding that would damage a very beautiful valley with thousand-year-old cedars and wonderful fishing areas. There was a great deal of co-operation on the American side. There is now a good deal for Seattle City Light and the people of Washington, the valley has been saved for Canadians and Americans on both sides of the border, to say nothing of the good work done by the IJC and all Parties in the House and the Canadian public.

I put my remarks on the record with respect to the friction that took place between Seattle City Light and B.C. only as a historical reminder of all the negative occurrences before we had the opportunity to stand here today. I simply conclude by saying that, as much as Members have done a great deal of work, I think we can end this debate today by going to the Committee of the Whole and passing this Bill with the knowledge that there are tens of thousands of Canadians today who have waited a long time for this important and historic occasion.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Herbert in the chair.

Clauses 1 to 9 inclusive agreed to.

Schedule agreed to.

Title agreed to.

Bill reported, read the third time and passed.

● (1500)

Mr. Evans: Mr. Speaker, if you would seek consent, I think you would find that there is agreement to dealing with Bill C-42 in all stages today and referring it to a Committee of the Whole rather than to the standing Committee on External Affairs and National Defence. The agreement involves having two members of the Official Opposition speak, at least one Member from the NDP and one from the Government side.

The Acting Speaker (Mr. Herbert): Members have heard the proposal of the Parliamentary Secretary. His proposal requires unanimous consent. Is there unanimous consent?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): Agreed and so ordered.

* * *

[*Translation*]

ASIA-PACIFIC FOUNDATION OF CANADA ACT

MEASURE TO ESTABLISH

Hon. Jean-Luc Pepin (for the Deputy Prime Minister and Secretary of State for External Affairs), seconded by Mr. Pinard, moved: That Bill C-42, an Act to establish the Asia-Pacific Foundation of Canada, be read the second time and, by unanimous consent, be referred to the Committee of the Whole.

He said: Mr. Speaker, I am pleased to propose to the House the establishment of an institution which will go a long way towards strengthening the links between Canada and the countries of the Pacific region, and to make my fellow Canadians more aware of those realities. The Asia-Pacific Foundation of Canada will also put in concrete form Canada's "Pacific" dimension from a geographical, historical, political and economic perspective. As a country which stretches far into the west, we have to look towards the East and Parliament has a unique opportunity to do that today.

For quite a few years now, Canadians have been ever more aware of the "Pacific" dimension of their country. Naturally, Canada is proud of its long-standing relations with Europe and the countries of the American hemisphere, but the last two decades have shown us the ever growing importance of our relations with countries of the Asian and Pacific region which stretches from the Pacific rim to South Asia where more than half of mankind lives.

[*English*]

Canada's interest in this region is multifaceted. First, we are interested in it because of our security preoccupation, our preoccupation with peace, because of trade, commerce and economic development. We are interested in this region also because it was the first to receive Canadian development assistance. You will remember the Columbo Plan, Mr. Speaker, which was the first step Canada took in aid. The Columbo Plan was for that area. The Asia-Pacific region is also important from the point of view of immigration. Last year approximately 33,000 of Canada's 78,000 immigrants came from that region. It is important also from the point of view of education. For example, 33,000 foreign students who are studying in Canada now, 53 per cent of the total number, come from the region with which we are concerned now. Finally, it is important from a cultural point of view. I think we all know how much we have gained and how much we would gain from knowing more about those great cultures of Asia which are found in that area, referring to the Indian, the Chinese and the Japanese cultures. There is so much to be learned and so much to be absorbed from this region.

The recognition of the Asia Pacific region's importance to Canada is, of course, not new. The links constituted by human ties and commercial relations extend back to before the birth of Canada as a country. We Canadians have tended not to demonstrate a sufficient consciousness of this fact, about which I think all of us would agree. It was for this reason that over ten years ago the review of Canadian foreign policy priorities highlighted the Asia Pacific region as an area of challenge and opportunity for Canada.

The developments in the Asia Pacific region impact directly, as I said a moment ago, on our security and on our prosperity. We enjoy time honoured associations with many of the countries of the Asia Pacific region through our Commonwealth links. Furthermore, many Canadians trace their family origins to this region, which today is a major and valued source of immigration. In preparing for this speech through extensive research, I found that a decade ago the trans-Pacific immigration exceeded our trans-Atlantic immigration for the first time. Some of us might not be aware of that change.

Another related element of Canada's involvement with the region and an indication of the good faith of our commitment is demonstrated by the fact that approximately 40 per cent of our bilateral development assistance flows into the area, much of it to the heavily populated countries of south Asia. Curiosity forced me to see what that figure would be; it is over $300 million.

During the past decade, two-way trade with the Asia Pacific region has multiplied six times, and Canadian exports have increased faster to that region than to any other area of the globe. Another important landmark, if I may give another one, is that in 1982 two-way trade with the countries of the Asia Pacific region surpassed our trans-Atlantic trade for the first time. The two facts that I consider to be extremely important are, first, that immigration-wise ten years ago the Pacific region became a more important source than the Atlantic region to our population growth, and, second, that in 1982 our trade with the Pacific area became more important than our trade across the Atlantic.

The economic dynamism of many countries in this region has been extremely impressive, but the future holds even greater promise.

Many of us in this House are envious occasionally of the growth of some of these countries. I refer, for example, to Japan and Korea in this respect.

We must foster Canada's entrepreneurial capacity to contribute to and to profit from this process. There are not only great trading opportunities, but the scope for investment, joint ventures, and technological co-operation is significant. The Secretary of State for External Affairs gave a speech in Vancouver on May 22 entitled "Canada—A Pacific Nation", in which he gave some interesting examples of these developments with the Pacific region.

It is in recognition of these salient realities that the Minister of Justice (Mr. MacGuigan), when he was Secretary of State for External Affairs, asked Mr. John Bruk, a leading Vancouver businessman with extensive experience in Asia, to undertake a feasibility study to determine how best to enhance Canadian relations with that region. Attention had earlier focused on the concept of a non-profit independent foundation as perhaps the best vehicle to accomplish these objectives.

To examine this idea, a founding committee was created under the chairmanship of Mr. Bruk with the mandate to report to the Secretary of State for External Affairs by July 1, 1984. It is an indication of Mr. Bruk's competence and dedication that he brought in his report well in advance of that date. In reaching their conclusions, Mr. Bruk and his founding committee travelled widely within Canada and held discussions with a broad cross-section of individuals, including representatives of provincial governments, businessmen and academics and others with a strong interest in the Asia-Pacific region. The response to the founding committee's research was extremely encouraging and, in the Speech from the Throne Address in December, 1983, it was announced that the Government intended to facilitate the creation of the Asia-Pacific Foundation. This is what we are doing today.

● (1510)

The aims of this foundation reflect the outcome of the founding committee's extensive research. These objectives are outlined as follows: to heighten Canadian awareness that Canada is a Pacific country as well as an Atlantic country; to raise Canada's profile in the Asia-Pacific region; to increase Canadian participation in the region's economic prosperity; to focus on policy choices facing decision makers in the private and public sectors and to generate public support for new policy initiatives; to assist business to be better prepared to interchange with and be more informed about Asia-Pacific affairs; and, finally, to educate and train young people so that they will have the knowledge and skills to support Canada's future role in the Asia-Pacific area.

The founding committee has also identified four key issues shaping contemporary relations between Canada and the Asia-Pacific region upon which the foundation is expected to focus initially. These include the dynamics of political and economic changes in that region, commercial challenges, the impact of cultural influences and the promotion of Canadian interests in a broad context. These objectives and priorities correspond to those of this Government. The Asia-Pacific Foundation is intended to act as a catalyst in the pursuit of these objectives. In some cases it will undertake programs directly. In other instances it will contract outside organizations or individuals to undertake projects.

How will this corporation, described as a private non-profit corporation with charity status, be composed and financed? The organization of the proposed foundation is to some extent a new venture in Canadian legislative experience. The structure provides for the federal Government to appoint the chairman and nine other members of the board of directors following consultation with members of the founding committee. The other 20 directors will be appointed by the board of directors itself and will include representatives from the provinces and from the non-governmental sector such as business, labour, the academic world and so on. In drafting this legislation, the Government has been guided by the desirability of giving the board the maximum possible discretion regarding its composition and function.

The Government has developed a five-year funding strategy of $5 million for the foundation, with an initial financial subvention of $1 million. It is hoped that provincial governments and the non-governmental sector will contribute to the foundation both by supporting its operations and in the financial context.

At noon I read that three provincial governments had more or less committed themselves to support the British Columbia Government not only morally but with an amount of money. If I may be indiscreet, I think the contribution from British Columbia will be as much as $200,000 a year. The Government of Ontario and the Government of Quebec have also indicated their support. As I said, I am pleased that a number of provincial governments and private sector corporations have already indicated interest in supporting the foundation.

There are three or four other points in my notes that I want to put on the record. The first is where the foundation will be headquartered. I hesitate to quote the Bill, but it refers to the principal office being in Vancouver.

Mr. Waddell: Not Prince Rupert?

Mr. Pepin: Prince Rupert in due course maybe, but it will need more gestation and more of the aging process. The headquarters will be in Vancouver, which is a tribute to the importance of that city and of the west generally in the affairs of this foundation.

Another question might be asked about the status of the foundation. I have already stated that it is a private non-profit organization with charitable status. It is not a Crown corporation like IDRC, for example. One other difference from IDRC is that it does not have foreign content in its direction. It is made up of Canadians only.

Another question may be whether the directors of the foundation will receive salaries. The answer is no. There won't be a rush on that one!

Some Hon. Members: Hear, hear!

Mr. Pepin: To be serious, board members other than the president—and I underline that the president is appointed by the board—who may be paid, will not receive salaries, although they will receive travel expenses and living costs for any work associated with the foundation.

What is the future of the founding committee? It has completed its work. It is hoped that some members of the committee will in the future be associated with the foundation.

What controls will the federal Government have over the foundation and its activities? The board is autonomous and policy direction will be formulated by the board. In the fifth year of operation, however, the Secretary of State for External Affairs and the board will jointly evaluate the activities of the foundation, and this report, along with any recommendations, will be submitted to Parliament at that time.

I have already indicated the composition of the board, the chairman and nine others appointed by the Government following consultation with the founding committee. I also indicated how the other 20 directors will be appointed. The group includes 31 people, the thirty-first, the president, will be selected by the board.

At the committee stage following second reading, I will introduce two amendments. They are really technical only and not terribly important. I will state what they are. The French translation of Clause 8 of the Bill, page 3, puts things differently from the English text. In order to make sense and have the same on both sides, you have to say nine in the English text and ten in the French text. The English text says nine plus the chairman and the French text says ten minus the chairman. It is as crazy as that, but that is the way life is.

The other is an amendment to Clause 37. We have to say, "As soon as possible after the fourth year". If you want a review in the fifth year, you have to start in the fourth year, otherwise you have a review in the sixth year. Again, it is very, very simple.

● (1520)

I believe we have before us an historic opportunity to demonstrate this House's endorsement of the present and future importance of the Asia-Pacific region to Canadians. The creation of the foundation will symbolize Canada's commitment to the region and will provide the means to enhance mutual understanding for the people of the Asia-Pacific region. Canada should greatly profit from the foundation's activities not only in terms of the commercial opportunities which it will seek to enhance but also in terms of those other human and cultural riches with which the Asia-Pacific region is so bountifully endowed.

I hope that there is a will in this House to proceed quickly. I am sure that there is, and I commend this Bill to the consideration and action of my fellow parliamentarians. I will not sit down without having thanked John Bruk again for the dedicated effort he has put into the preparation of this foundation.

Some Hon. Members: Hear, hear!

Miss Pat Carney (Vancouver Centre): Mr. Speaker, I am very pleased to be able to speak in support of Bill C-42 today, an Act to establish the Asia-Pacific Foundation of Canada. One reason why I am proud to be here is that the Act establishing the foundation is an historic recognition of the fact that Canada is a Pacific nation. As the Minister for External Relations (Mr. Pepin) just pointed out, in terms of both immigration and trade, the Pacific region is now more important to Canada than the Atlantic region.

The second reason why I am proud to be here todayis that I can acknowledge the fact that the genesis of this initiative stemmed from the administration of the Right Hon. Member for Yellowhead (Mr. Clark).

An Hon. Member: Oh?

Miss Carney: I am sorry that the non-partisan nature of this debate should be spoiled by Members on the other side. However, that is a recognized fact and it is why this Bill is being introduced in a non-partisan fashion.

An Hon. Member: I am not reacting to the Bill.

Miss Carney: I would thank the Hon. Member for his clarification. For the record, he said that he was not reacting to the Bill. This Bill has now been introduced and is being supported in a non-partisan atmosphere, as I am sure the Minister himself will agree.

As I was saying, the concept behind this Bill originated when the Right Hon. Member for Yellowhead was Prime Minister. At that time, the Right Hon. Member went to the Tokyo Summit and returned with the conviction that the Pacific Rim was probably the most vibrant area for Canada's immediate and long-term future. He began a series of initiatives, including the planning of a major conference to focus attention on the Pacific Rim. This initiative was carried on by the then Minister of Trade, the Hon. Member for Etobicoke Centre (Mr. Wilson), and I was asked to take on the responsibility of organizing the initial work.

At that time, the concept of a foundation was strictly theoretical as being one of the many things that were worth looking into. I think it is a tribute to John Bruk that he was able to carry this forward and it is also a tribute to the parliamentary spirit in which one administration will take forward ideas which originated with another administration. We hear a lot of acrimony in the House. There are many circumstances in which initiatives taken by one Party are not instituted by the other, but this is one initiative dealing with the future of Canada and the Pacific Rim which was taken up by the present administration with an acknowledgement of the work that had been done previously.

I would like to say a little bit about the background of this Bill because it shows some of the work that we as a country still must do in this area. When we first began to organize the conference at which the idea of a foundation took root, we thought that it would be something that would be of major interest to the western provinces. We did not anticipate the interest in the Pacific Rim that we found existed in the country as a whole.

When dealing with the business community, we found that it had in fact long acknowleged that Canada was a Pacific nation and that the Pacific was our front door and not our back door. The business community had long acknowledged that Canada as a whole had already done marvellous work in the Pacific Rim. We found that some of our best diplomats and some of the best External Affairs and trade people had already done much productive work in the Pacific Rim.

We found that the interest in what was happening in the Pacific extended well beyond Vancouver, a city which is and hopes to remain one of the biggest and most important centres on the Pacific Rim. I should mention that in acknowledgement of that, the City of Vancouver, under Mayor Mike Harcourt, has centred its entire strategic planning for the development of the city on its Pacific Rim future.

Premier Bennett, the Premier of British Columbia, has just returned from China with glowing reports of the increasing ties that we have in the Pacific Rim. It is worth noting that the press commented on the fact that Premier Bennett, a premier who does not always have good words to say about the present administration, spoke only as a Canadian when he was in the Pacific Rim and he spoke for Canada as a whole.

The second surprise we found when doing the initial work on the Pacific Rim was that the interest in the Pacific went beyond trade. We sometimes forget that while trade is one of the most important aspects of our external relations, it is not the only one. The interest in the Pacific Rim extends beyond business ties. As the Minister has pointed out, the interest is cultural as well and involves the flow of people into Canada, the increase in our population, the desire for information about each other and the wish to travel and learn more about each other. Therefore, it is interesting to note that when describing the purpose of this foundation, the Bill acknowledges this very broad based interest. I shall read the clause in the Bill which relates to this acknowledgement. Clause 3 reads as follows:

> The purpose of the Foundation is to develop closer ties between the peoples and institutions of Canada and the peoples and institutions of the Asia-Pacific region by
>
> (*a*) promoting mutual awareness and understanding of the cultures, histories, religions, philosophies, languages, life styles and aspirations in the Asia-Pacific region and Canada and their effects on each other's societies;
>
> (*b*) supporting development cooperation between organizations, institutions and associations in Canada and in the Asia-Pacific region;
>
> (*c*) promoting collaboration among organizations, institutions and associations in private and public sectors in Canada and in the Asia-Pacific region;
>
> (*d*) promoting closer economic and commercial ties between Canada and the Asia-Pacific region;

(*e*) promoting, in Canada, scholarship in and expertise on economic, cultural, social and other subjects relating to the Asia-Pacific region, and in the Asia-Pacific region, scholarship in and expertise on economic, cultural, social and other subject relating to Canada; and

(*f*) collecting information and ideas relating to Canada and the Asia-Pacific region and disseminating such information and ideas within Canada and the Asia-Pacific region.

As I said, the initiative for this foundation was at the government level but I think the personal initiative for this foundation lies with John Bruk. At the time he was asked to take this idea forward, Mr. Bruk was the President of Cyprus Anvil Mining Corporation. He served without any compensation for a very long time and his entire object was to promote and study the feasibility of establishing an institution to promote Canada's interests in Asia and the Pacific. His first report documented widespread interest, and in March, 1983, a founding committee was appointed. Its immediate objectives were to define the foundation's role, to set up the foundation's operating framework and to secure a broad base of funding.

It is important to note that this foundation is not one which will be funded only by the federal Government. The foundation has always worked on the belief that it should be funded one-third by the federal Government, one-third by the provincial Government and one-third by industry. The response was so encouraging and support came from such a wise cross-section of corporations and institutions that this Bill is before us today.

● (1530)

I should point out that the Asia-Pacific Foundation is not the first of its kind. Japan set up a similar institution more than 14 years ago. Countries such as Australia and Taiwan soon followed suit. We welcome the establishment of a non-partisan foundation which represents all regions of the country. We also welcome increased contact and trade with Asia-Pacific. It will help us, as the Minister acknowledged, build a bridge of understanding in Canada with our many Asian neighbours in the Pacific. It will help to contribute to the Canadian cultural mosaic which makes Canada unique. It will help our Pacific neighbours understand our economic potential as a trader and become more aware of the many products and services which Canada has to offer. The foundation can help us to do all this. It is a positive step which we are taking to develop a bond of trust and mutual respect. We must work together through the foundation to make that happen. In that spirit, I am pleased on behalf of my Party to support this Bill.

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I am pleased to rise to speak on this Bill. The purpose of the Bill is to establish the Asia-Pacific Foundation of Canada. The purpose of the foundation is set out very well in the Bill. It will help to promote mutual awareness in the cultures, histories, religions, philosophies and languages of Asia-Pacific in its connections with Canada. It will help to support co-operation between organizations and groups from different sectors in the Asia-Pacific region. It will help to promote closer economic and commercial ties. It will help to promote scholarships and it will help students in the academic world in Canada to make connections with Asia-Pacific. It will help to collect information and ideas relating to Canada's relations with Asia-Pacific.

It is important to note that the foundation could have been incorporated under the Canada Corporations Act, but we are doing it by an Act of Parliament with the co-operation of all Parties in the House. The reason for that is to show to the world and to show to our fellow Canadians the importance of this region to Canada now and in the future. As the Minister said in his speech—and it was a fine speech—the Bill shows sufficient consciousness and interest in the Asia-Pacific on the part of all Canadians.

I am pleased to speak to this Bill for the New Democratic Party and to support it. I have carried out consultations with respect to the Bill, especially with the Mayor of my city, Mike Harcourt, who, as the Hon. Member for Vancouver Centre (Miss Carney) said in her speech, has been a long-time supporter of this concept. I also spoke with Alderman Bill Yee who is a Canadian of Asian origin and who has been a supporter of this concept. I have had discussions with my own caucus and I am pleased to say that the Hon. Member for Spadina (Mr. Heap), for example, who does not represent the Pacific area of the country, has shown an interest in this concept. The Hon. Member for Skeena (Mr. Fulton) always shows an interest in exciting areas. He has also shown an interest. He lives closer to Asia than any of us. He lives in a log cabin in the Queen Charlotte Islands.

I would like to extend my thanks to another Canadian, John Bruk, who is in the Gallery today. As other speakers have said, he has done much to get this concept going and to get this Bill into Parliament. I would like to quote from a letter which Mr. Bruk, in his capacity as Chairman of the founding committee, wrote to my Leader, the Hon. Member for Oshawa (Mr. Broadbent). The letter is dated March 8, 1984, and reads in part:

As you know, one of the major challenges facing Canada in the coming year will be how to react to the emergence of the Asia-Pacific region as a principal economic and political power. Therefore, there is a pressing need for greater emphasis in making Canadians fully aware of the growing importance of our trade with the Asia-Pacific region, as well as raising Canada's profile in those countries and enhancing the skills and understanding of Canadians doing business within the region.

Moreover, we must ensure that the next generation of Canadian political and business leaders and the general public have an even greater understanding of Canada's opportunity in the Asia-Pacific region.

When I was entering this House to speak today I said to the pages: "You should listen to some of our speeches because in a few years you will be learning Mandarin". One of the pages told me that, indeed, he will be starting a course in the Chinese language, as I am this summer. I will speak in French later on and I am sure the Minister will say that perhaps I should spend my time working on French. However, I think that the letter from Mr. Bruk hits the nail on the head with respect to why we are incorporating this Bill.

I think we must understand what is happening in the most dynamic growth area of the world, that is, the Asia-Pacific. Some statistics were given by the Minister. I would like to quote from the *Chinatown News*. The editor of the *Chinatown*

News, Mr. Roy Mah, has been very active in promoting this concept. He wrote an editorial on April 3, 1984, which reads in part:

> Canada is a Pacific nation as much as an Atlantic one. Increasingly it is Asia which supplies our immigrants and purchases our goods. Last year, Asia provided 40 per cent of the new arrivals in Canada, compared to only 29 per cent of European origin. The Asian markets absorbed a record $8.6 billion worth of Canadian goods, while Canadian exports to Western Europe—worth $10.1 billion as recently as 1981—slipped to $7.5 billion.

Mr. Mah writes further on in the editorial:

> It is important that we expand the pool of businessmen, civil servants, scholars and communicators who understand the cultures, languages, politics and markets of Asia.

He is right. Many of us in the House have had a chance, during this session of Parliament, to visit Asia. The Hon. Member for Ottawa-Vanier (Mr. Gauthier) was with me when a parliamentary group visited China last fall. On that trip we saw a joint venture. In Shanghai there was a joint steel mill which was built by joint venture between Japan and China. I hope that someday that will happen between Canada and China. I have had a chance to visit Hong Kong, the Philippines and South Korea, which are only a few places in the Asia-Pacific. When Members of this House return from those trips, they say they are impressed with the dynamic nature of the region.

It was mentioned in the *Chinatown News* that Canada's trade with the region has exceeded European trade for the first time. Japan is our number two trading partner and Korea is our number five trading partner. We are just beginning to get into the Asia-Pacific area. We are still Euro-centric. That is only natural. We still look to Europe because, given our background, many of us have come either directly from Europe, or our ancestors have come from Europe. As well, Canada has played a very important role in Europe. It has played an important role in institutions, labour, defence, research, business, politics and so on, which I think has been of mutual benefit both to Europe and to Canada. Now we are saying—and I think this is what the Asia-Pacific Foundation is saying as well—that we have to play the same kind of role in Asia. First, however, we must have a better understanding of Asia. The foundation will help in that respect. Second, there will have to be more involvement in Asia.

The opportunities are great. I gave the example of the steel mill in China. China has decided as a matter of policy that by the year 2000 it will quadruple its Gross National Product. That means that one billion people will be quadrupling their Gross National Product. What a task! Canada will be able to help with that task. After all, Canada is a large country as well. We have learned to tame hydro power in Canada. We have had to, in order to produce electricity. We have learned to transport materials over long distances. We have opened up mines in harsh terrain. All these things Canadians can do and do very well. So there is an opportunity for the railway technology, hydro technology and mining technology of Canada *vis-à-vis* China.

Asia-Pacific Foundation

● (1540)

Right now, Mr. Speaker, a Canadian engineering firm is developing a gold mine in China. We feel that these are bitter days when we see our people a bit depressed about the future because of the high unemployment rate in Canada. But what an opportunity we have. One of the Clerks of the House, who is sitting here today, was with us in China and we all could see the possibilities for Canada to play a role in the future of China. And not only in China but in Singapore and in the Philippines. We must, however, be honest about it. While there are opportunities, there are risks as well.

We should look at some of these risks. Our trade in fact is growing rapidly in the Pacific but—and the Minister might be interested in this—our trade is not growing at the same rate as in Australia or Japan. So we do have a lot to do and we have to deal with some very difficult problems which are coming out of the Asia-Pacific.

Take, for example, the low wage countries and the competition for our textiles. There are the low economic zones with low wages, bad working conditions and poor environmental and safety standards which we see in Southeast Asia. We must be honest about it. These are some of the concerns of our Party, as well as the concerns of other Hon. Members of the House. However, we must understand these conditions before we can deal with them. We should welcome the opportunity to open up our knowledge in that area.

The Hon. Member for Skeena and I myself have struggled with this problem. We in British Columbia live with the external trade policies of Japan. It often pursues a policy of oversupply of natural resources. So we open up northeast coal in British Columbia in competition with our southeast coal, or in competition with the Australian or Chinese coal mines, all at the bidding of Japanese policy. I am not knocking the Japanese policy. I am not even knocking the different coal projects in Canada. What I am saying is that we must understand what the Japanese policy is so that we can have an informed debate as to what our policy should be. I do not believe we have had a very informed debate up to now on, for example, northeast coal and other projects in British Columbia, and that is the challenge of the future. These issues have to be brought into the open. These are the risks we take in dealing with Asia-Pacific.

The biggest risk of all, Mr. Speaker, it seems to me, is not understanding what is happening in this dynamic area and not taking advantage of our opportunities; and the Minister alluded to this. I do not believe we have truly recognized the dynamism of the Asia-Pacific region and we have not yet found our niche in that region. It is not just a problem or an opportunity for those of us in British Columbia.

[*Translation*]

Mr. Speaker, I have already said that the new Asiatic markets are important to my own Province of British Columbia, but other Canadian provinces will have to get more enthusiastically involved in trade with the Asian and Pacific countries. I am referring to Quebec particularly because there

is a francophone culture in the Pacific region—Tahiti, New Caledonia and others—and there are always people who speak French in the former French colonies of Southeast Asia. Quebecers might take advantage of that common linguistic heritage to seek new markets for their own products. True, the principal office will be in Vancouver, but it will serve Quebec as well.

[*English*]

It is very important, Mr. Speaker, that all regions of Canada have an interest in this. We must understand the Asia-Pacific. One of the ways in which we might do that lies right under our own noses; that is, that we have Canadians of Asian origin who do understand the languages, cultures and the business of Asia-Pacific. We should mobilize this Canadian talent. We should lay a foundation as a means of mobilizing that talent. I have only very recently formulated this thought in my own mind—although I am sure it is an old one—but I believe it is an answer to those of us on the Pacific coast who struggle with the problems of discrimination against new immigrants and the problems of racism, which is inherent, I must say, in parts of Canada. Our history proves that. However, there is also a good side to Canadians. It occurred to me, and I believe it has occurred to other people as well, that we have this multicultural aspect of Canada, which makes us credible to the Pacific nations. They see us as a peaceful people, a people of different backgrounds, many of whom are from Asia-Pacific and who have learned to live and work together. They see the French and the English people of this country living and working together, and they are seeing other Europeans living and working peacefully with Canadians. They can also see Europeans and Asians all living together peacefully as Canadians. That gives us a tremendous advantage and we should work on that advantage. Therefore, I ask my fellow Canadians to open up our collective eyes and to work from our strength, to use our people of Pacific origin in a much better way in order to help us understand the land of their forefathers, the Asia-Pacific.

How do we raise Canada's profile in Asia? The Bill talks about the role of the foundation; an exchange of scholars; visiting students; selected conferences and publishing programs which are in place already. For example, Mr. Speaker, it was just announced that the school system in British Columbia is offering Japanese and Chinese as optional languages. That is a real step forward taken by the Social Credit Government. The Simon Fraser University, UBC and UVIC are planning to establish a centre for Asian Pacific studies in the new Canada Harbour Place in British Columbia. That is another step forward. This foundation will be able to publicize these initiatives, taking that message to Asia.

The Minister has already spoken about the foundation, so I will not say too much about it. However, I will say that its responsibility is split in three ways: the federal Government, the provinces and the private sector. Private sector does not only mean business, I hope. It also means labour, students, young people and the academia, and that is very important. I am confident that the first directors of the foundation will keep that in mind. It is important that we get the youth involved.

I am proud that the foundation is going to have its head office in Vancouver. Recently the Vancouver City Council has twinned Vancouver with Canton, Kwangtung. That is a small step but it is a step forward.

I would like to conclude by saying that we are a bridge to the Pacific community, quite literally. We are a bridge between Europe and the Pacific. We are now truly a country which is both of the Atlantic and of the Pacific. This Bill, passed today on a quiet Friday afternoon, is a historic symbol and augurs well for the future. It is important not only for trade and jobs, but for world peace as well. If we can duplicate in the Pacific the efforts we have made in Europe, as I believe we can, we will be a positive force there. We can mobilize our human resources, our people from the Asian Pacific and here in Canada, to help us. Asia's coming of age is among the most significant themes of the remaining years of this century. The Asia-Pacific Foundation, through its organization of conferences, publications, information bank and promotion of educational and cultural exchanges, will bring us significantly closer to understanding Asia and will also help Asia to better understand us.

• (1550)

There is a Chinese symbol for crisis, Mr. Speaker, consisting of two components. The top character signifies danger, and the bottom character signifies opportunity. I think it is time to seize that opportunity, and this is what this Bill does. I think it was Confucius who said that you have to begin a journey of 1,000 miles by taking the first step, and I think we have taken that first step today in turning Canada into becoming increasingly a Pacific nation and taking advantage of the great opportunities in that region for Canada.

The Acting Speaker (Mr. Herbert): Is it the pleasure of the House—

Mr. Waddell: Point of order, Mr. Speaker. I think my colleague from Spadina wanted to say a few words on this matter. I think there is room for another short speech.

The Acting Speaker (Mr. Herbert): A proposal was made that there be two speakers from the Official Opposition. However, if it is agreed, then I recognize the Hon. Member for Spadina.

Mr. Dan Heap (Spadina): Mr. Speaker, I am pleased to support this Bill, not mainly because I visited the western Pacific last summer for some weeks, although that certainly increases my interest, but because I was uneasy at first about where this project might lead. There have been some misuses by Canadian entrepreneurs of the Pacific region in order to sell our resources at bargain prices and get a little there at bargain prices. A policy that will benefit but a few rich people here and a few rich people there and is detrimental to the great majority both here and there is a road to ruin.

However, I had the pleasure of meeting John Bruk recently and finding out from him how he sees this foundation. I was assured by him that the primary object of the foundation is to gain information and facts. For example, one sort of thing that the foundation would look into would be to find out what are the real wages not only of the lower paid people but of the highest paid people in all the regions concerned. I expect that on that basis it would be possible for us to establish a healthy sort of trade relationship. In fact, Mr. Bruk commented on the fact that there cnanot be any healthy economy without justice. If that is the kind of leadership this foundation will have, then I heartily support it.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): Mr. Pepin, for Mr. MacEachen, seconded by Mr. Pinard, moved that Bill C-42, an Act to establish the Asia-Pacific Foundation of Canada, be read the second time and, by unanimous consent, referred to a Committee of the Whole House.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Herbert in the chair.

The Deputy Chairman: Order. House in Committee of the Whole on Bill C-42, an Act to establish the Asia-Pacific Foundation of Canada.

Clauses 2 to 7 inclusive agreed to.

On Clause 8—*First members of the Board*

Mr. Pepin: This is one of two amendments I have, Mr. Chairman. My suggestion is that the French version of Clause 8 of Bill C-42 be amended by striking out line 40 on page 3 and substituting the following:

[*Translation*]

dix administrateurs, dont le président du

I believe your assistants have already told you about the validity of this amendment.

[*English*]

The Deputy Chairman: The House has heard the amendment. Is it the pleasure of the House to adopt the amendment?

Some Hon. Members: Carried.

Amendment agreed to.

The Deputy Chairman: Shall Clause 8, as amended, carry?

Some Hon. Members: Agreed.

Clause 8, as amended, agreed to.

Clauses 9 to 36 inclusive, agreed to.

[*Translation*]

On Clause 37—

Leasing of Crown Lands

Mr. Pepin: I have an amendment here also. The Bill provides for a review after five years. If you expect to have a review after five years, you must initiate it during the fourth year. If you wait until the fifth year, you will be late with your review.

I therefore move that Clause 37 of Bill C-42 be amended by deleting line 15 on Page 8 and substituting the following:

As soon as possible after the fourth

[*English*]

The Deputy Chairman: The House has heard the amendment. Shall the amendment carry?

Some Hon. Members: Carried.

Amendment agreed to.

The Deputy Chairman: Shall Clause 37, as amended, carry?

Some Hon. Members: Agreed.

Clause 37, as amended, agreed to.

Clause 38 agreed to.

Clause 1 agreed to.

Title agreed to.

Bill reported, as amended, read the third time and passed.

• (1600)

[*Translation*]

The Acting Speaker (Mr. Herbert): Order, please. It being four o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—PUBLIC BILLS

[*English*]

SENATE AND HOUSE OF COMMONS ACT

AMENDMENT RESPECTING LEASING OF CROWN LANDS

The House resumed, from Friday, May 18, consideration of the motion of Mr. Nickerson, that Bill C-241, an Act to amend the Senate and House of Commons Act, be read the second time and referred to the Standing Committee on Privileges and Elections.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, on a point of order, there may be a disposition that this Bill be dealt with in its entirety this afternoon and be referred to a Committee of the Whole rather than the Standing Committee on Privileges and Elections. I do not know whether that would receive the agreement of the House.

The Acting Speaker (Mr. Herbert): An amendment to the motion to refer the Bill to Committee of the Whole will require unanimous consent of the House. Is there unanimous consent?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): Agreed and so ordered.

Leasing of Crown Lands

Mr. Nickerson: Mr. Speaker, at this time I would like to thank the President of the Privy Council (Mr. Pinard) for the assistance and co-operation which he and his office have given to this matter over quite a few years. I would also like to thank the House Leaders from the various Parties for allowing this Bill to proceed expeditiously this afternoon.

When I introduce this Bill I do so with a certain sense of embarrassment. If this Bill is passed into law, the advantages which will accrue therefrom will be most advantageous to those Members who live in the Yukon and the Northwest Territories. There are not very many of us. There are three Members of Parliament and two Senators. The problem which this Bill addresses is that under Section 20 of the Senate and House of Commons Act as it stands today, due to inadvertency Members of Parliament and Senators are prevented from leasing federal Crown lands. In the Yukon and the Northwest Territories, apart from a very small amount of privately owned land in municipalities, all the rest of the land is federal Crown land. That means that Members of Parliament from those Territories are unable to lease a cottage lot or acquire any land outside of privately owned land within the municipalities. I do not think that was the original intent of Section 20 when it was drafted. The intent was to prevent Members of Parliament from entering into contracts with the federal Crown from which they might derive pecuniary benefit.

Because I stand to benefit from this more than most Members of Parliament, I took the precaution of writing in advance to the Speaker of the House of Commons in 1980 when the Hon. Jeanne Sauvé was Speaker. I asked whether it would be proper for me to introduce such an amendment. In a letter dated July 2, 1980 I was told that it would be in order for me to do so and I would not be contravening any of our rules in doing this.

I will return to the recent history of the need for an amendment. On May 14, 1970 the Member for Yukon (Mr. Nielsen) rose on a point of privilege in the House and brought to the attention of the House the fact that he had been trying to acquire a cottage lease in the Yukon where he resided and had been turned down because of the provisions of Section 19, as it then was, of the Senate and House of Commons Act. As a result of his intervention on that day, the matter of his acquisition of a lease was referred to the Standing Committee on Privileges and Elections, which duly convened to discuss the matter. It held a couple of meetings and issued a report which was tabled in the House of Commons on June 3, 1970.

The principal recommendations of the committees were as follows:

1. The question of privilege is well founded.

2. Your Committee, being of the opinion that as there may exist similar cases involving other Members of the House, recommends that the same considerations and recommendations should be made applicable in these cases.

3. Your Committee recommends that the Government should consider the expediency of introducing legislation to amend the Senate and House of Commons Act to resolve more clearly the question of the propriety of Members of Parliament receiving certain payments and advantages under Acts of general application and of Members making payments for leases, rent or sale of property in certain cases where they do not receive any special or undue advantages simply from the fact that they happen to be Members of Parliament.

The committee also recommended that the particular lease in question be granted. The report of the Committee on Privileges and Elections was concurred in by the House of Commons on June 10, 1970.

In my own case I have run up against Section 20, as it now stands, by virtue of the fact that before entering into politics I was a prospector and acquired, through staking, mineral claims in the Northwest Territories. A provision of the Canada mining regulations is that within a 10-year period a claim must be taken to lease. I was unable to obtain a lease because of the Senate and House of Commons Act and, therefore, property which I had previously acquired was in jeopardy.

The change which is proposed to the Act is a very simple one. I propose to read Section 20(1) as it now stands and insert the change. The sub-section reads:

In every contract, agreement or commission to be made, entered into or accepted by any person with the Government of Canada or any of the departments or officers of the Government of Canada—

We now come to the insertion:

—for which any public money of Canada is to be paid—

Now we go back to the old wording:

—there shall be inserted an express condition that no member of the House of Commons shall be admitted to any share or part of such contract, agreement or commission, or to any benefit to arise therefrom.

It is a very simple change. It would not change the Act in such a way that Members of Parliament could enter into contracts for the provision of services to Government, or enter into contracts where money would be paid by the Government to the Member of Parliament. Rather, it would only apply the other way around, where a Member of Parliament pays money to the Crown.

I think that is a sufficient explanation of the changes which are proposed. I would again like to thank the other Parties, and particularly the President of the Privy Council for the co-operation and worthwhile advice they have given with respect to this matter over many months, if not years. I think it has taken that long.

● (1610)

Mr. Jim Fulton (Skeena): Mr. Speaker, I only have a few brief remarks to make in support of Bill C-241. I recognize the dilemma in which the Hon. Member for Western Arctic (Mr. Nickerson) finds himself. While it may appear that we are taking the time of the House to pass legislation that only benefits that Hon. Member, upon close examination of old Section 20(1) of the Senate and House of Commons Act, one can see that it may well affect others besides the Hon. Member for Yukon (Mr. Nielsen), the Hon. Member for Western Arctic or the Hon. Member for Nunatsiaq (Mr. Ittinuar). If one is to reflect on exactly what the wording means, for those Members of the House who may want to rent a cottage lot in Banff National Park it would not be legal according to a strict interpretation of the section as it exists today. If one were to read the section even more rigidly, one might suppose that even the Prime Minister's (Mr. Trudeau)

house, Stornoway, or other matters directly related to federal properties would be included, because Section 20(1) states:

In every contract, agreement or commission to be made, entered into or accepted by any person with the Government of Canada or any of the departments or officers of the Government of Canada, for which any public money of Canada is to be paid, there shall be inserted an express condition that no member of the House of Commons shall be admitted to any share or part of such contract, agreement or commission, or to any benefit to arise therefrom.

I presume it has been many years since someone has been confronted by such a technical situation. Clearly, the Hon. Member for Western Arctic was the first Member to really run afoul of it, one might say.

Mr. Evans: No he was not.

Mr. Fulton: Perhaps not afoul, but to run headlong into it.

Mr. Nickerson: Erik Nielsen was.

Mr. Fulton: The Hon. Member for Yukon was the first. However, perhaps it is more clearly defined for the Hon. Member for Western Arctic. Although he is required in the Northwest Territories by law to proceed within ten years in order to gain title to the claims he staked out, in order to get leases on those claims, he is expressly forbidden to do that by an Act of the House. This Bill is important in terms of what has happened to the Hon. Member for Yukon and the Hon. Member for Western Arctic.

When the Parliamentary Secretary rises to speak, he will also point out that if this action were clearly interpreted and applied, its application would be found to be extremely broad. It could in fact cause a chaotic situation for many Members who, with their own money and without gaining any particular gain in relation to the activities of the House, federal law, contracts or grants, may have wanted to purchase a cottage lot but have not been allowed to do so since Confederation.

The words that have been added make it very clear that that is not the case. The words that are added in the section are simply, "for which any public money of Canada is to be paid".

It is quite clear that the passage of this Act will not bring any specific monetary, legal or other gains to the Hon. Member for Western Arctic, the Hon. Member for Yukon or other Members of the House. It is simply an attempt to make this section of the Senate and House of Commons Act clear so that Hon. Members in the future do not lose an opportunity to get a cottage lot whether it is in Banff National Park or the Pacific Rim. In the case of the Hon. Member for Western Arctic, it will allow him to deal legally with mining claims that he legally holds and must do something about.

I am pleased to rise and support this Bill. I trust that it will go through all three stages and become law today. I am sure that the Parliamentary Secretary to the President of the Privy Council (Mr. Evans) will probably want to join with me in saying that perhaps we should make one further amendment to the Senate and House of Commons Act, which is, perhaps, to abolish the Senate. However, I will leave it to you to decide, Mr. Speaker, whether you wish to rule that amendment in order. I am sure there are Members here this afternoon who would very much like to pass such an amendment and get rid of the other House in a quick and opportune way this afternoon.

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am quite sure the Chair would find that particular suggestion out of order.

I too rise to support the Bill. The President of the Privy Council (Mr. Pinard) and his office have certainly worked very closely with the Hon. Member for Western Arctic (Mr. Nickerson) on this particular matter. It is a situation that should have been corrected some time ago.

To my knowledge, the first person to run afoul of this section was the Hon. Member for Yukon (Mr. Nielsen) as a result of a lease on a cottage lot in the Yukon Territories. It was raised as a matter of privilege in the House of Commons and taken before the Privileges and Elections Committee. It was found in 1970 to be clearly a breach of the laws.

That situation is to be corrected permanently by what we are doing today. As the Hon. Member for Skeena (Mr. Fulton) has mentioned, this is much broader than just the coverage that one would find in the Northwest Territories or Yukon. It also covers many areas that one would think should not be covered in such a provision. For example, the National Capital Commission owns a good deal of land in the City of Ottawa and the National Capital Region. If a Member of Parliament were to lease a cottage lot at Meach Lake or Gatineau Park, of which there are some, that would technically be a breach of the Act as well. If a Member of Parliament were to rent an apartment on Sussex Drive on some of the land and restored buildings that are owned by the NCC, the Member would be in breach of the Act.

It is clear that there are some very serious difficulties with this particular provision. The law officer of the Crown has given the advice that the original intent of Section 20 of the Act was to ensure, as the Hon. Member for Western Arctic said, that a Member of Parliament did not engage in contracts, or transactions which would result in his or her receiving remuneration from the Crown. As the Hon. Member rightly pointed out, the effect of the amendment that the Hon. Member is putting forward today is to clarify that it applies in all cases in which a Member of Parliament was receiving benefit from the Crown in exchange for goods or services, but does not apply in cases where the Crown is receiving remuneration from a Member of Parliament for the lease of land or goods.

I suppose, according to this Act, if a Member of Parliament went to Crown Assets Disposal and bought a used filing cabinet, it would constitute a transaction between a Member of Parliament and the Crown. Prior to this amendment, it would be a matter that could be raised as privilege in the House. It would be in violation of the Act.

I am confident that there have been many Members of Parliament in the past who, like members of the general public, have gone to Crown Assets Disposal, which is in my riding, to buy a chair for an office or a filing cabinet. I am

sure they have purchased something from the Crown while being a Member of Parliament. If I read the statutes properly, they have technically been in breach of this Act.

As the Hon. Member for Skeena has so rightly pointed out, the scope of this Act is far beyond what most would presume at first glance. The Government is pleased to have co-operated with the Hon. Member for Western Arctic in putting together this particular Private Members' Bill to correct this situation and bring the Act into line with the original intention. There is certainly a predisposition in the House that upon the completion of my remarks we would take this Bill through Committee of the Whole and third reading and pass it through all stages.

The Acting Speaker (Mr. Gauthier): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Gauthier): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Gauthier in the chair.

Clause 1 agreed to.

Title agreed to.

Bill reported, read the third time and passed.

The House adjourned at 4.19 p.m.

HOUSE OF COMMONS

Monday, June 4, 1984

The House met at 11 a.m.

• (1110)

GOVERNMENT ORDERS

[*Translation*]

OLD AGE SECURITY ACT

MEASURE TO AMEND

Hon. Monique Bégin (Minister of National Health and Welfare) moved that Bill C-40, an Act to amend the Old Age Security Act, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

She said: Mr. Speaker, let me say, first of all, that I certainly appreciate the healthy applause rising up from the Opposition benches. This augurs well for the debate on this Bill! I assume that Members will vote unanimously in favour of what will probably be the last Bill we shall be proposing in support of the Guaranteed Income Supplement, because once this Bill is passed, from then on all senior citizens will necessarily be above the poverty line.

[*English*]

As you know, Mr. Speaker, Bill C-40 is basically focused on adding, in two slices, a full $50 a month, on top of the usual indexation, to what we call in the jargon "single pensioners" receiving the supplement. That means hundreds of thousands of seniors who are widows, widowers, single, separated, divorced and so on, who have no means or very little income other than what we call the "public pensions".

That is what this Bill is intended to do. However, we took the opportunity—and I am really confident that we will obtain the support of all Hon. Members of this House—to make other changes which will improve the pension system at the same time. These are small changes affecting perhaps 3,000 or even as few as 50 people a year. These are Canadians who for some technical reason fall between two chairs when it comes to the guaranteed income supplement. This, in a way, is a means to an end, and it is a happy end because it is the end to a very unhappy situation.

Some seniors, because of the limitations of, I suppose, the social sciences in preceding decades, still suffer a lot by not having a basic income guaranteed to them. Let me explain. In Canada, as in many other countries, I suppose—I would not know for sure until I researched the question—when we established the pension the concept was that a person who was alone, for whatever reason, would receive half of what a couple receives. However, because of studies of family budgets and so on we now know that to live alone costs more than 50 per cent of a couple's needs. For example, the basic one-bedroom apartment, hydro and telephone will cost the same for a person alone as for a couple. Therefore, many groups—and in all fairness we should refer to them right now in this House—such as the Royal Commission on the Status of Pensions in Ontario, the Canadian Council on Social Development, the Senate Committee on Poverty and, I believe, the National Council on Welfare, have advocated that pensioners living alone and in need receive 60 per cent or a little more—which is what they are going to receive—of the budget of a couple.

That is why—and I do not say it in apology but in explanation—the couples who receive the supplement will not at this time receive a special increase. They will receive their usual indexation in July, next month. It is those, however, who are single and receive the supplement who will receive an additional $25 a month starting with their July cheque, and another additional $25 in their monthly cheques beginning in December. That, in a nutshell, is the purpose of this Bill.

• (1115)

I should mention that this increase will also be provided to widowed spouse's allowance recipients. Whatever their age or status, if they become widowed and they receive the spouse's allowance, which means they are younger than 65, which also means they are automatically in need, they will get the full $50 as well. In that way we are correcting what I would call a mistake of the past, of which I myself did not know.

[*Translation*]

At this point I would like to say, Mr. Speaker, and I think it is very important, that my colleague, the Hon. Member from Montreal-Sainte-Marie (Mr. Malépart), is to be commended for having brought this problem to the attention of the Government. When individuals receiving the spouse's allowance are widowed—and in most cases they are women—they do not receive the special increase for single persons because of a technicality in the Act. However, they are single, to all intents and purposes.

We are therefore correcting this, so that all widowed spouse allowance recipients will now receive the additional $50 provided in Bill C-40. I think this is extremely important.

[*English*]

I will make the point rapidly that many people who get this $50 are women. Unfortunately I do not have in my notes the exact percentage, but it is a majority and quite a high percentage. It reflects the make-up of society. The Hon. Member for

Kingston and the Islands (Miss MacDonald), even if she is not always very nice to me when she speaks in this House, has joined forces with many of us to obtain changes in the pension system for homemakers. They raised the children, did unpaid voluntary work, or worked in the service industry or perhaps the small business enterprise of their husband, father or members of their family. They often had to work to help the family make ends meet without pay or with small pay and no private pension.

I also want to bring to the attention of Canadians that the group forming what we call the GIS pensioners, those who receive the supplement, are people in need. If they were younger than 65 they would be on welfare. We should not hide that fact from ourselves. We call it a supplement and there is no stigma attached to it, which I am very proud of. These people are in need and this Bill is not providing a luxury for them, it is a necessity.

To come back to this point of information, which I think should be shocking and shaking us all towards pension reform, the fact is that 235,000 single-rate pensioners in Canada have to receive the full supplement to the basic old age pension. That means they have absolutely nothing else in the way of income to live on during their old age. This is quite shocking for any country. It is dangerous as well because it means that a great number of Canadians, when they reach the so-called official age of retirement, will suffer quite a substantial fall in their standard of living. They may have their home paid for, especially in small towns or in rural Canada. However, in a city such as Montreal where 80 per cent of the people are tenants, they will not enjoy that benefit. That is a very worrying situation for the future and we want to address it.

• (1120)

Before moving to my next point I will explain something. The so-called single pensioners who get the supplement, even if only a partial supplement, will get the full additional $50, twice $25. People should know that. We are broadening the base of those who will get the supplement. There are those in the grey area of being very close to the poverty line. We are increasing the base. Our departmental estimates indicate that 25,000 old age pensioners who are not receiving any supplement will start to qualify immediately for a small supplement. They should check with my numerous offices all over the country and their local MPs to see whether they will qualify. These people have very little income and should apply.

Recognizing that single GIS pensioners are in need of better financial assistance was very important but in a way was not new. I will refer to the task force of parliamentarians of the three Parties who participated in what is now called the great pension debate. The task force on pension reform which studied the reform of private pensions also studied all pensions, including the two public pensions. For these GIS pensioners the task force recommended a special top-up benefit of $102 per month taxed back at 100 per cent in the lowest income group. Many Members and many Canadians think that would have been much better. However, it would have totally changed the system. It would have been better for some but it would have eliminated a lot of GIS pensioners from receiving the supplement.

Let me explain why I did not recommend that to the Government. The reason is that the $102 per month with a tax back rate of 100 per cent would have given more money immediately to those who have nothing but the GIS. However, any pensioners receiving any money from another source would have that amount deducted from their GIS. That is a problem. As a Minister I could not talk with the task force on pension reform because it must operate independently, but I think it is fair that I explain today to the House and my colleagues why I did not recommend that to the Government.

Our system has two advantages which would have been lost by the recommendation of the task force report. One advantage of our present system is that it is proportionately adapted to each dollar of additional income from other sources. It is a fine graduation from those who receive the full OAS and the GIS with no other income to those with limited other income, and finally to those who have other income but not enough to match what is missing by even $10 a month and takes them over the poverty line. There is no disruption in this system; it is a scale that is finely tuned to the realities.

• (1125)

The second advantage is that we only take back 50 per cent of other income and thereby leave them 50 cents on the dollar. This means that we have built in within the public pension system in Canada incentives for people to build up their own savings. I do not know if I am turning into a capitalist, I do not think so, but I believe it is sacrosanct to build in and keep incentives for Canadians to save toward their older days.

Mr. Epp: Go ahead, become a capitalist.

Miss MacDonald: That is John Turner's influence on you!

Miss Bégin: Yes, but with a heart. That is the difference. We need the money to spend afterwards. We need a viable economy because I know how to spend the money.

Of course, we want jobs first and a good economy at the same time. Then we can refine our social programs to have the fantastic safety net about which Canadians are so pleased.

This being said, and despite the way Opposition is teasing me—I take it that it is all in friendship which, of course, is very dangerous when it comes from them—let me speak about the money which the Minister of Finance (Mr. Lalonde) has provided in his Budget. In that Budget the Minister of Finance referred to the amount that this new program will cost. Of course, nothing can be established without a cost and I am proud that the Government saw fit to put aside, among its new expenditures, funds for two programs; jobs for young people in particular and funds for seniors in need to whom we have promised it as soon as the economy allows.

This year the increase will raise expenditures by $250 million. In the next fiscal year, 1985-86, there will be an additional cost of $460 million because the spending will be

over the full fiscal year. I am pleased that we are hearing less criticism that these are non-productive expenditures and that mine is a non-economic ministry. I am prepared to answer those criticisms.

That $250 million which we just added to the Budget and for which I am asking support at the second and final stages of this Bill will provide an additional $24 in the next month's cheque for single GIS pensioners. That money will return directly to the economy. It will be spent in the daily budget of those people and will return more rapidly to the economy than other savings as they meet their basic and immediate needs. It will increase consumer demand. In order to convince people that this is not wasted money, I can go as far as arguing that this expenditure of funds has an economic benefit that is equivalent to creating 3,000 new jobs this year and another 2,000 jobs next year. I suggest that there are not only social benefits to these social expenditures but economic benefits as well.

I am also asking Members to support the reform which this Act seeks to bring about. I think they will agree with it because we have taken a pragmatic approach to a problem that is typical of Canada as a country of immigrants.

• (1130)

[*Translation*]

Mr. Speaker, I would like to make one comment, and I think you will understand, since you are from Quebec yourself. Dr. Camille Laurin, who is now the Quebec Minister for Social Affairs, after a rather stormy career with the Department of Education—and I hope he will not take the same kind of action in our social affairs field—Dr. Laurin has stated all of a sudden that he wants to patriate old age security pensions. In the course of my usual activities on the weekend, I spoke to quite a number of senior citizens groups. There were senior citizens from various parts of Quebec, and these people came to ask me, to plead with me to keep the pension so that I would be there to make sure there were no problems and the Province of Quebec did not make a hash of something that was working quite well. So I would like to reassure our senior citizens and say that this is a lot of rhetoric! There is no reason at all for patriating pensions. The system has always worked very well. I would rather not make any more political comments than I have to, but I must say that I am rather surprised at this Government, this separatist Government which not so long ago said through its Premier, Mr. Lévesque, that senior citizens were a total loss, that it was their fault that the people who wanted Quebec to separate had lost the referendum and that senior citizens were holding Quebec hostage because they would not allow the province to separate, but on the other hand, they would all be dead in a few years and then we could have another referendum!

I would just like to say one thing. There will always be pensioners, there will always be senior citizens in Quebec, with the intelligence and discernment to realize what the advantages are for Quebec within Confederation. Therefore, despite Dr. Laurin's ideological dreams, old age pensions will stay where they are. If Dr. Laurin wants to give Quebec senior citizens more, or if he wants to give something to people between 60 and 64, he can do so right now. According to the Constitution, he does not need the permission of the federal Government and he does not even have to consult me, he can go ahead and do it. That is something we must not forget. Other provinces do it and refer to these additional payments as top-ups. Many provinces do this for their senior citizens.

[*English*]

I said we were also making a few other reforms to the system. One touches immigrants. Canada in that sense is a special country. We have immigrants who come here permanently. At the beginning of 1977 I became Minister of National Health and Welfare. That year we reformed the old age pension system for immigrants because Canada's rules were all or nothing. A person had to have many years of residence or he or she did not qualify. One did not have an image of the exact situation. Under my predecessor, who is now the Minister of Finance, amendments were brought in which changed the number of years of residence needed to qualify. The qualifications were more practical reflecting Canadian reality. We opened the door to all reciprocity agreements signed with other countries. Roughly one-third of our population comes from other countries. People who came from other countries had neither sufficient years of residence in their own country nor in Canada to qualify for a full pension. We organized a system allowing pensions to be brought from other countries which could then be combined with earned pension rights here.

[*Translation*]

Oh!—And since the Member for Kent (Mr. Bossy) who happens to be of Belgian origin is right next to me, I would like to say that on May 10 of this year, I signed the latest reciprocal agreement on old age security pensions in Brussels, at the Palais des comtes d'Egmont, an agreement which will make it possible for all Canadians of Belgian origin, immigrants of Belgian origin, and also people who decide to settle in Belgium, to qualify for their full pension, through the Canadian and Belgian governments. This is the sixth or seventh country with which we have signed an agreement, something that is very much appreciated, of course, by the Canadians concerned.

[*English*]

There was a downside to the 1977 amendments which favoured immigrants. I do not have the exact number of people affected, but a small number of Canadians of other origins do not qualify for pensions in Canada, or the GIS, for example. They do not qualify for *x* number of reasons. This could be aid to farmers in a person's native country not covered by any contributory plan. People could be in a situation in which they do not qualify for anything in their native land, nor in Canada. They literally fall between the two. This situation is being corrected by an amendment in Bill C-40. These people would

be considered in a category of need. This does not open the door for people to send their older parents to Canada just to get the Canadian pension. That would not be realistic nor fair to other Canadians. But if people lived a certain number of years in Canada and are in need, they will be eligible to receive the full GIS or whatever part of the GIS they need.

There is another small change which is important. I am sure Members will all agree that each one of us is a social worker or an ombudsman in our ridings. We hear about and we see people who are outside of the system. Let me cite one case.

[*Translation*]

Here, I would like to express my appreciation to the Hon. Member for Gamelin (Mr. Portelance), who brought the problem to my attention. I was not aware of this particular problem. The Hon. Member reasoned as follows: If the Government of Canada can go back five years to check income tax returns, and that is what happens if a person fails to pay income tax, since the Government has the authority to check returns over the last five years, then why shouldn't a person who did not know or did not apply for his old age security pension be entitled to retroactive payments for up to five years? Someone who is 71 or 70 or 69 is not entitled to retroactive payments for the years for which no application was made, although that person was unaware there was a pension. But we are changing that now.

[*English*]

To sum up, a person in Canada can receive only one year of retroactivity the way the system exists now.

Miss MacDonald: I know of one case of three years.

Miss Bégin: That is illegal. We will have to correct that case by some special mechanism. A person in Canada older than 65 years of age who does not know there is a system of public pensions for whatever reason and has not applied can only receive one year's benefits retroactively.

One such case was brought to the attention of the Hon. Member for Gamelin (Mr. Portelance) who brought it to my attention. He pleaded with very powerful reasoning. I promised that as soon as we had a Bill in the House, we would include this situation. According to my officials and what we know of the situation, we think there are 50 cases a year. That means 50 Canadians are not receiving their fair share.

We are also proposing that post-mortem applications for Old Age Security benefits be allowed in cases where the deceased would have been eligible for benefits had he or she applied. This provision would also give a widow or widower, if all the qualifications were met—the person could be a spouse's allowance case—entitlement to the spouse's allowance.

In a nutshell, Mr. Speaker, several other amendments are proposed in an effort to make the Old Age Security program more equitable and efficient. Included are provisions allowing for compensating pensioners who lose any benefit entitlement as a result of administrative error or erroneous advice. I think everybody will agree that such a change was needed. This Bill will authorize when necessary the issuance of a certificate on presumption of death, repealing an unnecessary and potentially misleading provision dealing with benefit entitlement under international social security agreements. There are, of course, changes necessary to co-ordinate Canada Pension Plan benefits with other sources for GIS entitlement purposes. Members received the details of these amendments in the special information package we distributed to all Members in the House.

• (1140)

As my time is coming to an end, in conclusion I should like to call upon the new government, which we will form after the next election, to make a serious effort in the area of pension reform. Today I am talking about public pensions. Along with this provision, the law should be satisfactory for many decades because it brings all Canadians automatically above the poverty line. However, it is only above the poverty line. It is normal that the Government would not do more, in a sense, because Canadians should supplement that guaranteed tier of income, as it is often called, with their own private savings and, more important, with their company pensions. That is the image we should remember in Canada.

With Sweden we are the only countries in the world with decent universal public pensions. However, with the United States we are the worst countries of the industrialized world for not having private pensions. Approximately 55 per cent of Canadian workers, most of whom are women in the workforce, have no company pension. The others have pensions which are not portable, which do not have survivors' benefits, and which are not indexed in any way, shape or form to the cost of living. That is what I think should be the next step. We should put our own house in order in terms of Canada Pension Plan reforms which cannot be made without the agreement of a majority of the provinces with two-thirds of the population. Therefore, the Minister of Finance and myself are commencing discussions with the provinces toward that end. The best indicator of how good it is to live in a country is the way it treats its seniors, and I think every Member agrees with that.

Some Hon. Members: Hear, hear!

Hon. Jake Epp (Provencher): Mr. Speaker, in commencing debate on Bill C-40, an Act to amend the Old Age Security Act, on behalf of the Progressive Conservative Party I want to say at the outset that we are in support of it. Not only do the major provisions of the Bill have our support, but they were recommended at various times through various opportunities by members of our Party.

That is my first point. My second point is that we do not intend to delay the Bill. We will co-operate not only in the debate on the Bill in terms of early and speedy passage but also raise certain issues which we believe should be addressed in the opportunity we now have in regard to pensions.

I point out to the House, and to the Minister specifically, that while we support the Bill there is a vast area of pension reform which we would have preferred to see addressed at this

point as well. However, that takes us into the question of a time frame with which I will deal in a few minutes. Those two points of view stand on the record, and I want the House to enter into this debate with them in mind.

Before getting into the main body of my remarks, I pay tribute to a number of my colleagues who have been in the forefront on behalf of our Party in pension and pension reform. While those of us who have specific responsibilities now in the areas of health and welfare have a personal concern, we have not had responsibility for the Party as has the Hon. Member for Kingston and the Islands (Miss MacDonald). There is no other Member of the House—I would suggest no one in the country—who has developed over a period of time, not only through the process of time but because of dedication and keeping the matter in the forefront of issues, the issue of poverty among the elderly, especially the need to change the pension plan to address the economic reality faced by many of Canada's elderly women on a day to day basis. I pay tribute to her today.

Some Hon. Members: Hear, hear!

Mr. Epp: In the latter part of my speech, as did the Minister, I want to talk about the task force on pension reform, and I will mention the work of other colleagues at that time.

It is important when we look at this Bill to let the Canadian public know at the outset what we in the House face at this point in time. Today, at the beginning of June, we have a Bill before us which received first reading on May 29. While I know the Government after first reading of the bill can come back with second reading very quickly, it is generally the process of the House that a period of time is allowed for private and collegial discussion after first reading and for groups in the country interested in the Bill's specific provisions to have an opportunity to look at them and come back with suggestions.

Pension reform—specifically the changes to the guaranteed income supplement—has been a point of discussion in the House for the last two years. On February 15, 1984 the Minister of Finance (Mr. Lalonde) mentioned the $25 increase in his Budget to take effect on July 1, 1984 and the additional $25 in December, 1984. The Budget called for those provisions on February 15, but we only received the Bill for first reading on May 29 and today, on June 4, we are debating second reading. I am not trying to be difficult, but we have to be realistic about the situation. If we can get the Bill through the House reasonably quickly on second reading, it will go to the Standing Committee on Health, Welfare and Social Affairs. At the present time that committee has before it Bill C-221, a Private Member's Bill in the name of the Hon. Member for St. John's East (Mr. McGrath) dealing with amendments to the Narcotics Act and the therapeutic use of heroin. As well it has Bill C-5, an Act to amend the Radiation Emitting Devices Act. All of us recognize that there will be a certain number of allotted days in June and that there is a certain political event which the Party opposite wants to conduct in Ottawa this month.

That being the case, we have very little opportunity in either the House or in committee to get a grip on pension reform and the discussion which I believe should take place. If I have any regret or criticism of the Minister, it is just that I would have preferred to see the Bill much earlier. Then we could have had it in committee and discussed its provisions over a longer period of time. Despite that difficulty, the two points which I made at the outset of my comments stand.

The major feature of the Bill is to increase the income of elderly pensioners who now receive the guaranteed income supplement. Of course, to receive the GIS is contingent upon reaching age 65 or being eligible for the Old Age Security Plan. That supplement will be increased by $25 per month in July of this year and by an additional $25 in December. We support that, but as I said a little more time would have been helpful.

It is interesting to note that the Minister—and I do not think I am being unkind—has some difficulty explaining some of the other provisions because they are complicated and require some study. For instance, there are changes to the War Veterans Act and changes affecting immigrants, just to name two. There is also the five-year period in which a person can now apply whereas in the past it was one year. These are all important details and I would suggest that time would have allowed us to bring forward better legislation than that which we have now.

• (1150)

That being the case, I would like to outline for the House who these people are who will be affected by the increase in the guaranteed income supplement of $25. Within the confines of the House of Commons, it is very easy to speak of this matter in general terms. However, who are these people who will be affected? As of March of this year, 2,490,000 Canadians over the age of 65 were receiving the basic universal old age pension which currently stands at $265.89 per month. If we take a look at those 2.5 million elderly Canadians, we would also discover that approximately 50 per cent, or 1,241,000 of them, qualified for some sort of guaranteed income supplement in March of this year. However, of that group, some 302,812 or 12.2 per cent qualified for the full supplement. The rest qualified for the partial supplement. There is no question that there are a number of elderly Canadians today who are not eligible for company pensions or who did not have the financial resources to build up private pensions and are solely dependent on the Old Age Security and the guaranteed income supplement.

In one of the last statements made by the Minister, she said that the increase to the GIS would raise the incomes of those single elderly people who are receiving both the Old Age Security and the guaranteed income supplement above the poverty line. I suggest that that is not correct. In fact, when looking at figures that we and others in this field have worked out, it is my submission that with the proposed changes once

implemented, including both the $25 in July and the $25 in December, the 1984 incomes of single persons receiving OAS and GIS will be $6,625 per annum. That is still some $697 below the poverty line for those who live in rural areas and some $3,275 below the poverty line for those who live in urban areas.

I know that when we speak about the poverty line for rural and urban areas, we are using a basic figure or a norm. However, I suggest to the Minister and to her departmental officials that they re-examine the statement made by the Minister. I do not believe it is the case that these people who will be receiving income only from the OAS and the GIS will be placed above the poverty line after receiving these increases. Even taking into account the December increase, those people would still fall below the poverty line.

It is for that reason that a number of provinces have brought in programs generally on a quarterly basis to increase the pension for these people. In pension jargon, it is called a top-up of the pension plan. There is no question that the provinces have had to address that question in a financial way. I would suggest to the Minister that while we welcome these additions, part of her argument and her laudatory statements are not borne out in fact.

It is also important to note something which concerns me and that is that elderly Canadians who earned salaries which were relatively low as compared to salaries today and who did not have extra money to purchase pension plans or worked for companies that did not have pension plans now use a disproportionate amount of their income for basic necessities such as housing and food. I will not take the time of the House to mention figures, but there is no question that that is the case.

The Minister has said that the extra money from the GIS will flow back into the economy immediately because these people will spend it. That is true, but it is reflective of a more important issue. These people are spending higher percentages of their incomes on food, clothing and household necessities. Despite the adjustments for inflation, the fact remains that these people, on a day-by-day basis, still must face a very specific budgeting process which only they are able to undertake.

The whole question of the future of our society, a question of which pensions is but a part, is one which should concern us in this House and should concern all Canadians. While we welcome this Bill, I think there is a fundamental reality that we must face. I am not convinced that we are facing that reality as I had hoped that this Bill would. That reality is that social policy relating to such things as pensions, health care and the Canada Assistance Plan, to name just three, cannot be divorced from economic policy. It is that economic policy which I would like to address for a moment.

It is said, and it is true, that the Government of Canada must be deeply concerned about additional expenditures because of both the annualized deficit of some $30 million this year and the cumulative deficit of some $155 billion at the present time. That is the legacy of the Liberal Government. Today, more than one-quarter of the entire resources of the Government of Canada are being spent not on debt repayment but on debt servicing. We as Canadians are now paying in excess of $20 billion for debt servicing. As is my bent, I will be conservative about it and say that if that amount could have been cut by 25 per cent through proper economic management, we would have had an additional $5 billion to put into pensions, health care, economic development or whatever the legitimate priorities of the Government may have been. Alternatively, we could have left that $5 billion in the hands of Canadians who could, with proper tax incentives, have bought pension plans on their own.

To put the situation into focus, at the present time the federal Government is spending approximately $9 billion on transfer payments through the block funding system for health care. If the debt servicing charge could have been reduced by $5 billion or 25 per cent, that amount would have been equal to 50 per cent of the total health care expenditures of the federal Government this year. That is why we cannot divorce economic policy from social policy.

We cannot afford to pay for social policies if our economic policies are not in place and properly managed. That is the dilemma and the legacy that I suggest is being left to elderly Canadians today and to generations to come. I say more in sorrow than in anger that that is the tragedy. When thinking of the potential of a country such as ours with people such as ours, one must recognize that we have unlimited opportunities relative to those of other nations. However, the deficit will affect social policy. No matter how much we want to be receptive to new plans and new expenditures and no matter how much we want the very best for our elderly, we must keep in mind that legacy. I condemn the Liberal Government for having foisted that legacy equally on the elderly and on future generations to come.

● (1200)

I spoke with a senior citizen this morning with respect to the Bill. I asked him what he would say if he had an opportunity to speak on the Bill. He said that he would speak about two things: the amount of money which is going toward servicing the debt; and the ravages of inflation on the elderly. There are some Canadians who can protect themselves to some degree from the ravages of inflation, but the elderly, who are on fixed incomes and below the poverty line in many cases, are not able to react as quickly. In some cases, they cannot react at all. It takes me back to the point which I just made: to develop a social policy of which we can all be proud, we must get our economic house in order. The only way to do that is for government to start placing a higher priority on economic matters than this Government has done.

Returning to the Bill, I have already stated that our Party supports the increase in the supplement. What else does the Bill do? The Hon. Member for Victoria (Mr. McKinnon) has been pressing for changes to the War Veterans Allowance Act for a number of years. Other Members on our side have been pressing for changes as well, but he has been especially vocal on that issue. Some changes to the War Veterans Allowance

Act are included in the Bill. I would like to say to the Government, and to the Minister specifically, that in committee, we intend to examine the details not only with respect to those provisions but also the provisions which have been put forward by my colleague from Victoria.

I recall in 1977 debating changes to the Old Age Security Act with respect to immigrants. The Minister responsible for National Health and Welfare at that time is now Minister of Finance. At that time the Conservative Party raised the point that in future years the immigrant population would increase and have all the rights of citizens once they received their citizenship, but that they would always have difficulty with pensions. We asked at what stage would those immigrants have to be considered if the Government could not give their pensions proper adjustment. We asked at what stage—and the Minister used the words herself—would we have to look at social assistance or social welfare.

The provision which is before us today addresses, at least in part, the mistake that was made in 1977. I would like to say to the Minister that by putting the provision forward she is not doing something new, but rather in part correcting the mistake of her own Government which was made in 1977.

At the present time there is a one-year pay-back period for a person who applies for Old Age Security after the age of 65 which is being increased by the Bill. That is a provision which obviously we endorse. However, there is another provision which creates great concern. I am sure every Member of the House has had the experience of being visited by a senior citizen—and generally they are widows—between the ages of 60 and 65 who is neither eligible for Old Age Security nor for the spouse's allowance. In my experience those are the most difficult cases. These women have spent their working years in the home. They have probably given the greatest contribution to our country that anyone could, namely the mothering of their children and the raising of their families. But they have no pension plan. They do not have skills the marketplace needs and therefore they cannot find work. If they do find work, very often because of the physical nature of the work they are not capable of doing it because of their age. If there is a huge gap in our pension system, it is in that area. I look forward to a very early opportunity, after the next election when we form the government, to correct that fallacy. I would have hoped that the Bill would have corrected it today. I would have given credit to the Government if it had seen that mistake, after the cajoling and pressuring that has come from the House and, more importantly, from many single people, especially women. It is an issue which must be corrected at the very first opportunity. It is unfortunate that the Bill does not afford us that opportunity.

The House is now in possession of an excellent report on pension reform which was presented by the Special Committee on Pension Reform. It is interesting to note that pension reform, at least in my judgment, must and will become one of the top priority items on the national agenda in the next few years. That will happen for a number of reasons. I have already mentioned some of those reasons which include the economic reasons. However, there are other reasons. For example, our demographic reality is changing as a country. I do not like the term "an aging population". Somehow I think it is inaccurate. But the fact remains that at the present time approximately 12 per cent of our population is over the age of 65. By the turn of the century it is estimated that we will be approaching the 20 per cent figure.

That being the case, for those of us who try to plan for the future, there will be a greater demand on our health care system, there will be a greater demand on housing services, and specifically, for our purpose today, there will be a greater demand on the pension system. We must get our economic house in order so that we can meet that developing reality.

It is also equally important that we put in provisions whereby people can become participants in pension plans which are self-contributory, company-contributory, or a combination thereof, in order that when they retire they are not only subject to Old Age Security and the guaranteed income supplement. I have no doubt that those two plans will keep Canadians, whether it is 1984 or 2004, in or below the poverty line level. That is reality. The history of pensions will dictate that.

Having said that, there are a number of provisions dealing with pension reform which I would have hoped the Minister would consider in the Bill. The Minister said recently that private pension plans must be overhauled and reformed. She had an opportunity to begin the legislative process in this Bill but, unfortunately, it was not done. There is absolutely no doubt, when we look at the demographic realities of Canada, that we must address those questions.

The Minister also pointed out that she was ready to sign agreements. She indicated that the last social security agreement which she signed was with Belgium. We now have, I believe, seven of those plans in place. However, I suggest we must put much more effort into getting an agreement with the United Kingdom.

• (1210)

I am aware of the argument that possibly the Government of the United Kingdom is not at the moment ready to move. However, there are many Canadians who have lived in Britain, who have paid into the British pension plan and who are now residents or citizens of Canada, who have had a portion of their British pension plan benefits frozen. We must get an agreement for those Canadians because they have paid into that plan. We have an obligation to those people to ensure they can receive the benefits for which they have paid. I suggest to the Minister even in the last days of the Government of which she is a member that she make that item a priority. I want to tell the Minister and Canadians who are unfortunately facing that dilemma that there is a full commitment on our part that when we become the government we will make that a top priority item.

Finally, Mr. Speaker, I would like to end with the obligations we have to Canada's seniors. I am always concerned, when legislation such as this is brought before us, the timing of

it, that it could be seen not as pension reform but rather as a good or opportune political moment to give some emphasis to Canada's elderly. While we welcome this Bill, I believe the time is past when we should simply say: "Let us have some legislation. It is $25 today. It was $30 in the last election campaign, and we are going to get the elderly vote that way". In fact, Mr. Speaker, if one wanted to be absolutely cynical, one could say: "Let us create two openings, one for July, in case we want a summer election, and another one in December, in case we want a fall election. And we have both covered with $25".

I say through you, Mr. Speaker, let us not play games that way. The reason I say this is that I had an opportunity to speak to the eastern Manitoba seniors' council this last weekend. There were 130 senior citizens present from my riding who are representatives of some 28 senior citizens' clubs with some 1800 members. We talked about pension reform, among other topics, and it was interesting to note how quickly these senior citizens in Manitoba raised a concern about the move—and the Minister mentioned this—of the Minister of Social Development in the Province of Quebec. While it was not going to affect Manitoba, these citizens were concerned about what happens when we start making these changes or these adjustments. What is going to happen to their financial security? Are they vulnerable?

I believe the point which is so important to make is that these are Canadians who have contributed to our country and who are now in a position where they have made plans for the future based on the present pension system. Therefore, when I speak of pension reform, I believe what we should concentrate on is building on what we have. In other words, I am in favour of reform, not revolution. Let us reform the system but let us not create fear, as did the Quebec initiative, at least in the minds of some senior Canadians who obviously have looked at pensions very seriously and who take their economic reality on a day to day basis very seriously as well.

I would like to say in conclusion, Mr. Speaker, that we have a long way to go on pension reform. In order to achieve that reform, we must have economic development and recovery. I want to say to Hon. Members of the House, and to Canadians, that our Party will support this legislation in a speedy manner in order that these moneys, which we believe these Canadians deserve, will be received before the end of this month.

Mr. Neil Young (Beaches): Mr. Speaker, on behalf of my Party I want to assure the Minister as well that we want to see this measure passed by the House as quickly as possible.

I was curious about something which the Minister said at the conclusion of her remarks to the effect that following an election campaign the Government should speedily proceed in the area of pension reform. It seems to me, Mr. Speaker, that I have been hearing that ever since I came here in 1980. My research on that question has been going on much longer than that.

I have to say that I share the concerns expressed by the Hon. Member for Provencher (Mr. Epp), on behalf of himself and his Party, that because of the parliamentary timetable which is left to us, there is a real danger that this Bill would not see the light of day in terms of enactment. The Government has allocated two days for this debate, I believe, today and possibly Wednesday or Thursday, I am advised. We would then see the Bill referred to committee.

What the committee does with the Bill, of course, is entirely up to that committee. However, it is conceivable that this measure would not come back into the House until after the Liberal leadership convention. Who knows what is going to happen then. We could be into an election and all kinds of things.

In light of that, Mr. Speaker, if it would be helpful to the Minister, I would be prepared on behalf of the New Democratic Party to make an offer to the Minister that she probably could not refuse. That would be to give consideration to all stages of this Bill today so that the measure could be enacted today. The Bill is not complicated. It is straightforward. The measures proposed in the Bill are recognized by every Hon. Member of this House as being of benefit to the individuals who will be the beneficiaries of it. So I repeat again, Mr. Speaker, that we in this Party would be prepared to follow precedents which have taken place in this House previously on measures which I do not believe to be as crucial or as important as this legislation, and deal with all the measures in this Bill through all stages in this sitting day. Therefore, at the end of this sitting day the seniors of this country would know that they would receive the $25 on July 1 and the other $25 in December as a fact rather than something they could only expect.

Miss Bégin: Hear, hear!

The Acting Speaker (Mr. Herbert): Order, please. I should point out to the Hon. Member that any such move to change the Bill to refer it to Committee of the Whole would require the unanimous consent of the House. Would the Hon. Member keep that in mind, if that is the proposal he is making?

Mr. Young: I am aware of that, Mr. Speaker, but I appreciate your reminding me of it. It is something which I will certainly take into consideration during the remaining time I have left to me.

I have dealt with my first concern, Mr. Speaker. The other concern I have—I would welcome clarification from the Minister either during the course of this debate or during the lunch hour—is that the Minister said at the end of her remarks that this $50 increase over the six-month period would raise all seniors above the poverty level. There have been a number of organizations which have a tremendous degree of credibility in the country with respect to their research capabilities. They have come up with figures which are very similar to the figures I have. I want to read them because I think it is important that the House realize there are figures which dispute the Minister's figures. My figures show there will be a substantial number of seniors in the country who will still have an annual

income much below the poverty line. I welcome my figures being disputed if indeed the other figures can be substantiated.

• (1220)

For example, in St. John's Newfoundland, after all the increases have been passed on, my figures indicate that a single person would still have an income of $2,769 below the poverty level, and a married couple would be $961 below the poverty line. In Charlottetown it would be $1,520 for a single person and $702 for a couple. In Halifax, the single would be $2,550 and $523 for a couple. Saint John, New Brunswick, $2,769 for a single and $961 for a couple. In Montreal it would be $3,266 for a single and $1,627 for a couple. In Toronto it would be $2,560 and $369 respectively. In Winnipeg it would be $3,178 and $1,522. In Regina it would be $2,469 and $421. In Edmonton it is $2,126 and $653. In Vancouver a single person would still have an income of some $2,799 below the poverty level and for a couple it would be $431.

I believe our figures are as accurate as anyone else's, Mr. Speaker. As I said previously, I would welcome the Minister responding to those figures and perhaps giving us the figures she has so we can compare them. Then people across this country will know whether these changes are going to be of the assistance the Minister's Department feels they should be.

I appreciate that the present Minister of National Health and Welfare (Miss Bégin) has a rough row to hoe in Cabinet. Because of Cabinet solidarity, of course, I doubt very much whether she can express that opinion. However, I know from my own personal experience with other Cabinet Ministers that money for pensioners is not easy to pry out from the larger pie for a whole variety of reasons. Seniors know that very well because they made their presentations in a very eloquent and articulate manner to the task force on pension reform. However, there are some contradictions between what the Government says it wants to do regarding the GIS and what it is actually doing. As you know, Mr. Speaker, our Party is not what you would call a great supporter of the GIS. We would much rather see an expansion of the Canada Pension Plan and the public system than a GIS means test, or an increase across the board in the OAS. By the way, there is a large number of people out there who think that the $50 increase is in the OAS and not the GIS. Some people are going to be in for a rude awakening when they discover they are not going to get the $50 a month increase.

Lastly, Mr. Speaker, I want to refer to what the Department of Finance and the Minister of Finance (Mr. Lalonde) did in the last Budget to persons collecting workmen's compensation pensions. The Government changed the rules so that those pensions are now included in the calculation of income for GIS purposes. The Minister wrote a letter to the chief executive officer of War Amputations of Canada. She said that to ignore income from sources such as workmen's compensation would result in inequitably higher benefits for pensioners who have such sources of income than for pensioners without such sources. She said the purpose of the GIS is to ensure that every pensioner is guaranteed the same basis level of income. I never thought, Mr. Speaker, that meant reducing another person's income in order to make sure that higher income earners are making the same as bottom earners. I would have thought a more honourable thing to do would be to raise people from the bottom up to the top.

The one thing the Government ignores is that there are definite additional costs associated with being disabled. The House of Commons Special Committee on the Disabled and the Handicapped made no less than 11 recommendations on that very question. We recognize that a person on a fixed income has associated additional expenses that an able-bodied person does not have. In all fairness to those individuals, the Government should have taken that into account. Certainly the Cabinet, in its response to that report, seemed to indicate that it fully understood that and would have some empathy for that argument. But what the Government did was to change the income tax system in order to chop away benefits from those individuals who were not otherwise affected in collecting the GIS.

I could say much, much more on this question. However, in the spirit of my previous remarks and my offer on behalf of the NDP to both the Government and the Official Opposition, I will not use up the entire time allocated to me. Rather than do that, I would ask the House for unanimous consent to move a motion to deal with all stages of Bill C-40 this day and refer the Bill to Committee of the Whole.

The Acting Speaker (Mr. Herbert): The Hon. Member has proposed that the Bill be sent to Committee of the Whole and passed through all stages today. Such a proposal would, of course, require the unanimous consent of the House. Is there unanimous consent?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): There is not unanimous consent.

Mr. Friesen: I rise on a point of order, Mr. Speaker. I have no personal hesitation in saying that we could do that, but I have an administrative concern regarding a clause of the Bill which requires an amendment. Since the Bill was introduced only last Wednesday or so, there has been no time to prepare the amendment. I believe the Minister would be interested in this amendment because she wants to make sure that people are not disadvantaged through the administrative changes she is making. I would like to be able to prepare that kind of amendment but the time allotted does not allow me to do that. I would be happy to give consent but because of the lack of time we cannot even prepare an amendment which the Minister might want to adopt.

Miss Bégin: Mr. Speaker, the Member was elected the same day I was in 1972 and he had plenty of time to learn the rules.

Mr. Friesen: No.

Miss Bégin: Then it was in 1974, which is ten years to learn the rules. He knows that he cannot include more money in any Bill being studied in the House. I would beg him to give unanimous consent.

• (1230)

Mr. Taylor: Mr. Speaker, I rise on a point of order. All Parties have agreed to having our House Leaders decide items like this. Why are we doing the House Leaders' work on the floor of the House? Surely this could be taken up with the House Leaders. They are quite capable of bringing in that recommendation. Let us not do something over the heads of the House Leaders who we believe should be handling this type of procedure.

The Acting Speaker (Mr. Herbert): I will recognize the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen) again if he has something to add to his previous point of order.

Mr. Friesen: Yes. The Minister misled the House. I said nothing about any extra expenditures.

Miss Bégin: You said more people.

The Acting Speaker (Mr. Herbert): Order, please.

Mr. Friesen: No, I did not.

The Acting Speaker (Mr. Herbert): I do not think we should get into debate on a point of order. Does the Hon. Member for Beaches (Mr. Young) want to add to the point of order?

Mr. Young: Mr. Speaker, in response to the Hon. Member who previously spoke, in the absence of my House Leader who is at the fortieth commemoration of D-day, I am the Acting House Leader for my Party. As such, I would be prepared to enter into discussions between now and two or three o'clock with the Government and the Opposition to see if we can come up with a satisfactory formula which would allow us to do what I propose.

The Acting Speaker (Mr. Herbert): On the same point of order, the Hon. Member for Kingston and the Islands (Miss MacDonald).

Miss MacDonald: Mr. Speaker, the question of getting this Bill through the House as quickly as possible is one which this Party has been urging for some time. In fact, just a few days ago I initiated an Opposition debate on that very issue urging that the Bill come forward. There are several things which have been included in this Bill that were not in the original indication given by the Government in its February Budget. Those are quite complex matters. I know the Minister appreciates that they are complex because it took her four or five months to prepare the Bill. Those matters have to be looked at and given—

The Acting Speaker (Mr. Herbert): Order. I do feel that we are entering debate. It is quite apparent that there is no unanimous consent given by the House to change the motion at this time. Therefore, for continuing debate, the Hon. Member for Bow River (Mr. Taylor).

Mr. Gordon Taylor (Bow River): Mr. Speaker, I would like to say a few words on this Bill because I am very interested in a number of items in it. The $25 increase in July and November is certainly supported by all Members of the House. However, there are other things in the Bill which I think have to be considered. Quite frankly, I think they should be considered in committee unless the House Leaders can come to some other decision. I do not want to continue discussing the point of order, but I do not think the floor of the House is the place to discuss procedures of the House. That is why we have House Leaders. I guess that is enough said on that.

To begin with, I would like to deal with the specific matter of deductions for the purpose of arriving at the amount of money that we permit a person to secure the old age pension. I refer particularly to workmen's compensation. A question was asked the other day in the House with regard to a worker's compensation. I think the Minister had the wrong idea entirely of what partial permanent disability really means under the workmen's compensation Acts of the various provinces.

In no sense of the word is a PPD "income". When a man or woman is injured in industry, they go on regular compensation and secure two-thirds or three-quarters of their salaries for remuneration. That is income. They are unable to work and are paid this amount in order to continue living because the accident took place in industry. At the end of that time there is an assessment period. The work person is examined again to see if there is a partial permanent disability, a permanent partial disability or permanent total disability. It could be any of these. Permanent total disability would mean that perhaps both legs and both arms were gone or there was a very serious injury to the back which put a person in a wheelchair. That would be a total permanent disability.

When that occurs, surely we are not going to consider that as income. That is compensation because part of the body was left in the workplace. They were injured in the workplace through no fault of their own. They carry that loss throughout their lives. If that is to be considered income, the next step will be when a person like that obtains employment. A person who has lost both eyes, which would be almost total permanent disability, could not go to work because his income would be considered total income. Presently when a person employs someone who was completely blinded by employment, he is able to secure wages. It is recognized that that is compensation for the loss of the two eyes rather than payment for what he does afterward.

It is the same for a person who loses two legs or both arms. These people should not be penalized when they get to the age of 65 by suddenly making the compensation wages. That is completely contrary to compensation acts. That is completely contrary to what union people and others have fought for throughout the years. I do not like to see this even though it

may affect only a few. The principle which is being established is not sound. It is not at all sound to consider a permanent total disability or a permanent partial disability pension as income. It is not income. It is compensation for the loss of part of the body or sometimes practically all of the body. The industry is paying compensation because part of the body was left in the workplace. That should not be considered as income for Old Age Security or any portion of Old Age Security. Income for Old Age Security is a different thing entirely.

The Government did go so far as to say that pensions granted to veterans who left part of their bodies on the battlefield would not be considered as income. That is right. Veterans who have left part of their bodies on the battlefield should not have their pensions considered as income. It is not income at all. It is compensation or pension because part of their body was lost in fighting for the country. The principle is really the same. We grant one and refuse to grant the other.

I think this is because there is a misunderstanding of what compensation is. It is not payment of wages. This is particularly so with regard to a permanent partial disability pension or a permanent total disability pension. It is not wages; it is compensation because part of the body was left in the workplace. I think that should be corrected when this matter goes before committee.

I would briefly like to discuss another point in the Bill. That is the reduction in residence qualifications for the spouse's allowance. I support that particular item. It would reduce from 40 years to 10 years the residence requirement for a full spouse's allowance. This is a worth-while amendment that is overdue. When a pensioner with whom a person over the age of 60 lives passes away, then certainly the ten-year residence should be sufficient. However, I even question the need of the ten-year requirement.

• (1240)

Let me deal with another aspect of the spouse's allowance. There are cases where the wife of an old age pensioner is working and does not apply for the spouse's allowance. They may be able to get by on her wages and his pension and therefore they do not take advantage of applying for the spouse's allowance. However, when the old age pensioner passes away, the wife is left only with her wages which are not enough to live on. She still must pay the rent and all the other costs of the residence. The only difference is that now she only has to feed herself. When she applies for the spouse's allowance, she is refused because she did not apply while her husband was living. She is refused even though she is over 60 years old and her residency qualifications are sound.

I think that mistake should be corrected. A person should not be penalized because she tried to help the country by working when she could have quit working while her spouse was living and applied for the spouse's allowance. By not applying for that allowance and attempting to save the Government money, the wife is now unable to get the spouse's allowance. This case may not occur very often, but it affects some of our senior citizens who are now denied the spouse's allowance because they did not apply while their husbands were living. That principle is neither sound nor right.

I am in favour of the bilateral agreements. There are a number of my constituents who came from Belgium, Austria, Germany, Czechoslovakia and almost every European and Asian country. Since some of them have pensions coming from their homeland, it is a far better arrangement to have an agreement between the two countries so they do not have continually to contact their homelands. It takes weeks and sometimes months to get a reply from some countries, particularly those dominated by the U.S.S.R. Therefore, any bilateral agreement that is achievable can only help because it will assist our citizens to get a better pension.

Let me speak generally about the adequacy of pensions today. Certainly in the Province of Alberta, a pensioner who secures any portion of the GIS secures a portion of the Alberta assured income. Although I am unaware of the situation in other provinces, the residents of Alberta who receive a full GIS will secure the full Alberta assured income. This is probably true in other provinces and it is very helpful because the additional amount from provincial governments may, in many cases, bring people over the poverty line and remove the fear of what may happen tomorrow. I am in favour of anything we can do in that regard.

I am disturbed by the fact that when pensioners receive a pension of any type, it becomes virtually a fixed income. This might be acceptable if other costs remain fixed but the fact is that nothing remains fixed in our society. The cost of living, rents and taxes go up and while there is some indexing with regard to the total cost of living, it does not affect many items that are necessary for the livelihood of our people. Their pensions are not sufficient to replace worn out blankets or to make house repairs. While the pension may be sufficient to look after their everyday needs, other programs are necessary to meet these other costs. For example, if a pensioner is forced to move because his rent has suddenly gone up, it is difficult to meet the additional costs and any additional money that can be provided by other benefits would certainly be well worth while.

I support the program which the Alberta Government provides for widows over the age of 55. They are a group that have been left out of our country's social programs and such a program is of substantial help to them. Generally speaking, Canadian women between the ages of 50 and 65, unless they are on spouse's allowance, have nowhere to turn except welfare. Having worked all their lives, they should not end up on welfare. Most women at that age are unable to build up a Canada Pension because they have stayed at home to look after an invalid member of the family or an aging mother or father. When they are faced with no income they are told that the only alternative is to apply for welfare. That is not good enough in a country like Canada. We should be facing this problem and tackling it.

While there are some men faced with this dilemma, it is women in particular who cannot get back into the workforce when they reach that age because there is no place for them.

Some of them find work scrubbing floors. I think it is unacceptable in this country that a woman who gets to the age of 50 or 60 must go out and scrub floors or do washing when her health is at stake. There are pitiful cases such as these in Canada, including in my riding where women are now existing, not living, on welfare. The very fact that they have to accept welfare is an affront to them. However, one must face this prospect when one is hungry and there are no other provisions.

Certainly it would help to lower the pension age somewhat, we must do something for these women between the ages of 50 and 65 even if it is on the basis of need. It is a blot on the social programs of Canada that they are left to depend solely on welfare. This should be corrected as soon as possible.

Although the $25 per month extra will help single pensioners, many of my constituents who are married pensioners are also having difficulty getting by. Their rents and other expenses have gone up. Their food costs are continually rising. They have asked why it is only single pensioners who are receiving the increase. They have difficulty accepting the explanation that two can live cheaper than one. In many cases the costs are the same because rent, tax, utilities, telephone and actual needs are not cheaper for two than for one. When only one pensioner receives an income, that pensioner must pay for everything. While there is no doubt that expenses are shared when there are two pensions, there is still a need among many of our married pensioners who barely meet the requirement for receiving the GIS.

The Hon. Minister mentioned a disturbing result when pensioners receive payments under these programs. They say they are now okay, that they have this part of the GIS and part of the assured income and can make a go of it. But the following year something happens to their income. They suddenly get a letter telling them to pay back certain sums of money to the Government. That is a nightmare to some of our pensioners who get these letters. Once they get the money, they spend it. They all have a need. As the Minister said, pensioners spend the money, they do not hoard it. They cannot. Few, if any, have bank accounts. Some try to put a little aside to look after funeral arrangements. You have to admire them for doing that. But not very many have bank accounts. It is a tragedy when they get letters saying that they have to pay back the money given to them inadvertently by the Government.

● (1250)

I think we should deal with that problem. I hope the committee will deal with it. It is a tragedy when people are suddenly told that the pension or the GIS they have received must now be paid back. The sums are not large, but they are large in relation to a pension.

This generation, as all generations, will be valued in history for the way we look after our senior citizens, particularly those in need, and for the way we look after our crippled, handicapped and retarded. I hope Canada will stand high when we get our social legislation put together in that we will not only look after our aged, those over 65, but also those between the ages of 50 and 65 who need help, especially our women, our retarded and our crippled.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments. If there are no questions or comments, we will continue debate. The Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen).

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, I am happy to speak to this measure which will increase the pension benefits for those receiving Old Age Security and the guaranteed income supplement. I have always felt that the first role of Government is to protect those who, through no fault of their own, are vulnerable in our society. It is for that reason that the spokesman for our Party, the Hon. Member for Provencher (Mr. Epp), has already indicated to the House that we plan to give speedy passage to the legislation. I hope the promise of speedy passage does not preclude an openness on the part of the Minister to accept changes by way of amendment at committee stage in order to improve protection for those who are vulnerable. By that I refer to amendments that would mean no further spending and which have nothing to do with tax revenues, but would simply improve the administration in such a way that the people who need to be protected will have that assurance.

Having said that, I accept the fact that we have probably not heard the last of this Bill. It is a strange perversity in this House that when we talk about measures passed in this Parliament that have become unpopular in the country, measures such as the National Energy Program, spokesmen on the other side in the Liberal Government say Parliament enacted this legislation. We hear them say that it was the will of Parliament that this should happen. But when it comes to measures like this one, it will not be Parliament which gave pensions or extended pensions; it will be the Liberal Government that did it. That is what we will be hearing in the weeks ahead.

As my colleague has indicated, it is not an accident of the calendar that benefits are staged to July and December so that if perchance we should be on the election trail in July and August or in October and November, members of the Liberal Party will be able to say, not in the high road of parliamentary language that Parliament enacted it, or that it was the wish of Parliament that pensioners get these extra benefits. No, by then we will revert to the former language. In other words, it will be the Liberal Government that gave these benefits.

We should not be deluded into thinking that we are talking about pension reform. We are talking about a supplement to what is already there. It is not in any way improving the benefits except to catch up with some of the inflationary pressures people on pension incomes have been facing. To some degree those who are vulnerable are made more vulnerable by what we are doing today. As we know, the GIS has created its own kind of dependency. Those who are vulnerable because they have to depend on all government pension plans are made more so by this Bill. It is because of the vicissitudes

of government and government services that they become increasingly vulnerable. I am talking about such things as the mail service, computer breakdowns, the change of address that has to be worked through the system, the increase in inflation which is beyond the technocracy of government or the control of the pensioner—

Mr. Epp: Or the annual income report.

Mr. Friesen: Or the annual income report. The fact is that adjustments are made always the quarter after the inflation increase or the cost of living increase. Then as my colleague mentioned, the exchange rates between the United Kingdom and Canada are another example. Because the pound sterling has fallen in relation to the Canadian dollar, it means a reduction in the pension amount for those pensionable by the United Kingdom. Those kinds of vicissitudes make the vulnerable even more so. Those of us who spend time in our constituency offices know the pressure that rests on people who depend upon government pensions and government services to deliver them.

If we are going to talk about pension reform, we must talk about ways to diversify pension income so that pensioners will not be so dependent upon only one source. We think to diversify income is a very clever method when it comes to business. What about farming businesses? When a farmer can, he will diversify his income through the crops that he plants. Business will diversify its investment as much as possible in order to make sure that when there are down years in one area, there is income from another.

Why should we not be able to diversify income through pensions by creating a tax structure in such a way that those who are pensionable should be able to look forward to a variety of sources for their pension and not be vulnerable because of the vicissitudes of government pension schemes? It seems to me that if we want to talk about pension reform, we ought to talk about diversifying rather than pyramiding pension sources.

There is something ominous and pernicious about this Bill. It not only gives, but it also takes away. I refer now to the workmen's compensation provisions within this legislation. The Minister in her speech gave all her attention to how the Government was lifting up all of the pensioners. In her letter to the gentleman in charge of the war amputees of Canada she gives her attention to how she is planning to take away. In her public statements she talks about how she wants to lift up the pensioners, but in her private letters it is how she is pressing them down. The perversity of this Government is that public attention will be on pension increases and the public who hears about it will be happy. The individual pensioners across the country who are vulnerable by way of workmen's compensation pensions will be pushed down and we will not hear about those, Sir. That is the politics of this legislation.

S.O. 21

[*Translation*]

The Acting Speaker (Mr. Herbert): Order. It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

TOURISM

MINISTER'S APPEARANCE IN TELEVISION COMMERCIALS

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, the Canadian tourism deficit continues to be one of our most blatant global embarrassments. It is not enough that we cannot lure foreigners to this fine country; we cannot even persuade our own citizens to holiday at home. It is a sad day when Canada fails to compete for the tourist dollar with countries outside our borders. Even with air fares included, it is often cheaper to travel abroad in the long run.

As a representative of one of the most fabulous tourist areas in Canada, that of Parry Sound-Muskoka, I want to ensure that the industry will not go down the tube. Speaking of the tube, I cannot help but notice the smiling face of the Minister of State for Small Businesses and Tourism (Mr. Smith) on television, trying time and again to sell Canada to the world. I would assume the Minister appears in the commercial without taking an actor's wage, but it seems highly coincidental just prior to a federal election. Is he selling Canada as a tourist destination, or is he selling himself to the electorate?

With the Queen, the Pope, and the Liberal leadership convention in Ottawa soon, this capital city will fare very well, but the rest of the country is in real trouble.

* * *

CANADIAN NATIONAL RAILWAYS

CONDEMNATION OF SENIOR OFFICER'S CRITICISM OF PARLIAMENT

Mr. Gordon Towers (Red Deer): Mr. Speaker, while congratulating and extending best wishes to Mrs. Hewes in her new post at CN, I also want to caution her to use her first few weeks in improving her peripheral vision so that she may protect her back. I would also counsel Mrs. Hewes to speak to her senior management team concerning its public utterances on the conduct and efficiency of Parliament.

A write-off of CN debts to the tune of $600 million by the taxpayers of Canada, a 50 per cent share of the $650 million contribution paid by the Government of Canada under the recent Crow legislation, and a 58 per cent increase in the cost of moving grain paid by western farmers, do not qualify the senior officer to degrade anyone. When CN shows steady profit and keeps trains running on time, then, and only then, will there be occasion for management to tender advice and counsel to others. Cobblers should stick to their lasts. No doubt Mrs. Hewes will profit greatly from the advice and experience of her predecessor in her new and important position.

* * *

EMPLOYMENT

SUMMER CANADA STUDENT EMPLOYMENT PROGRAM—CALL FOR ADDITIONAL FUNDING

Mr. George Baker (Gander-Twillingate): Mr. Speaker, I wish to impress upon the House the great need for additional funds for the Summer Canada Student Employment Program. The need for an expanded program is even more pronounced in areas of high unemployment like Newfoundland where summer jobs do not exist, generally speaking, in private enterprise, or in government Departments which are practically non-existent.

If the Government of Canada would increase funds for summer employment for students in direct job-creation programs, it could provide thousands of extra jobs for young people, and it would reaffirm the Government's commitment under the Student Employment Program, contrary to the policy of the Progressive Conservative Party which opposes summer jobs through government funded direct job-creation programs.

The Liberal Party, unlike the Conservatives, is interested in creating summer jobs in high unemployment areas. I call upon the Minister of Finance (Mr. Lalonde) to increase that commitment immediately, and I do not mean in a month's time.

* * *

NATIONAL DEFENCE

USE OF HAWAIIAN ISLAND AS PRACTICE TARGET—DEMAND FOR CESSATION

Mr. Terry Sargeant (Selkirk-Interlake): Mr. Speaker, for a number of years the Canadian Navy had used the Hawaiian Island of Kahoolawe for shelling exercises. For a thousand years this island has been considered sacred to Hawaiian people. Yet from 1941 until 1979 its use for religious and cultural purposes was banned by the United States Navy.

In 1981 the entire island was added to the U.S. National Register of Historic Places because of its invaluable historic significance. At this very moment the Canadian Navy is again participating in exercises which include shelling this island, exercises that pose an immediate threat to some of the archaeological sites, despite petitions from thousands of Hawaiians, despite resolutions from the State Legislature and municipal governments, in opposition to the shelling, and despite the fact that the navies of Japan, Australia and New Zealand have ceased their participation in shelling. To these entreaties the Canadian Government has shown an amazing insensitivity.

The Prime Minister (Mr. Trudeau), two Ministers of National Defence and various government and military officials have dismissed out of hand Hawaiian concerns and their requests that Canada respect their cultural and religious heritage by withdrawing from the shelling exercises.

I call upon the Canadian Government to cease immediately any participation in any shelling of this region which is very important to Hawaiian people.

* * *

CANADIAN ARMED FORCES

FORTIETH ANNIVERSARY OF D-DAY

Mr. Ron Stewart (Simcoe South): Mr. Speaker, June 6 marks the fortieth anniversary of the Allied D-Day offensive in Normandy which led to the liberation of Europe from Nazi occupation.

Operation Overlord was a great achievement. Five divisions reached the Normandy shores by sea, and three more by air. Seven thousand ships landed at the heavily fortified shoreline, in secrecy. Canadians will remember with pride the courageous efforts of our soldiers on Juno Beach. Canadian casualties numbered 946. The Queen's Own Rifles suffered the most, losing 143. The Winnipeg Rifles lost 128, and the North Shore Regiment had 125 casualties.

On Wednesday we will celebrate the victory, but let us not forget the dead who paid for their success in blood that we might remain free. Ten thousand Allied soldiers lost their lives in a battle which has become, as *Time* magazine put it, "an almost unconscious reply to the pacifist view of war".

If there ever was a just war in our history, it was the one in Europe 40 years ago. Every Canadian is aware of the philosophy of the Prime Minister (Mr. Trudeau) toward that war. Hopefully our veterans will feel pride as he represents Canada in Normandy in one of his final, official, international functions as head of the Government.

May the fallen Canadians of Juno Beach rest in peace.

* * *

SOCIAL SECURITY

MEDICAL EXPENSES OF DISABILITY ALLOWANCE RECIPIENTS

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, we hear a great deal these days about the adequacy of our social programs, but there are still those who fall between the various social safety nets. One such group com-

prises those under the age of 65 who suffer from debilitating diseases and have to pay an exorbitant amount of their income for drugs and medication. Because they are under 65, disability benefits from the Canada Pension Plan do not include the cost of drugs.

● (1410)

Let me cite the case of a man in my own constituency who is suffering from Parkinson's disease. He is 52 years of age, is married, and has two teenage children to support. Out of his meagre disability allowance he must pay $400 a month for medication to keep his illness under control. That is the bleak financial outlook for him and his family, month after month, year after year.

I am sure that the situation of this man is not unique. There must be many disability pension recipients under the age of 65 who desperately need assistance with their drug costs. While the matter is in part a provincial responsibility, nevertheless the federal Government surely has some obligation to do its part. I would therefore urge the Minister of National Health and Welfare (Miss Bégin) to consult with her provincial colleagues with a view to taking early action on this critical issue.

* * *

INCOME TAX

INCLUSION OF DISABILITY BENEFITS IN CALCULATION OF INCOME

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, until 1982 workmen's compensation payments were not included in net income for income tax purposes. The November, 1981, Budget of the federal Government brought about a change such that all social assistance payments, whether made on the basis of a means, need, or income test, would be treated as net income and deducted when calculating taxable income. As a result, workmen's compensation payments are now included in the items to be treated as income when calculating net income, and deducted when calculating taxable income. The Old Age Security Act was amended to reflect this inclusion of workmen's compensation benefits in determining eligibility for GIS payments, as were other types of disability income payments.

I am concerned that workers' compensation payments should not be included in net income for income tax purposes but, rather, that these funds should be used to help defray some of the additional expenses and suffering encountered by those who have been injured or disabled in the workplace. I therefore urge the Government to review its current policy regarding inclusion of Workmen's Compensation Board payments in the calculation of eligibility for GIS payments.

Some Hon. Members: Hear, hear!

S.O. 21

CANADIAN NATIONAL RAILWAYS

APPLICATION TO REMOVE STATION AGENTS IN NORTHERN MANITOBA

Mr. Rod Murphy (Churchill): Mr. Speaker, tomorrow the Canadian Transport Commission will begin a series of hearings on a CN application to remove the station agents at eight locations in northern Manitoba. These locations are Churchill, Ilford, Thicket Portage, Gillam, Wabowden, Sherridan, Lynn Lake, and Cranberry Portage. In addition, the CNR plans to downgrade the existing station building.

At the very time the Province of Manitoba and the federal Government are spending $93 million to improve the Port of Churchill, CN is destroying the train system to northern Manitoba. This is yet another example of a publicly owned transportation system taking action that is contrary to the interests of the public.

In the brief that I will be presenting to the Canadian Transport Commission I list some of the frustations that are experienced by northerners when dealing with CN and VIA. For example, people have been left at the station in Pikwitonei because VIA would not put on an extra car to allow for extra Christmas traffic. In other instances native people have faced a language problem when trying to deal with a remote phone system in order to make reservations.

It seems evident that CN and VIA have no desire to meet the responsibility of providing services in areas where the train is an essential link. The destruction of services appears to be a deliberate attempt to destroy Canada's railway system. The losers are the people who have no recourse but to use the system however much it neglects their needs.

We, the public, who own VIA and CN, must call upon the Minister of Transport (Mr. Axworthy) to re-examine the aims—

Mr. Speaker: The Hon. Member's time has expired.

* * *

CRIMINAL CODE

PROPOSED REPLACEMENT OF DEFINITION OF HATE LITERATURE

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, hate literature is appearing all too frequently across Canada and is hardly a victimless product. Indeed, it is a malignant growth on the banner of freedom of expression, and the Minister of Justice (Mr. MacGuigan) has quite rightly called for the removal of two of the larger loopholes in the existing hate literature provision of the Criminal Code. That the existing Section is toothless is shown by the fact that there have been only four prosecutions under that Section in 14 years and that the one conviction was overturned on appeal.

As a former Crown and defence attorney, I believe that one major problem is the definition of hate literature in the Code,

and I would propose the following replacement for the present definition:

> Hate literature is defined as any printed or written material or communication which promotes hatred of, or violence toward, any grouping of persons on the basis of colour, religion, language or place of origin.

Two other legislative remedies would also be helpful, and these were proposed in Toronto over the weekend at my Party's conference on multiculturalism. One such remedy is that the Criminal Code should be amended to allow a court, upon conviction, to increase the sentence if it finds that a crime was motivated by racism. Second, the post office regulations should be amended to prevent people from sending hate literature through the mails. The inadequacy of the postal situation is well shown by the fact that Ernst Zundel lost his mail privileges but they were returned on appeal.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

STATISTICS CANADA REPORT ON GROSS DOMESTIC PRODUCT

Hon. John C. Crosbie (St. John's West): Mr. Speaker, in the absences of the Prime Minister, the Minister of Finance, and the Minister of State for Finance, I suppose I must direct my question to the Acting Prime Minister who, I believe, is also the Minister for External Relations. On Friday, June 1, Statistics Canada reported that in March the Gross Domestic Product in Canada was still 1.2 per cent below the pre-recession peak of June, 1981. In other words, Statistics Canada indicated that the Gross Domestic Product has not yet returned to its level of June, 1981. It also reported that capital spending in manufacturing will decline.

Since he has just come into the Chamber I will now direct my question to the Minister of Finance and I will repeat it quickly. On Friday, Statistics Canada reported that in March our Gross Domestic Product was 1.2 per cent below the pre-recession peak of June, 1981. In other words, Statistics Canada indicated that it was less then it was in June, 1981. As well, it reported that capital spending and manufacturing would decline in 1984 for the third year in a row, indicating that it would be $8.6 billion this year as compared to the $12.7 billion invested in 1981. The Minister knows the effect that will have on jobs.

Why did the Minister say on May 30, just last week, in reply to a question posed by the Leader of the Opposition on May 30, that in the first quarter of 1984 the economy recovered all of that which had been lost during the recession, when that was not the truth? Why did the Minister attempt to deceive the Members of the House and the Canadian public?

Second, could the Minister tell the Members of the House what he plans to do to correct the situation of a decline in capital spending in manufacturing and a GDP that has still not returned to its pre-recession level? What is he going to do about it? Has he been given any advice by the seven candidates from the Liberal reform school who are competing for the leadership?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member knows that I stated in the Budget that in the first quarter of 1984 the economy would recover from the loss during the course of the recession, and this has been the case. I might also add that if the Hon. Member were to look at the Statistics Canada report he would see that in March the Gross Domestic Product increased 0.2 per cent following an upward revised figure of a 0.1 per cent decline in February; that in the first quarter real Gross Domestic Product increased 0.6 per cent following a 0.7 per cent increase in the previous quarter; and that goods and services production increased by roughly the same rate. There has been a record of continued increase. In March the real GDP stood at 7.1 per cent above that of the lowest point of the recession, which was in December, 1982, and 1.2 per cent below the last peak in June, 1981. These are the facts.

Mr. Crosbie: Mr. Speaker, the Hon. Member is as slippery as a seal that has just been sculped.

Last week the Minister said that in the first quarter of 1984 the economy recovered all of that which had been lost during the recession. The official publication of Statistics Canada of Friday of last week indicates that we are 1.2 per cent below the pre-recession peak. Either the Minister is deceiving the people of Canada or Statistics Canada is deceiving the people of Canada. I know who the public will believe is the one who is being deceitful, and that is the Minister.

NET INCOME OF FARMERS

Hon. John C. Crosbie (St. John's West): Mr. Speaker, let me try to ask a question regarding another aspect of this matter. The total net income of Canadian farmers did not go up but fell—and that is down that way—more than 24 per cent in 1983 as compared to 1982. The value of farm capital declined, and the net incomes realized by Canadian farmers went down. These figures are not adjusted for inflation, but there has been a net decline of 24 per cent, making it the lowest level for farm incomes since 1977. Does that indicate that there is a recovery under way?

Will the Minister advise the House whether or not he will now cancel the sales tax increase of 1 per cent that he set down for the fall? Will the Minister remove the sales tax on fuel products sold to farmers and fishermen, as this Party has requested him to do time after time, so that we can help farmers whose net farm incomes have gone down 24 per cent under the tutelage of this Government?

• (1420)

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member is referring to specific groups, and he knows that the farm sector is a sector where incomes tend to fluctuate

very substantially, depending on what happens in international markets in particular.

Mr. Hnatyshyn: Under this Government, mostly down.

Mr. Lalonde: We have had record sales in terms of agricultural products, wheat, and so on, during the course of the last few years. However, the Hon. Member knows, and the farmers know much better than the Hon. Member, that the prices of agricultural products have not increased significantly. As a matter of fact these prices have gone down in many areas, in many sectors. Obviously this has had an impact on the total income of farmers in particular areas and sectors. The Hon. Member knows this.

The Hon. Member also knows that I have eliminated, for instance, the natural gas and gas liquids tax, which represents an $800 million reduction in terms of taxes by the federal Government in that particular area. As far as the other questions raised by the Hon. Member are concerned, I have already answered them several times in the House.

Mr. Crosbie: Mr. Speaker, Canadian farmers know that the Minister of Agriculture is talking through his big green hat, that that leprechaun has not done a thing for them. Since the Government came back into office four years ago, their total net farm income declined. It did not fluctuate. It did not go up and then down. Net farm income declined 24 per cent. For the third year in a row it declined. Is it fluctuating when it goes in only one direction—down?

REQUEST FOR ASSISTANCE FOR FARMERS

Hon. John C. Crosbie (St. John's West): Mr. Speaker, there are six members of the Minister's Cabinet out attempting to fool the public into believing they have some solutions. I will now ask the Minister, who is in power and who is responsible, and I will ask this Government, what action are you going to take to assist the farmers of Canada who have suffered tremendously as a result of your negligence and incompetence over the last three years?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, thank God the farmers of Canada have better brains than the Hon. Member for St. John's West. They know that they cannot expect the Government—

Mr. Crosbie: I do not wear a hat. Is that why I have no brains? Be specific.

Mr. Lalonde: —to provide them with their income. They know very well that their income will depend on what they will be able to sell on the world market, and at what prices. The Hon. Member knows the steps which the current Minister of Agriculture, and this Government, have taken over the years to help the farmers. There is before a parliamentary committee at the present time amendments to the Western Grain Stabilization Act, for instance. I could talk about the stabilization programs which this Government has implemented—

Mr. Crosbie: What about the sales tax on fuel products?

Mr. Lalonde: —to help the farmers. And I could talk about the various sector programs, whether in the area of dairy farming or other areas, where we have taken quite significant steps to help the Canadian farmers to the tune of hundreds and hundreds of millions of dollars.

The farmers of Canada know that. The Hon. Member does not. The Leader of the Opposition does not. If there is anyone trying to fool the people in this country by travelling around, it is the Leader of the Opposition, who does not bother to show up in this House. He is even more delinquent than the Hon. Member for St. John's West who, at least, pays us the courtesy of a passing visit to the House once in a while.

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THE ADMINISTRATION

LIBERAL PARTY LEADERSHIP CAMPAIGN—REFERENCE BY MINISTER TO POWER BROKERS

Mr. Bill Domm (Peterborough): Mr. Speaker, we all noticed with interest in this morning's *Globe and Mail* a statement by the Minister of State for Economic and Regional Development. He is quoted as saying:

> We're not getting money into the hands of those who need it most . . . the jobless and the working poor.
>
> There are those in our party—
>
> Referring to his own Party.
>
> —who are not really prepared to accept any reform. I'm talking about the power-brokers and vested interests. They like things the way they are. I promise if I'm your leader . . . I'll yank their noses out of the trough.

My question to this Minister who is responsible for economic development is this: who are those power brokers and vested interests which you mention are robbing dollars from the needy today, with so much unemployment in this country? Are they bureaucrats, civil servants, people on contract, or are they those in the Senate?

Hon. Donald J. Johnston (Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, that is a despicable mix of quotations taken from a speech.

Some Hon. Members: Oh, oh!

Mr. Johnston: The Hon. Member takes one statement when I was talking about social policies and how they can be revised to put more money with those who need it most—perhaps that is not particularly appealing to the Hon. Member—and he combines it with an issue of internal party reform. I suggest to you, Mr. Speaker, seriously, I expect the Hon. Member to rise in his place and apologize.

Some Hon. Members: Hear, hear!

Mr. Domm: Mr. Speaker, I would suggest that the Minister read page 5 of this morning's *Globe and Mail*. I quoted exactly what the Minister said.

Oral Questions

INDUSTRIAL GRANTS SCHEME

Mr. Bill Domm (Peterborough): As the Minister responsible for economic development, you are reported in the same paper as favouring—

Some Hon. Members: Order.

Mr. Speaker: Will the Hon. Member address his remarks to the Chair, please?

Mr. Domm: The Minister is reported in the daily newspapers as being in favour of scrapping the $2.5 billion main industrial grants scheme which has failed to create jobs and the necessary infusion into the economy in order to turn it around to a better position. You said: "I get the feeling it is just not working".

Some Hon. Members: Order.

Mr. Domm: My question to the Minister, Mr. Speaker, is this: would the Minister, through you, tell the House what program he is suggesting be put in place to replace his own program which he now considers to be a failure, bogged down in bureaucratic administration?

Hon. Donald J. Johnston (Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Again, Mr. Speaker, I suppose if the Hon. Member is going to rely on the daily newspapers for the source of all of his information, I will have to live with that. The fact is I have suggested that for the small and medium-sized sector, for the entrepreneurial sector, there are ways we can attract capital into that sector and reserve the grants for major projects in the non-market sector or for regional development. That was the thrust of my remarks. If the Hon. Member will take the time to read my remarks, I will be happy to send him a copy of them, and a copy of the material I have released during this period.

I feel this is a better approach which we have evolved. My colleague, the Minister responsible for DRIE, the Department of Regional Industrial Expansion, brought in a program which was a vast improvement, I believe, over the program which existed before. This Party believes in making progress, and during the course of this leadership campaign I would hope you will see many of us coming forward with proposals so that we can build upon our achievements and create even better programs. That is what I was trying to suggest when I made those particular comments.

Some Hon. Members: Hear, hear!

* * *

GOVERNMENT EXPENDITURES

RESEARCH AND DEVELOPMENT PROGRAM

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Minister of Finance and it does indeed concern some people at the trough. It concerns a multi-million dollar waste in terms of government spending. Specifically, it concerns the R and D boondoggle which the Minister of Finance announced in his last budget, and which came into effect in January of this year. When the Government announced this program it promised the people of Canada that it would only cost $100 million a year. It also promised that all the money allocated for R and D would, in fact, be spent for R and D. Would the Minister confirm that, instead of this program costing the taxpayers of Canada $100 million, it is likely to cost ten times that amount, $1 billion? Even more seriously, will the Minister confirm that the taxpayers of Canada could end up spending millions of dollars and potentially none of it will end up being spent for R and D?

Hon. Marc Lalonde (Minister of Finance): No, Mr. Speaker, I would not confirm either.

Mr. Broadbent: Mr. Speaker, the Minister will not confirm it because the Minister, like his cabinet colleagues, never likes to admit the truth that they are using the taxpayers' money in a glaringly wasteful way. That is why he will not confirm it.

PAYMENT OF FUNDS IN ADVANCE OF EXPENDITURES

Hon. Edward Broadbent (Oshawa): I would like to ask the Minister a more specific question. Will the Minister acknowledge, as an official of the Department of National Revenue has acknowledged, that companies can receive taxpayers' money in advance for research and development even if they never do the research and development? Will the Minister tell the House that the Government's program permits companies to receive millions of dollars and then never do the research? Will he tell the people of Canada that they are about to pay a multi-million dollar restaurant bill for a lunch they may never get?

● (1430)

Hon. Marc Lalonde (Minister of Finance): No, Mr. Speaker, I would not say that.

Mr. Broadbent: That is all too characteristic of the Minister of Finance. A billion dollars of the taxpayers' money being wasted, and he will not even deal with the specifics in the House.

COMPANIES' INTERNAL ACCOUNTING PRACTICES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, since the Minister will not acknowledge that millions of taxpayers' dollars may go to companies which may not do the research and development, will he deal with another question? Will he confirm that under this program certain large companies or rich individuals, for example Imperial Oil, simply by involving themselves in paper transactions may benefit to the extent of millions of dollars without doing a single bit of R and D? Through a paper transaction they are going to get money from the taxpayers of Canada which ought to go for R and D. Will he at least have the integrity to acknowledge that in the

House, or, if it is not true, point it out? Will he stop avoiding the question?

Hon. Marc Lalonde (Minister of Finance): I am not avoiding the question, Mr. Speaker, I am answering the very specific question the Hon. Member asked, whether I would acknowledge this, admit this, and all that. He asked me whether I will acknowledge the last point, and I will not. I can tell him that if there is evidence of purely paper transactions, like he says, we will certainly investigate the matter and prevent any loophole from existing.

In his first question the Hon. Member started by saying I had promised $100 million of expenditures. I had made a forecast of tax expenditures in my Budget, like we do all the time. If, in the end, the actual tax expenditures are higher than those forecast, I will not complain because it means those measures have been even more effective than we had anticipated, and there was more research and development done in this country than I had foreseen, thanks to that program.

Mr. Broadbent: Not at all.

Mr. Lalonde: I will rejoice about it rather than, like the Hon. Member, going into a kind of hysteria about the particular problem or issue.

Mr. Broadbent: You missed the point.

* * *

ENVIRONMENTAL AFFAIRS

ACID RAIN—DISCUSSIONS WITH UNITED STATES AUTHORITIES

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, in the absences of the Prime Minister and the Minister of the Environment, I would like to direct my question to the Acting Prime Minister. He will know that acid rain continues to be a major environmental threat. A great deal of the acid rain that falls on Canadian lakes, river and forests comes from the United States. He will also know that we have been unable to reach an agreement with the U.S. to control this problem.

The Minister of the Environment has indicated openly that he does not feel it is worth while to continue negotiations with the American administration at the highest level. In light of that, does the Acting Prime Minister feel it is important for the Canadian Government to gain the co-operation of the U.S. administration? If so, have there been any discussions between the Prime Minister and the President of the U.S. since negotiations failed earlier this year? And, finally, is there on the agenda of the Economic Summit the Prime Minister will be attending, anything dealing with acid rain and the importance of Canadian-American relations in dealing with this problem?

Hon. Jean-Luc Pepin (Minister of State for External Relations): Mr. Speaker, some of the postulates indicated by the question appear to me to be quite true. Government Ministers, the Cabinet in general, have had a very difficult time convincing the Americans of the urgent need to take action on acid rain.

I am not familiar with what my friend purports to be the opinion of the Minister of the Environment, to the effect that he was giving up on convincing the Americans of the wrongness of their ways. Ministers in the Canadian Government never give up when they have a good case, as in this instance. I would be very surprised if my friend, the Minister of the Environment, has said what he is purported to have said. It seems to me that on a number of occasions in the past the Canadian Government has taken lines that, sooner or later, sometimes later, the American Government has come to accept, and this might be another instance.

With respect to the Summit meeting, I read about the subject on the weekend and I have not seen the subject of the Canada-U.S. environment as one of the issues to be debated. My hon. friend will recognize that this is more a bilateral issue than a multilateral one, and consequently it justifiably might not be on the agenda.

REQUEST THAT MINISTER VISIT SOURCES OF POLLUTION

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, I would just like to emphasize the importance that we feel there is to having these negotiations carried on at the highest levels between our Governments. Following the failure to negotiate an agreement with the United States, Canada took a unilateral position to reduce our emissions by 50 per cent by 1994. The Conservative Party strongly endorsed that position and we committed ourselves to that same objective.

Will the Acting Prime Minister ensure that the Minister of the Environment does two things, first, that he visits the two largest single point sources of acid emissions in North America, Inco and Noranda Rouyn, to make sure he knows what is actually going on at those places? Secondly, will he ask the Minister of the Environment to discuss with the Minister of Fisheries and Oceans and the Minister responsible for Treasury Board the importance of continuing research into acid rain? An acid control program depends very much on continued research to measure its effectiveness.

Hon. Jean-Luc Pepin (Minister of State for External Relations): Mr. Speaker, I am quite sure that my friends, the two Ministers referred to, will read the question with great satisfaction and will be thankful to the Hon. Member for the support he is giving them now.

* * *

SPORT

FITNESS CANADA—APPOINTMENT OF DIRECTOR

Mr. Jim Hawkes (Calgary West): Mr. Speaker, my question is for the Minister of Fitness and Amateur Sport, who will know that recently he appointed a new director of Fitness Canada. He did that without a national competition or adver-

tising. Can he tell the House why? Is he trying to replace the Minister of Employment and Immigration as the porkbarrel king?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, all I can say is that the Hon. Member has got his information wrong. This person was hired before I was appointed Minister. He was interviewed by officials of the Public Service Commission in accordance with existing regulations. The person who was hired is very competent, and I am very satisfied with the choice made by the Public Service Commission.

* * *

[*English*]

OLYMPIC GAMES

CALGARY OLYMPICS—TENDERING PROCEDURES

Mr. Jim Hawkes (Calgary West): Mr. Speaker, the Minister has a bad memory. The director was appointed on February 20, some two months after the Minister was appointed to his position.

Can I have assurances from the Minister that all contracts affecting employees and/or the supply of goods and services affecting the Calgary Olympics will be let after public advertising and public tender, and there will be no sweetheart deals or patronage deals by the Minister? Can we have that assurance as it affects the holding of the Calgary Olympics?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I am too polite to call the Hon. Member a liar. I will not do so. I would just like to point out that when the Hon. Member starts talking about one thing, he tends to get sidetracked.

First of all, the Hon. Member knows perfectly well that the Organizing Committee for the 1988 Olympic Games in Calgary is responsible for awarding contracts for all construction to the appropriate departments, and my Department is not involved at all.

Second, when we signed an agreement with the Organizing Committee for 1988 Olympic Games—perhaps the Hon. Member does not visit his riding often enough or talk very often to his constituents—everyone in Calgary was very pleased with the agreement we signed to the effect that we would be providing $200 million towards the cost of the 1988 Olympic Games. If his brother or sister did not get a contract, let them talk to the people in Calgary!

[*English*]

REGIONAL INDUSTRIAL EXPANSION

AUTOMOTIVE INDUSTRY—NEGOTIATIONS WITH JAPANESE MANUFACTURERS

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, my question is directed to the Minister of Regional Industrial Expansion. There is a feeling that when it comes to jobs for western Canada there is lots of talk from the Liberals but very little action when it counts. While we welcome the Honda plant in Alliston, Ontario, for Ontario workers, the Minister must appreciate that western Canadians would like some of that, too. Can he explain to the House the determining factor for the location of those kinds of automobile plants? Will he confirm that he has been having negotiations with two other Japanese auto makers, Nissan and Toyota, about further expansion of plants in Canada?

● (1440)

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, with regard to the preamble to the Hon. Member's question, I just returned from Manitoba where my colleague, the Minister of Transport, and I just announced a national centre for urban bus transportation. That is $50 million for the Province of Manitoba. Contrary to the Hon. Member's statement, the Liberal Party is very concerned about job creation in western Canada as it is in all parts of Canada.

With regard to the possibility of a Honda announcement, which will not be known until 3.30 this afternoon, we have tried to encourage some of the Japanese firms to look at all parts of Canada, western Canada, Atlantic Canada, as well as Quebec and the Province of Ontario. The key with respect to this potential announcement is the fact that they have a plant in Marysville, Ohio, where they have made about a $1 billion expenditure. The new production system called the "just in time" process, which the automotive industry is adopting all over the world, calls for part suppliers to be within a 75-mile radius of an assembly facility. Of course the bulk of the parts manufacturers is in southern Ontario.

The Hon. Member and all colleagues must remember that this is not Vancouver versus Toronto, Toronto versus Montreal, or Montreal versus Halifax. This is Canada versus the world. We must let these companies decide where the best place is to locate. Our real thrust should be to ensure that they invest in Canada.

Mr. Waddell: Mr. Speaker, the Minister should understand that I am not knocking Honda going to southern Ontario. Far from it. We hope to sweep the seats there in the upcoming election.

BRITISH COLUMBIA SUGGESTED AS LOCATION FOR ASSEMBLY PLANT

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, the Minister said that Honda had a plant in Marysville, Ohio, and

so on. Toyota has a $20 million wheel plant coming up in Delta, B.C. They have a joint assembly plant with GM in Fremont, near San Francisco in California. Would the Minister agree with me that the second biggest market for cars is in California? As he knows, California is south of British Columbia. Would he be prepared to undertake to tell the House that he will go to Toyota and try to push for an assembly plant in British Columbia on the West Coast so that they can be close to the other plants in that area?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, I would like to apologize to the Hon. Member if I gave any indication that I thought he was criticizing the location of the plant in southern Ontario. I know of the Hon. Member's interest, and I understand his sensitivity, as all western Canadians want to have their fair share of the automotive industry because it is a national industry.

To indicate the Government's sincerity with respect to trying to develop the automobile industry in western Canada, the Hon. Member should be aware that the Government provided almost one-half of the financial assistance to get that Toyota plant to locate in the lower mainland of British Columbia, whereas we have not provided any direct financial assistance for this Honda plant which may locate in the Province of Ontario. We are still hopeful that the Toyota company will expand its operation in British Columbia as well as adding to it in terms of assembly. That will be a process for negotiation in the future.

* * *

TREASURY BOARD

ANNOUNCED REMOVAL OF OFFICES

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, my question is for the President of the Treasury Board. On Thursday, May 17, just a couple of weeks ago, it was announced that Treasury Board would in fact be leaving its premises in the Bell Canada building and moving to L'Esplanade Laurier. Could the Minister indicate in which month the change is expected?

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, this is being worked out now. We are presently located in Place Bell Canada. The Bell company wants to occupy the entire building. It is our intention, along with the Department of Finance and the office of the Comptroller General, to make the move as soon as everything can be worked out. I suspect it will be sometime in the fall.

TERMS OF CURRENT LEASE

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, although Bell Canada may be interested in occupying the entire building, the Department has an option in its present lease which could have extended its right to stay there, at a considerable saving to taxpayers. Why did the Department not continue with the option and remain there?

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, I would be happy to give my hon. friend greater details about the transaction. I can only confirm that Bell Canada was in a position to take over the entire space, and it is very anxious to do so. I am surprised my hon. friend does not want to encourage co-operation with the private sector on matters like this.

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COMMUNICATIONS

LICENCE FEES CHARGED FOR SMALL AIRCRAFT RADIOS

Mr. Gordon Taylor (Bow River): Mr. Speaker, my question is for the Minister of Communications. Since radios in small aircraft are required by law, are absolutely essential, and are a safety device, why does the Government charge a licence for these radios?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, I know the Hon. Member's question has been asked in the House before by Members who either pilot small aircraft or are interested in this question. The Hon. Member's question is undoubtedly related to the increase from $20 to $40 for the radio licence fee in aircraft. I believe that licence fee was increased for the first time in some seven years from $20 to $40. It is not outrageous to ask pilots of private aircraft to pay some of the cost of managing the spectrum system, the frequency allocation system in Canada.

The Auditor General of Canada had actually asked my Department to go on a cost recovery basis a lot more quickly than we have done. We have tried to ensure that costs would not increase too quickly. In the case of small aircraft we decided that an increase from $20 to $40 was not an inordinate amount to ask, especially in view of the fact that no increase had been made in about seven years.

REQUEST THAT LICENCE FEE BE REMOVED

Mr. Gordon Taylor (Bow River): Mr. Speaker, I am questioning the advisability of a licence fee at all for small aircraft radios. You do not charge a licence on the jets of Air Canada or CPA. The United States recognizes the radio in small aircraft is part of the aircraft. Is the Government now going to start charging a licence for tires and carburettors on small aircraft? It just does not make sense. It is part of the aircraft.

Hon. Francis Fox (Minister of Communications): Mr. Speaker, it was my understanding that Members on the other side of the House have always felt that we should be implementing some of the recommendations of the Auditor General and that we should be operating on a cost recovery basis in some of these areas. There is a cost associated with allocating frequencies to small aircraft. There is a cost associated with managing the spectrum in Canada. We have tried to identify

the amount of money which should be charged to each class of operator. We do indeed charge for radio licences for every type of aircraft. We also charge boats and anyone else who is receiving a frequency.

We have just recently issued and gazetted a discussion paper requesting the public at large to have input into how we should be re-allocating these costs.

The radio is an important part for the safety of the pilots and occupants of small aircraft. When comparing the cost of a private aircraft to the annual cost of operating a radio, it seems to me that a $40 annual licence fee is not an exorbitant amount to ask of the owner of a small aircraft.

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SOCIAL SECURITY

INCREASE IN OLD AGE PENSIONS—REQUEST FOR PROTECTION AGAINST RENT INCREASES

Mrs. Ursula Appolloni (York South-Weston): Mr. Speaker, my question is for the Minister of National Health and Welfare, and in her absence I direct it to her Parliamentary Secretary. I refer to the proposed increases to the Old Age Security which, of course, I welcome. However, in the past, seniors living in subsidized housing have lost federal increases because of the fact that their rents are scrupulously geared to income. In such cases increases intended by the federal Government to assist individual needy seniors have actually become another form of transfer payments to the provinces. What steps does the Minister intend to take to ensure that the proposed increases do in fact go to needy seniors?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, as the Hon. Member has mentioned, there are various funds available to help senior citizens. It is the hope that all Members of Parliament will impress upon provincial Governments the desirability to pass the benefits of the amendments to the Old Age Security Act on to the pensioners involved, and that the provincial Governments should not reduce their welfare payments correspondingly to the increases in the GIS, as has been done in the past.

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ENERGY

QUEBEC GOVERNMENT'S ATTEMPT TO BUY BP REFINERY

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, my question is for the Minister of Finance as one of the senior Cabinet Ministers from the Province of Quebec. Why did the Government of Canada turn down SOQUIP, the Quebec provincial energy corporation, and an individual from the independent petroleum organization, in their attempt to purchase the BP refinery which Petro-Canada acquired during the BP takeover? Subsequently, the Government turned a deaf ear to the approach from the Quebec Government and the independent dealers, and allowed Petro-Canada to tear down that refinery.

● (1450)

Could the Minister explain to the House why the federal Government failed to respond to that request? Could he assure the House that it was not some kind of animosity between the federal Government and the Province of Quebec, which prevented Quebec from expanding its interests in the energy sector?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, this question does not relate to my responsibilities as Minister of Finance. I can add that I am not aware of the allegations that the Hon. Member makes. Second, such a decision would have been one taken by Petro-Canada, but the federal Government has not intervened one way or the other in this particular situation as alleged by the Hon. Member.

* * *

INDUSTRY

PETROCHEMICAL TASK FORCE REPORT—FUTURE OF PETROMONT

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, it is unfortunate that the senior Minister would not know.

I will direct the second part of my question to the Minister of Regional Industrial Expansion. It relates to the Petrochemical Task Force. He will be aware that Petromont, the petrochemical group in Montreal, is in very serious difficulty and is considering closing operations by the end of June unless there is assistance forthcoming.

First, would the Minister give us an assurance, because SOQUIP is a partner in that operation, that that is not one of the factors that has contributed to the Government's reluctance to respond to the task force report? Second, could the Minister indicate what the Government is prepared to do to ensure that jobs are protected in that petrochemical industry?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, first, I think the Hon. Member should go back and talk to the researcher who wrote that question, because he is about a year and a half behind the times. A year and a half, or two years ago, the Government of Canada committed financial assistance of $25 million to Petromont to ensure that it would still be in existence today. The Government of Canada cannot keep contributing money to companies to ensure that they will succeed. At some point in time the shareholders of those companies must make some very difficult decisions about their own future.

NUCLEAR ARMAMENTS

NEED FOR MUTUAL VERIFIABLE REDUCTION

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, my question is directed to the Prime Minister. I believe the Prime Minister just met with Dr. Carl Sagan. The Prime Minister will know that Dr. Sagan made the point to a number of people last night that a mutual verifiable reduction in nuclear weapons is an overwhelming need. Will the Prime Minister tell us what he believes Canada can and should be doing now to achieve a reduction in the number of nuclear weapons on both sides?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have taken a certain number of steps which should indicate to the Hon. Member what I think Canada and others should be doing. In February I proposed in the House of Commons ten points on which I think both East and West could agree at least to begin finding some common ground between them before underscoring the points of disagreement. I think this would get the talks and the relations on a better footing.

Unfortunately, the proposal to have these ten points supported by the House of Commons failed, when the NDP refused to support them. Then it failed because the Tory Party refused to at least permit me to say I had the support for them from that Party. Therefore, I have written on behalf of the Government and the Liberal Party to President Reagan and President Chernenko.

Mr. Speaker: A short supplementary. It is not an easy question to answer in Question Period.

NUCLEAR FREEZE—PRIME MINISTER'S POSITION

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, bearing in mind what the Prime Minister just said, and to the extent that what he just said is true, would the Prime Minister tell us what he thinks Canada and Canadians can do, starting today—

Mr. Speaker: The Hon. Member is raising questions that are very difficult to answer in the time available in Question Period.

Mr. Kilgour: Will the Prime Minister tell us where he stands on the principle of a verifiable bilateral nuclear freeze on both sides?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am really disappointed that the subject is not more discussed in the Hon. Member's caucus so that he would know the position of his Party, I believe, and of our Party. It is that a freeze at this point would be in conflict with NATO's two-track decision. However, this is so elementary that I am surprised that the Hon. Member would ask the question.

CUSTOMS AND EXCISE

DUTY CHARGED ON PINS EXCHANGED AT HOCKEY TOURNAMENT

Hon. Jake Epp (Provencher): Mr. Speaker, my question is directed to the Minister of National Revenue. The Minister may not feel that this is a very important matter, but I want to raise it because I believe it reflects on the Canadian image.

Recently a hockey team from Bottineau, North Dakota, went to Brandon for a tournament and had nothing to declare at the border. These were young fellows going to a hockey tournament. Suddenly they found that pins that are exchanged in hockey tournaments are liable for duty. Is that Revenue Canada policy, and will the Minister correct that situation?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Mr. Speaker, the principles that apply to administration of the Income Tax Act also apply to Customs, and in specific situations judgment is very important. I am not familiar with this particular occurrence, but I think the regulations must apply.

[*English*]

REQUEST FOR CONSIDERATION

Hon. Jake Epp (Provencher): Mr. Speaker, in view of the fact that there were duties paid of $71.58, and that we have been castigated in the North Dakota press, and castigated as a country by the United States, will the Minister look into this case?

[*Translation*]

Hon. Pierre Bussières (Minister of National Revenue): Yes, Mr. Speaker.

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[*English*]

CANADIAN NATIONAL RAILWAYS

INVOLVEMENT IN PROPOSED TORONTO DOMED STADIUM PROJECT

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, in the absence of the Minister of Transport my question is directed to the Prime Minister. Where in the mandate of the Canadian National Railway is the authority for the use of railway lands and railway money to build a domed stadium in Toronto?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I certainly do not know of that mandate, but there may be some implications to the question that I have not understood. I will take notice of the question.

POSITION OF GOVERNMENT

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, has the Government of Canada directed Canadian National Rail-

ways to produce plans for a domed stadium as part of its railway mandate? Is that how the Prime Minister believes the railway should operate? Has the Government suggested that the railway should be compensated somehow if it builds a domed stadium in Toronto? Is that how the Government intends to have that program projected as government assistance to Toronto?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member is making many false presumptions. There is no government policy regarding the domed stadium. I know that many Members on this side would like to see it happen. They would like to see the Government support it. But there has been no decision taken as regards it, either directly or indirectly, through the CNR.

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CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION

REGULATION OF TELEVISION CABLE OPERATORS

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, my question is directed to the Minister of Communications. As he knows, the CRTC puts very heavy obligations on cable operators and the services that they provide to the community and also regulates them very carefully. Meanwhile, apartment block owners and hotel operators who install satellite antennae services can siphon off that industry. It has the effect of haemorrhaging the income of those cable operators.

Does the Minister have any intention of making certain that the CRTC relaxes the obligations placed on the cable operators, or does he have another plan to make sure that if there is to be competition rather than regulated monopoly in that marketplace, it will be fair for everybody?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, I think the Hon. Member's question is very basic and indicates a very clear understanding of the role of the cable companies in Canada. It also indicates a sympathy for the position that we in Canada should want to have a thriving cable industry and a strong broadcasting industry of our own. I would only encourage him to speak to his own House Leader to try to pass Bill C-20, since that Bill does indeed deal with the very problem that the Hon. Member raises. I think it is an important problem. I would very much hope that we would have the co-operation of the Hon. Member's House Leader to get this Bill through as soon as possible.

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THE ADMINISTRATION

LIBERAL PARTY LEADERSHIP CAMPAIGN—STATEMENT ATTRIBUTED TO MINISTER OF ENERGY—REFERENCE TO UKRAINIAN WOMAN

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, my question is not related to that last gratuitous statement by the Minister of Communications, but is directed to the Minister responsible for the Status of Women. Her colleague, the Minister of Energy, Mines and Resources, has been quoted with respect to the tradition of the Liberal Party of alternating between English and French leaders. He was quoted as follows:

> We have to select the best person. This (tradition) has to disappear. It's not an honorary post, it's the chief executive officer of the country.
>
> "If we use a quota system, it will develop that we can, at some point, only have a Ukrainian woman."

● (1500)

Obviously the Minister of Energy, Mines and Resources thinks a Ukrainian woman as leader of any political Party is a last resort, the last option. Speaking as the Minister does on behalf of the status of women, will she dissociate herself and her Cabinet colleagues with respect to this point of view expressed by the Minister of Energy, Mines and Resources?

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): I think, Mr. Speaker, that it was an unfortunate remark, but at the same time it must be taken in total context. I will certainly have a discussion with the Minister as to exactly how that remark was made.

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CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION

ENFORCEMENT OF RULES

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, I have a supplementary question for the Minister of Communications. He is responsible for the administration of the CRTC. He is allowing that Commission to operate a two-track program, relaxed for the master antenna service and tough on the cable operators. When will he take his job seriously so that everybody operates under the same rules?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, if the Hon. Member has been following the more recent CRTC decisions, he will see the rules that apply to master antenna television systems are the same as those that apply to cable operators. If the Hon. Member believes that the Government of the day and Parliament should have some say in deciding the architecture of the broadcasting system in Canada, including cable, he should once again speak to his House Leader, because Bill C-20 would give the Government of the day, after having tabled directives in the House of Commons, the opportunity to give directives to the CRTC on the over-all architecture of the system. I appreciate the Hon. Member's question. It indicates quite clearly that he, too, believes it is time that parliamentarians, the elected representatives of the people, should have more to say in the design of the architecture of the broadcasting system of Canada. That is our position in the House. We are simply waiting for the Opposition to indicate its willingness to go in that direction.

ROUTINE PROCEEDINGS

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 804, 805 and 806.

Order Paper Questions

[*Text*]

DSS—TOTAL VALUE OF CONTRACTS BY PROVINCE

Question No. 804—**Mr. Towers:**

In the fiscal year 1982-83, by province, what was the total monetary value of contracts for goods and services awarded by the Department of Supply and Services to businesses with more than (a) 1,200 employees (b) 200 employees but less than 1,200 (c) one but less than 200 employees?

Hon. Charles Lapointe (Minister of Supply and Services):

Province	(a) *Employee Size 1,000 and over $000	(b) Employee Size 200 – 999 $000	(c) Employee Size 1 – 99 $000	Employee Size Unknown $000
Newfoundland	1,312	1,906	22,132	17,920
Prince Edward Island	44	144	4,420	2,144
Nova Scotia	6,790	44,405	75,037	35,514
New Brunswick	11,581	3,907	23,396	12,587
Quebec	356,393	396,187	252,694	153,156
Ontario	799,992	402,370	880,653	320,081
Manitoba	51,325	38,332	36,606	27,910
Saskatchewan	6,754	6,618	14,263	6,493
Alberta	12,901	24,988	46,781	34,905
British Columbia	21,801	22,021	85,561	68,881
Yukon and N.W.T.	309	136	6,772	3,527
Unknown	—	—	—	5,291
Total	$1,269,202	$941,014	$1,448,315	$688,409

* Note: Employee size coding is restricted to 1,000 and over with no break available at 1,200 employees.

DSS—DOLLAR VALUE OF OFFSHORE CONTRACTS

Question No. 805—**Mr. Towers:**

In the fiscal year 1982-83, did the Department of Supply and Services award any contracts for goods and services offshore and, if so (a) what was the total value of all such contracts (b) did the Department determine if any Canadian suppliers could fulfil such contracts and, if so, approximately how much of the above total could have been supplied by them?

Hon. Charles Lapointe (Minister of Supply and Services): (a) The total value for all contracts awarded offshore for fiscal year 1982-83 was $616,966,688.

(b) The policy of the federal Government is to support Canadian suppliers when possible. However, there is no record readily available to determine the value of offshore purchases which could have been supplied by Canadian based suppliers.

It should be noted that federal Government contracts awarded to Canadian suppliers during the same period amounted to $4,346,940,000, (more than seven times the value of contracts awarded offshore).

DSS—CONTRACTS FOR GOODS AND SERVICES

Question No. 806—**Mr. Towers:**

In the fiscal year 1982-83, what was the total monetary value of contracts for goods and services awarded by the Department of Supply and Services (a) in all of Canada (b) by province?

Hon. Charles Lapointe (Minister of Supply and Services):

(a) $4,346,940,000

		$000
(b)	Newfoundland	43,270
	Prince Edward Island	6,752
	Nova Scotia	161,746
	New Brunswick	51,471
	Quebec	1,158,430
	Ontario	2,403,096
	Manitoba	154,173
	Saskatchewan	34,128
	Alberta	119,575
	British Columbia	198,264
	Yukon and N.W.T.	10,744
	Unidentified (Canada-wide or documents less than $250.)	5,291
	Total	4,346,940

[*English*]

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

Mr. Speaker: The questions as enumerated by the Parliamentary Secretary have been answered. Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

OLD AGE SECURITY ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Miss Bégin that Bill C-40, an Act to amend the Old Age Security Act, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, when we recessed for lunch I had been in the process of making what I think are two important points respecting amendments to the pension plans of Canada. The first concerns people who are vulnerable. They are the ones who as their total income upon retirement have the Old Age Security pension and the guaranteed income supplement. They are very unfortunate because they have to depend also upon government services. When those services break down, they are affected.

It would be a matter of pension reform if in the process the Government introduced the kind of tax system that would allow pensioners to diversify their retirement income. What about putting in the kind of tax amendments which would allow people to save during their lifetime and invest the money in such a way that when they do retire they would have various sources of income, instead of having to depend solely upon the Government OAS and other forms of pension.

My second point concerns workmen's compensation pensions. During the Minister's statement in the House, she was giving the general public the impression that all of these amendments deal with improving the position of pensioners, making them all feel better because they will be doing better under the pension system. That camouflages and disguises a section of this Bill that is really not to the benefit of pensioners, specifically those who are on disability pensions from workmen's compensation boards.

I know it is politically attractive to put the best face on things and make measures look as though everybody will benefit from them. What the Minister has done today is to let Canadians believe that everybody will be benefiting from this legislation. Meanwhile those people receiving income from workmen's compensation boards individually scattered across a Canada will lose income in relation to other pensioners.

I was glad to hear during statements made today support from the Hon. Member for Hamilton West (Mr. Hudecki), together with the applause given to his statement by the Hon. Member for York South-Weston (Mrs. Appolloni). There are members of the Government who are just as concerned as members of the Opposition about this provision. People who are receiving their income from workmen's compensation boards should not be jeopardized because of this particular amendment which the Government has introduced.

The Hon. Member for Beaches (Mr. Young) mentioned a letter which the Minister sent to the War Amputees Association. Let me quote from one part of this letter. The Minister wrote:

> To ignore income from sources such as Workmen's Compensation would result in inequitably, higher benefits for pensioners who have those sources of income than for pensioners without such sources.

That is the level of fairness the Minister of National Health and Welfare (Miss Bégin) addresses and that is unfortunate. I suppose it is politically expedient to handle the matter that way.

My final point deals with the administration of the system. There are a number of amendments in this Bill which deal with the administration. I know the Minister was sincere in her comments during debate when she said that she wants to improve the administration of the pension scheme and make sure that the mechanisms in government do not create a built-in unfairness for pensioners, that there will be provisions in the administration of the pension system that will make it operate more fairly for all pensioners. I do not minimize the Minister's willingness to do this, her desire to improve things or her honesty in the statements that she has made today. I simply say they will not work because they are outside of her department.

I think all Members realize that, while we are passing provisions today under the jurisdiction of the Minister of National Health and Welfare and her administration, it is actually the Department of Supply and Services which does the work. They send out the cheques, they make the decisions, and when there are critical decisions affecting the pensions of senior citizens, they are not made as a rule by the Minister of National Health and Welfare. They are not necessarily made by officials in her Ministry. They are frequently made by members of the administration of the Department of Supply and Services.

I have a case in point and I will probably take the balance of the time allocated to me to illustrate the point I am trying to make. The case to which I should like to refer is that of a pensioner in my constituency whose husband had worked for the Government in the armed forces, in the post office and possibly in other government departments for most of his life. The couple had been married for 37.5 years at which point they were legally separated. In negotiating a legal separation the husband agreed that, upon his decease, his wife would receive all the death benefits. It was properly arranged in the lawyer's office and it was an amicable separation. Unfortunately the husband was an alcoholic, yet he realized he had an obligation to his wife. He wanted to look after her even though he was not living with her any longer.

• (1510)

Within a few months thereafter, having moved away and living in a different part of Canada, he signed a new agreement which denied to his spouse all death benefits. I realize the Bill we are discussing today deals with pensions, not with death benefits. In terms of a precise parallel it is not there except in the administration. I want Government Members to

understand that we are talking about the administration of these systems through the Department of Supply and Services.

There followed a nightmare of trying to negotiate some sense of justice. Indeed, the newly-named beneficiary was willing to waive her benefits and so announced to the Department of Supply and Services. She requested a form so that she could waive the death benefits. It so happened that the spouse was also the executrix of the will.

I should like to point out some startling facts. First, the Department of Supply and Services never had the courtesy of notifying the executrix of the change in beneficiary. Furthermore, departmental officials never offered an apology, never said that it was negotiable, nor told the executrix that the new beneficiary was willing to waive her benefits. I would like to point out what happened in the negotiations. The change in beneficiary was made six months after the signing of the separation agreement.

I see Mr. Speaker indicating that my time is almost up. I was told that I had 12 minutes remaining after the luncheon break and I do not think I have spoken for 10 of them. In any event, six months after the separation agreement was signed, the man was in the last days of his life; he was an alcoholic. There was no guarantee established that the new beneficiary had received that new status legally. Was he under the influence of alcohol? Had he already deteriorated in his health to the point that he did not know what he was doing? There was no attempt on the part of the Department to establish the legitimacy of that change in beneficiary.

Since my time is coming to an end, I underscore for the Government that earlier in the day I said we could not pass all stages today because there were some amendments which ought to be made that did not concern money; they concern the protection of the spouse under the administration of the Department of Supply and Services. When officials in that Department are engaged in nothing more than protecting their own backsides, in following precise regulations of the Department rather than looking after pensioners and their benefits, we need some very close scrutiny of the regulations. When a change in beneficiary can be so loosely worded as to deny a spouse who had been married for 37.5 years death benefits which were rightly hers, we need to tighten up the Bill so that there is justice for widows and spouses who would otherwise be denied benefits which ought to be accruing to them as a result of this legislation.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments.

Mrs. Appolloni: Mr. Speaker, in the nature of comments more than questions, I should like to refer to the Hon. Member's reference to myself as having applauded the Parliamentary Secretary to the Minister of National Defence (Mr. Hudecki) today when he made a statement pursuant to Standing Order 21 about the fact that workmen's compensation payments are now included and therefore cause a deduction in the pension. I regret that very much indeed. Now that I am on the point of leaving, I can say that it was one of the few regressive steps ever taken by the Liberal Party. I believe compensation for disability should be *ex gratia*. It is society's only way to say thank you to veterans of war or victims of horrendous labour accidents. We should say thank you. We should not deduct money from them in any way.

Having said that, I challenge the Hon. Member in terms of another deduction from people who need the money most. We are talking about needy senior citizens to whom I made reference today during Question Period. My question was ably answered by the Parliamentary Secretary to the Minister of National Defence. As a Conservative Member, the Hon. Member will know that most provincial governments in Canada are Conservative. If they profess humanity, every time the federal Government, usually a Liberal Government, gives badly needed money to the poorest people of Canada, why do provincial governments consistently take back what we try to give so that those who live in subsidized housing will have their rents geared to income? Here again we must define what is income. It is one of the most horrendous acts perpetrated by provincial governments. The fact is that when we give the $25 increase, the provincial governments will probably take most of it back for rents.

Another point I should like to make was referred to by the Hon. Member for Provencher (Mr. Epp). In his speech he referred to the fact that he and some of his colleagues had long advocated help for immigrant people. Many of the immigrant people who both of us know are generally very old and came to Canada when they were already quite elderly. Because of their age or because of other reasons, they were unable to learn either English or French, the two official languages. In her speech this morning the Minister referred to many of these immigrants who constantly lose out on some of the programs being offered to them.

I urge the Minister and all those who may be listening today that when we propose some kind of relief for immigrant people, we tell them in a way they understand. In this case I am speaking about talking to them in their own language. Perhaps the advertising of these benefits should be done mainly through the so-called ethnic press. We have to reach them. In my own small way I have reached my constituents who speak Italian because I happen to know that language. However many of my constituents speak only Polish, Ukrainian, Greek or whatever and I cannot reach them. Therefore it is the Government's job to reach them in the language they understand. They need to know. It is to their benefit.

Mr. Friesen: Mr. Speaker, certainly I will respond to the Hon. Member's remarks which related to me. She mentioned that provincial governments tend to siphon the moneys transferred to them. I am not sure that is always the case. However, I urge the Minister to use her powers in negotiating with the provinces to ensure that the people out there receive the full benefit of this increase. It is her obligation to do that between now and when the time of the Government runs out. The Minister of Health has an obligation to make sure that the people receive all of the benefits of this legislation.

• (1520)

I would add to that that in the Province of British Columbia the provincial government tops up incomes over and above the OAS and the GIS. The Province of British Columbia has provision for a GAIN supplement, or a guaranteed annual income supplement, for those who are in need. The provincial Government of British Columbia and I suspect the provincial governments of other provinces are topping up the incomes of those who are already receiving OAS and GIS.

Third, the Hon. Member for York South-Weston (Mrs. Appolloni) mentioned the need for providing services in the language of the immigrants. I would agree that immigrants should not be denied any kind of help that they could possibly get. For example, I know that the father of the Hon. Member for Provencher (Mr. Epp) was once a translator in the courts. He translated for those who spoke only Russian or German and he provided that service through the years without any kind of government legislation obligating him to do so. The courts were generous and open-minded and they provided that service. Many of us in this House who speak more than one language do that in our riding offices all the time. We translate for those who speak German—the best language of all—or for those who speak other languages, and we do that constantly. I agree that we must accommodate those who do not speak either of the two official languages of Canada.

The Acting Speaker (Mr. Herbert): Are there other questions or comments? If there are no further questions or comments, we shall continue debate.

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, I am very pleased to be taking part in this debate today and indeed to be addressing myself to this Bill which on other occasions I have urged the Government to bring before the House just as quickly as possible.

When I was looking at the Bill, I thought of the number of occasions over the past few years on which I have spoken of the need for pension reform. I began to go back through my own files and look at some of the most recent speeches that I made on this subject. Hardly a week has passed in the last two or three years during which I have not in some forum, either here in the House of Commons, before organizations across the country or on radio and television broadcasts, dealt with the subject of pension reform.

I have pointed out time and time again the pressing and urgent need for pension reform. In fact, as I look at this particular Bill and consider the issue, I would say that there is probably no other issue that has taken so much of my time, and I would say rightly so, in the last number of years. That is one of the reasons I am pleased to see this Bill finally come before the House.

While the Bill does not address the issue in any major way, it does deal with one of the components of the issue. It is a partial solution to what I think is the overriding social issue of our time. I went through the Bill and paid a great deal of attention to what the Minister said about it this morning. As well, I listened with great care to other speakers and to the spokesperson for the Conservative Party, the Hon. Member for Provencher (Mr. Epp), who followed the Minister in the course of debate. At that time he gave the House the assurance that, as far as this Party was concerned, there would be speedy passage of the Bill. There should be no concern or doubt about that whatsoever.

Of course, there is one thing that we do wish to make very clear. There are items that are dealt with in this Bill that have not been mentioned previously. I am referring to some of the changes to the Act relating to spouses and some of the regulations with regard to pension adjustments that will be made for those who have emigrated to this country in recent years. Those are things which we will need to look at in some detail in committee, at least for a period of time, so that we do not make the mistake we made before of putting through legislation that we must subsequently correct. That has already happened two or three times with regard to various pension measures that needed changes. That happened in 1977 when we changed pensions for immigrants.

The House made mistakes and the Government made mistakes when it introduced the concept of a spouse's allowance. When the Conservative Government was in office in 1979, it took a step to correct at least one of the inequities with regard to the spouse's allowance that needed to be corrected. We were required to readdress legislation that had already been passed. I think it is very important that we take the limited time that will be necessary to look at this Bill in committee in order to ensure that we do not once again make mistakes that will create further inequities with regard to pensions across the country.

The Minister mentioned a couple of other things today to which I wish to allude. She herself mentioned the fact that single elderly persons require more than half the income of married elderly couples in order to get by; that when one spouse dies, the income of the remaining spouse should not be cut in half because the rent, taxes, transportation costs and heating costs are not automatically cut in half. I point that out because the Minister herself raised the matter.

It was on that basis that the parliamentary task force on pension reform brought in a proposal to increase the guaranteed income supplement for single elderly persons to at least two-thirds of the income of married elderly couples. We thought that that would be fair and even more fair than proposals that are now before us. The Government did not see fit to accept that recommendation. I think that recommendation would have done a great deal to alleviate the poverty of those most in need. They would have been the ones who would have been helped most. We in the all-Party Special Committee on Pension Reform felt that that would be the proper way to go.

The Minister has chosen to introduce an amendment which will increase the guaranteed income supplement for single elderly persons by $25 on July 1 and $25 on December 1. Certainly that is better than nothing. However, contrary to what the Minister said this morning, it does not bring the

incomes of all of those single persons who are over the age of 65 above the poverty line. She said that it would but it will not. In my own community of Kingston, for example, a city of moderate size, the incomes of single elderly persons will still fall $1,700 short of the poverty line even after these two increases are implemented.

We should try to put the increase in the incomes of elderly persons in proper perspective. This increase will allow the income of a single person over the age of 65 to become $20 a day. When one thinks of the expenditures that must come from that $20, one realizes that we are not talking about any degree of affluence. It is far from affluence. Out of that $20 a day must come money for food, transportation, taxes, health care and a good many other things. When those things are paid for, very little is left over for those things which I like to call things of the soul: concerts, plays and all such other things that many people over the age of 65 must deny themselves.

● (1530)

The Minister said this morning that the Government brought in the increase as soon as the economy permitted it. I take some exception to that. I would like to know why it took so long to find out that the economy permitted it. When I look at some of the Minister's earlier statements I find, for example, that in March of 1981 she said:

> We have often repeated the commitment of this Government to bring all the senior citizens who now receive the supplement over the poverty line.

Two years later, in March, 1983, the Minister repeated her claim and qualified it somewhat. She said:

> The cost of bringing the single pensioners over the poverty line . . . has been approved by the Government as their first social spending—whenever we can afford it.

June, 1984, is obviously when the Government thinks the first social spending should take place. However, the economy permitted in the last two years that $2.1 billion be given to Canadair; it permitted almost $1 billion for de Havilland; it permitted $34 million for Maislin; and it permitted the executives of Crown corporations such as CDIC and de Havilland to receive large bonuses. It permitted all of these things. The economy could afford all of those, but it could not afford the $450 million for increases to the guaranteed income supplement until just before an election. That is interesting. Nevertheless, having said this, there is no question that we want to see the Bill being given speedy passage.

The guaranteed income supplement goes to some 700,000 Canadians, either in part or in full. I would like to take a look at those 700,000 people. When we examine who they are and when we talk about who are the recipients, we look at the question of Canada's elderly poor. When we do that, we can determine very easily who it is we are really talking about. Eighty per cent of the single elderly today who live below the poverty line are women. Four out of every five of the people living below the poverty line in their retirement years—their so-called golden years—are women. Those women did not ask to be put in that position. They contributed throughout their lifetimes to build this country. Today they find themselves in very, very straightened circumstances. Eighty per cent of the elderly poor in Canada today are women. Eighty per cent of the elderly poor in Canada tomorrow will be women, unless we do more than provide band-aid solutions by coming along after the fact to address the problems of those over the age of 65. This is where I take the greatest exception to the present legislation: it does not address the issue of pension reform.

Pension reform cannot be undertaken after the age of 65. It must be addressed while people are still below that age—in their earning years; in their contributing years—from the point of view of being part of the labour force. We cannot wait until those people reach the age of 65 to carry out pension reform. The reason that I dwell on this and have dwelled on it increasingly over the years, is that I and my Party consider pension reform to be one of the major pillars in guaranteeing economic equality to women in this country.

Why do I put this emphasis on how important it is to the women of the country that something be done about it? Quite frankly, unless something substantial is done in the way of pension reform before people get to the age of 65, we will see many more women living below the poverty line 10, 20 and 30 years in the future. Let me say why. There are still—and people often try to dismiss this—almost three million people who work full-time in the home. The great majority of them are women. They are people who, at the present time, do not have access to pension plans in their own right. Many of them are in a marriage contract which could quite conceivably dissolve before they reach the age of 65. What will they have in their own right to allow them to carry on pension payments in the future? If we were to go beyond that and look at others who do not have adequate retirement income, we could focus in on the five million people who are in the paid labour force today, who have no supplemental benefits or access to a pension plan beyond the Canada Pension Plan. They are not in a defined benefit plan and they have no company plan. They have, perhaps, very little money to put into a retirement savings plan. There are five million such people in Canada today. The majority of them, once again, are women. These are people whose average income is probably between $12,000 and $25,000 a year. They could, with proper fiscal encouragement and tax credits, be encouraged to begin to look to their own retirement future. However, at the present time, many of them find it impossible to do so.

It is substantial pension reform which we really need to turn the situation around and to make it possible for older people to face their retirement years with some sense of dignity and self-worth.

I would like to quote from a speech which I gave two years ago this month in Toronto. I said to the group at that time:

> Let us look at the situation of our elderly poor today, and call it what it is, a national disgrace.
>
> These elderly are treated worse than many whom we convict and condemn for crimes of theft and violence. Yet what did they do wrong? Do they ask to grow old? To outlive friends and relative? To be widowed or divorced? To be denied gainful work by age or inexperience or health? To be written off and forgotten? To live in small and dingy rooms, seldom eating a nourishing and balanced meal?

Sometimes, when I have spoken of these elderly Canadians, most of them women, I have been reminded of the millions around the world far worse off, caught in wars, and in famine. And it is true, very few of our elderly, even those hundreds of thousands of women over 65 who live below the poverty line, actually die from starvation or pestilence. None from war or political terrorism. Ours is a benign, not a wilful neglect.

It is that, above all, which is so shameful about our present pension system and its treatment of the Canadian woman.

I made this speech two years ago. I went on to say:

There was no deliberate intention to bring about the situation as it exists today. It just happened. It happened because we were not sufficiently alert. We weren't interested enough. We didn't know.

● (1540)

No one can pretend to have all the answers to such an immense problem and the causes behind it. But I do know that if we are now to rebuild our pension system we must do so as comprehensively as possible. We must not do it by half measure. We must not overlook, underestimate, or ignore any part of our society.

Especially women.

That is what I have been saying, Sir, for the last two, three and four years on this subject.

I am pleased to see this Bill come before us today. Yes, I am pleased to see the measures which are incorporated. However, I do point out to you, Sir, that it is just a very timid step. It does not begin to address the major problem of pension reform. We here in this House must feel the responsibility to address this problem. We must take it on, because if we do not, Sir, those people who will be in the senior citizen bracket 10, 20 and 30 years down the road will point to us, and rightly so, and say, "When you had the opportunity for action, you failed to take it. You failed us and, particularly, you failed the women of Canada". That kind of condemnation, Mr. Speaker, I do not want to receive, and I will do everything possible to make sure that that does not happen. That is why I say that this Bill does not go nearly far enough. We must have much more than this legislation in the way of pension reform.

The Acting Speaker (Mr. Herbert): There follows a period of ten minutes for questions and comments. As there is no one wanting to put any questions or make any comments, we will continue debate.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, it is a pleasure for me to be able to enter into the debate on the Bill before us this afternoon. I have listened to the various speakers who have spoken prior to myself and what concerns me the most is the little regard which Hon. Members opposite have for the actual advantages and benefits of the Bill which is before us today. I do agree with the Hon. Member for Kingston and the Islands (Miss MacDonald) and other Hon. Members, that perhaps it would be nice if more could be done in this Bill, or in general, for our senior citizens. I believe that is true. I do not believe there is an Hon. Member in this House who would disagree with that philosophy. I agree with the statement that more should be done for people over the age of 65 and, in particular, women in need. And I agree, as the Hon. Member for Kingston and the Islands points out, that women do form the majority of those in need over the age of 65. I disagree, however, with the Hon. Members opposite for the little regard they hold for this Bill. I believe this Bill is a very significant step forward and I will tell you why, Mr. Speaker.

The Hon. Member for Kingston and the Islands and other Hon. Members have suggested that this Bill should contain more benefits, that it should contain more changes, that perhaps it could be meatier, more in respect of the whole question of pension reform. At the same time Hon. Members opposite have criticized the Government for not bringing the Bill forward earlier, in spite of the fact that the provisions which are in the Bill today were mentioned in the Budget of February 15. The Hon. Member for Kingston and the Islands herself, on an Opposition Day or May 10, criticized the Government for not bringing forward these amendments. In spite of the fact that she knew that the first $25 increase would take effect on July 1, she was still pressing the Government to do something. We are now doing something. We have this Bill before us today.

Mr. Blenkarn: Why did it take you so long?

Mr. MacLellan: The New Democratic Party moved a motion that all stages of this Bill be dealt with today. We on this side agreed to that, but members of the Progressive Conservative Party said that they needed more time to study certain aspects of the legislation. If members of the Progressive Conservative Party are sincere in their intention to study positively and quickly all aspects of this Bill, then that point of view is acceptable to us. I do hope they are sincere when they say they do not wish to prolong debate on this Bill and want it to come into effect as soon as possible. It is very important that this Bill go to committee. I hope that the Hon. Member for Provencher (Mr. Epp), who is the health critic for his Party, would agree that, if there are amendments or questions he would like to bring forward in committee, those questions will be dealt with as quickly as possible, not to shorten the time spent on it, but so as not to delay the meetings in committee so that this Bill can receive swift passage.

The Hon. Member for Provencher has mentioned, and I feel rightly so, that there are two Bills before the committee at the present time, Bill C-221, which deals with the therapeutic use of heroin, and Bill C-5 dealing with the question of radiation. He is a member of the steering committee and knows that the dates for hearings on these Bills were agreed to by all members of all Parties in this House. If he wishes to change the order of the hearings before the standing committee and bring Bill C-40 before the committee prior to the other Bills, I will support him in that. However, to say that because these Bills are before the committee the Government is not sincere in dealing with the provisions of this Bill I feel is totally false and really very misleading. I would hope that he will state his preferences in this regard.

The Hon. Member for Kingston and the Islands is concerned about the welfare of women in this country and, I feel rightly so. However, I would like to say, in all fairness to the Hon. Member for Kingston and the Islands, that she does not have a corner on this concern for women and for the pension-

ers in this country. We listened to the comments of the Hon. Member for York South-Weston (Mrs. Appolloni) stating her concern that the provinces pass along to the pensioners in their provinces the benefits of the increases in the guaranteed income supplement, that they not do what they have done in the past and reduce the welfare payments correspondingly. When we increase our GIS payments on July 1, they should not reduce their payments to those very same people by the same amount of $25. I believe it is the duty of all Members of this House of Commons to present to their respective provinces their concern that the provinces pass along the benefit of this GIS increase to the people in those particular provinces. I do not doubt that that will be the case. However, I want to emphasize the importance of Members of Parliament taking a stand on this very important question.

I would like to mention also that when we are talking about women and poverty, Mr. Speaker, we are not only talking about women over the age of 65. The Hon. Member for Kingston and the Islands knows, as we all know, that there is a problem in other areas. The Hon. Member has said that the problem of income for pensioners is probably the most serious social question facing this country today. I do not disagree that it is a serious question. However, there are other serious questions.

Miss MacDonald: I said pension reform.

Mr. MacLellan: Pension reform is one of the most serious questions, that is true. I still disagree with the Hon. Member but I appreciate her clarification. There are other social questions of very great importance to our country at the present time which involve women in their role as single parents, as mothers and wives. There are unemployed women and men without jobs who, along with their children, are living below the poverty line. There is the problem of our young people who have been out of college perhaps for two or three years who have not yet been able to get that first job. Their problem will be compounded as they go through life because, through no fault of their own, they are picking up the stigma of being unemployed. And when jobs do become available, as they will, they will see those jobs offered to those who have just graduated from high school or university because, supposedly, these new graduates have not been unemployed, have not come in contact with what is seen in the minds of some employees as the stigma of unemployment. These are the social problems we face and they must be addressed.

● (1550)

Bill C-40 is an important step for pensioners. Hon. Members opposite say that the Bill should contain more, and at the same time they say we must get it passed as soon as possible. They know that if clauses are added, the Bill will, in their opinion, become more contentious, and the more they will want to debate it, the more they will pick holes in it in committee. I did not arrive here yesterday, Mr. Speaker. I have been here for five years and I have been watching Members opposite. I know the way they work.

This morning the Minister of National Health and Welfare (Miss Bégin) said that 55 per cent of Canadian workers do not have pensions. Imagine if we tried to put forward in this Bill an ever so slight requirement for mandating of pensions in the private sector. Imagine the outcry from Members opposite. Imagine how long it would take to deal with this Bill. We want to get these provisions to the people in need, the pensioners, as soon as possible. In order to do that, we have to present a realistic Bill which will be passed, and that is what the Government has done. It does not provide all the answers; no one says it does. But it does provide answers to some very serious problems. We hope Members' opposite realize that and deal with it constructively. I recommend that they do not posture on this very important issue.

It was mentioned by the Hon. Member for York South-Weston that there are relatively new elderly citizens in our country who are not aware of these benefits. This Bill deals with this question in that it would make payments to pensioners retroactive for five years, whereas it is one year at present. This is very significant. Mind you, it may only affect 50 people a year, but it shows the concern of the Minister and of the Government for the well-being of even 50 people when provisions such as this are included in the Bill. In addition, the Minister has agreed to advertise these benefits in the ethnic press so that people of various ethnic origins can read in their own language about the benefits now available to them. Of course, we will then have allegations from the Opposition that the Liberals are trying to advertise what they are doing for the people of Canada. It will not be termed as a benefit to the people concerned; it will be termed as advertising for the Liberal Government. How are you supposed to do what the Opposition asks without being open to unfair allegations such as that?

The question of British pensioners, Mr. Speaker, is of concern to the Opposition as it is to the Minister. Pressure has been put on the British Government. The Minister is now considering following up this question as far as she possibly can.

Miss MacDonald: About time.

Mr. MacLellan: I think the Hon. Member for Kingston and the Islands knows very well how sincere the Minister is on this question. As Members opposite know, economic dossiers associated with questions of foreign countries are dealt with through the Secretary of State for External Affairs (Mr. MacEachen). The Minister is prepared to bring this question into the economic dossiers through the Department of External Affairs in the hope that it can be resolved. Once again this indicates the consideration the Minister is giving to these very important questions.

The Hon. Member for Kingston and the Islands talked about the inability of people over the age of 65 to attend concerts and listen to music and so on. She knows there are areas in this country where concerts are not available except through radio and television. That underlines once again the fact that social issues must be looked at through the perspec-

tive of need and that all questions of social need in this country must be considered.

She also mentioned that we are bringing this Bill forward before a federal election. This issue was mentioned in the Budget of February 15. We all know what the polls were like then. They certainly were not as favourable to the governing Party as they are at the present time. Whoever assumed on February 15 that there would be an election this summer would have had to have been a clairvoyant of the highest order. What brings this matter before the House today is the seriousness of the question and the need to do something about pensioners, particularly those numerous pensioners living in poverty. It is a sincere attempt by the Government to do something, and the Government does not have to apologize at all for the way it has dealt with this very important question. It has moved as quickly as it possibly can, and we will see how serious Members opposite are in dealing with the question now that the Bill is before the House.

There are questions which are not going to be resolved. The Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen) mentioned a concern in his constituency. With all due respect to the Hon. Member, we are not going to put lawyers out of business. There will always be cases where an individual pensioner feels he or she is maligned and will have to seek legal counsel to deal with it. Had we gone into the detail that Members opposite wanted, Mr. Speaker, they would be the ones crying foul and saying that we should split up the Bill, that we should put forward these questions separately and apart from the others. They are doing this with the proposed amendments to the Criminal Code. That is the reason we do not have this Bill before the House at the present time. Members opposite cannot give serious consideration to the very important clauses in that Bill. The Government has moved this legislation with the interest of the Canadian public at heart. The Government feels that this very important question must be dealt with as soon as possible. We hope that Members opposite will agree, not only by their words, but by their actions as well.

• (1600)

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions or comments. The Hon. Member for Provencher (Mr. Epp).

Mr. Epp: Mr. Speaker, I would like to make some comments. The Parliamentary Secretary to the Minister of Health and Welfare (Mr. MacLellan) made mention, not only of the position our Party is taking, but also of some of the comments I made earlier this day. I really do not know what else I can tell the Parliamentary Secretary. I know him well and I know he did his Parliamentary Secretary duty today rather than doing his personal duty or expressing his personal feelings. Generally, words said in the House are accepted as factual and we respect that. On behalf of our Party I and other Members of our Party have reiterated that we want speedy passage of this Bill. We have said that we intend to see second reading of this Bill completed today before we conclude Government Orders. I do not think the Parliamentary Secretary is in a position to say that that is delay of any kind. Surely if this Bill is so important, and I agree that it is, he cannot make the point that one day's debate in principle on pensions is in some way delaying the Bill.

I think the problem he faces is that we could have looked at a lot of pension reform if we had started debate on pension reform earlier, even if we had the Bill as early as May 10 when the Member for Kingston and the Islands (Miss MacDonald) put the motion before the House to bring the Bill forward. That would have given us almost another month. However, that matter stands.

In terms of the committee, we have also said that the Member is correct when he says that Bill C-5 and Bill C-221 are before the committee. Those Bills have been scheduled. As a member of the steering committee, I say that as soon as the chairman, who is a Liberal, calls the steering committee together, I will be there. We will negotiate. Because of the point he had made, we are willing to schedule extra meetings outside the block system so that that this Bill can be discussed and dealt with. None of those are problems from our point of view. That is not the issue.

Mr. Cullen: What about Committee of the Whole?

Mr. Epp: The Member for Sarnia-Lambton (Mr. Cullen) says, "What about Committee of the Whole?" That is the whole point. The Parliamentary Secretary to the Minister of Health and Welfare mentioned the matter of spouse's allowance. My colleague, the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen) mentioned another problem. There is the matter of the War Veterans Act. I think, in all fairness, that Members opposite must keep in mind that when this matter was mentioned in the Minister's budget on February 15 these issues were not in the Bill. In fact, the Hon. Member will notice that only on May 29 when this Bill received first reading were the issues made public. I give that commitment again to the Parliamentary Secretary. We want this Bill through.

Our dilemma as Canadians is that with the Canada Health Act we had the very same experience. We dealt with certain aspects of health. Every one of the witnesses who appeared before the committee wanted to use that legislative opportunity to look at the health system in the future in order to put into place methods and models whereby the health system could be enhanced. We are saying the very same thing about this Bill relative to pensions. When we make this point today we are talking about looking at the pension system and reforms. Unfortunately, time does not allow us. These are the last days of this Parliament. These are the last days of a corrupt, tired, weak Government. We agree with them. Let us get this Bill through and get on with the election.

Mr. MacLellan: Mr. Speaker, I thank the Hon. Member for Provencher for his remarks. In my speech I did not say that by not passing the Bill in all stages today he was stalling it. I said that we hope to proceed with it as quickly as possible. I could

understand the delay if there were genuine concerns. Speaking generally, I said that it was our hope that we could deal with these concerns as quickly as possible, as he has reiterated to us they would do. I thank him for his remarks, except for the last remark about the tired Government. That I take very great exception to.

The Acting Speaker (Mr. Herbert): Are there any further questions or comments?

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Herbert): It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Winnipeg North (Mr. Orlikow)—Bank Act—Royal Bank's automobile financing plan. (b) Request for amending financing plan; The Hon. Member for Simcoe South (Mr. Stewart)—National Revenue—Barrie hospital fund raising campaign—Refusal of tax deductibility. (b) Request that Minister resign; the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen)—Canadian Radio-Television and Telecommunications Commission—Vancouver television station's application to relocate transmission tower.(b)Impact on Public Broadcasting Service.

GOVERNMENT ORDERS

[*English*]

OLD AGE SECURITY ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Miss Bégin that Bill C-40, an Act to amend the Old Age Security Act, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, for more than 40 years my friend and colleague, the Hon. Member for Winnipeg North Centre (Mr. Knowles), has been the most eloquent, persistent and passionate exponent and advocate for better treatment for retired Canadians that this country has ever had. Because his advocacy was so frequent, I had seldom spoken on this subject. However, I have tried recently to fill, in a small way, the gap which was created by his illness.

We are discussing today a Bill which proposed to raise the guaranteed income supplement for those fortunate enough to receive it, or I could say those unfortunate enough to need it, by $50 a month in two stages. We in the New Democratic Party will support this proposal because it is a small step in the right direction. I want to make it clear that it is only a very small step. We should not delude ourselves into thinking that it is anything but a very minor, hesitant move in dealing with the problem which is growing in seriousness every year. Canada's pension system is in a shambles today. Hundreds of thousands of retired Canadians now live in poverty. The standard of living of most Canadians drops at retirement. If that is not bad enough, when one spouse dies the survivor usually suffers a further sharp drop in his or her standard of living.

The fact is that more and more Canadians live in poverty every year. It has been estimated that at least one-quarter of all Canadians over 65 years of age live in poverty. Over 60 per cent of single women over 65 years of age live in poverty. That is a national disgrace of which all Canadians ought to be ashamed. Even the retirement years of most of those Canadians who do not live in poverty are characterized by a sharp reduction in their family income by an average of 40 per cent or more.

Why are the incomes of the elderly so low? There are two reasons for that. The first is that Old Age Security and the guaranteed income supplement simply pay too little to meet the basic needs of the elderly. As of April 1 in my City of Winnipeg, a single pensioner receiving both the OAS and GIS would receive $825 a month. That is $291 below the poverty line as calculated by the National Council on Welfare. This Bill proposes to give the poorest of the poor another $50 a month. They will still be almost $250 a month below the poverty line.

● (1610)

Let me digress for a moment and talk about what is happening in most Canadian cities. The vacancy rate for rental accommodation is a fraction of one per cent or 2 per cent at the highest. Rents are going up very sharply every year. Since the cost of accommodation is a very major part of the expenses of retired people, they simply cannot get affordable accommodation. Furthermore, since they must pay more than they can afford to have a decent place to live, they must cut back on other necessities such as the amount and quality of food they eat. They must cut back on their recreational expenses or such things as travelling to visit children and friends. This has happened because too many Canadians believe that pensions should be considered in the same manner as welfare benefits are considered. This is also the attitude of the federal Government and of most provincial governments. There is also the opinion that a pension should be subject to an income or means test.

We in the New Democratic Party believe that an adequate retirement income is the right of all elderly Canadians, regardless of their economic status or wealth. Canadians have accepted that health care is a right and that education, at least up to

the high-school level, is a right of all Canadians. We believe that pensions that provide a decent standard of living is the right of all senior citizens in Canada.

Let me review briefly the history of pensions in Canada. The old age pension was first introduced in 1926. Incidentally, it was introduced because in the minority Parliament at that time the Members of Parliament for Winnipeg North Centre and Winnipeg North made it a condition of their support for the Liberal minority Government of Mackenzie King that he introduce an old age pension plan in Canada for the first time. When that pension was introduced in 1926, it was $20 a month at age 70 with a means test. Since that time members of my Party, which was then called the CCF, and now members of the New Democratic Party have advocated the improvement of our pension plans, advocated doing away with the means test and advocated a universal old age pension that is payable to everyone at age 65. We are now saying that pensions should be paid to everyone at age 60.

It was not until 1952 that Old Age Security payments were made universal and paid to all Canadians at age 70. In the 1960s, Parliament enacted for the first time the Canada Pension Plan which was universal for all Canadians who work. They paid into a pension plan an amount based on their earnings so that when they retired at age 65 they qualified for payments under the provisions of that plan. It was acknowledged that it would take at least ten years for that plan to be phased in and allow full benefits to be paid, when it was enacted in the 1960s. Therefore, there was a special temporary program brought forward called the guaranteed income supplement. This was to be made available on an income tested basis for the poorest of Canadians and for the elderly whose wages or salaries were too low. This supplement would help them until the Canada Pension Plan provision came into full force.

It was said at that time that when the Canada Pension Plan was in full operation the GIS would all but disappear because most Canadians who work, of whom there is an increasing percentage, both men and women, would be receiving both the Canada Pension Plan and the Old Age Security benefits. It was thought that these two amounts would be enough and that the GIS payments would be reduced and would probably disappear. That has not happened. The GIS has grown in comparison to the other components of the pension system. In 1967, a single pensioner's guaranteed income supplement equalled just 40 per cent of Old Age Security payments. Now it is more than 100 per cent of Old Age Security. As a result of the increase we are discussing today, it will be raised to 120 per cent of the Old Age Security payment.

The guaranteed income supplement is now a permanent part of the pension system, despite the increasing number of Canadians who are receiving Canada Pension Plan benefits.

Today, in most Canadian cities a single person who has not participated in a private pension plan but who retires with the Canada Pension Plan benefits of $387 a month will still be eligible for partial income supplement payments and will still be living below the poverty line. This sad fact is true because the majority of working Canadians have no pension plan or if they do, it is inadequate.

We have been told that we cannot do better and that many businesses cannot afford to pay more. The fact is that virtually every western European country, including Norway, Sweden, Denmark, Germany, Holland and Belgium, has done much better. The universal government pension plans that are based on contributions made at work are providing a pension for the bulk of their people that permits them to live in dignity and comfort.

In discussing pension programs and this proposal in particular, the Minister of National Health and Welfare (Miss Bégin) has said that the Government is doing all that it can. She said that the Government has not done better until now because it could not afford it, but that it is bringing this $50 increase to the GIS now because the Government can now afford it. The Government says we cannot afford to do better for our pensioners, for retired Canadians, who have worked all their lives to make this country the modern, prosperous country it is. This is a Government which says we can afford a tax system where more than 250 Canadians with incomes over $250,000, in the last year for which we have figures, paid no income tax at all. It is a Government which has brought forth a tax system in which corporations with profits of millions of dollars a year can avoid paying taxes or pay very little in taxes.

• (1620)

Let me give you one illustration, Mr. Speaker. In 1982, the Bank of Montreal paid no tax at all. It got a tax credit of over $20 million. We believe that that is not good enough. We believe that Canadians who have reached 65 years of age, and even those who have reached 60 years of age, should be able to retire with a pension if they want to. We believe this country can do, must do, and should do much better for retired citizens than it has done. We intend to continue to fight for federal action to ensure that every elderly Canadian has an income at least equal to the poverty line, that everyone in the paid work force has an opportunity to provide for his or her retirement through a fully portable, fully indexed contributory plan. That means that federal and provincial governments will have to bring in legislation requiring every employer to establish a pension plan and to help fund that pension plan through contributions by the employer and employee jointly, that everyone who has had little or no attachment to the paid work force as a result of child care and like responsibilities should have an equal share of pension credits acquired in the name of his or her contributing spouse through public or private pension plans, and that the federal Government should follow the lead of those provincial governments which have improved portability protection of part-time workers and ensured equal treatment of women and men, those provinces being Saskatchewan and Manitoba which have or have had NDP governments.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions or comments.

Mr. Dingwall: I have a comment, Mr. Speaker. Before the Hon. Member for Oxford (Mr. Halliday) rises in his place to get involved in this debate, I have a few comments on Bill C-40 in relation to the comments made by the previous speaker.

The increases in the GIS for both July 1, 1984, and December 1984 are certainly ones which are needed. I can agree with the Hon. Member who has just spoken that they are long overdue. We ought to proceed very quickly to make sure that these provisions are passed through all stages and thereby implemented into law.

There is a certain aspect of the increase in the GIS of which we should all take judicial notice. I have raised this matter in the House previously, as has my colleague from Oxford. It concerns the effects of a previous Bill, Bill C-139, which ties in with the content of Bill C-40. Through Bill C-40 we are increasing the GIS. In Bill C-139 we have said that for the purposes of calculating the guaranteed income supplement we are now going to include workmen's compensation. For 10 to 15 years, the tradition in Canada was that when one was filling out his or her card for the GIS, it was not necessary to include any form of income received for compensation. That has been changed by the provisions of Bill C-139. As of today's date, compensation is included. The effects of Bill C-139, which I might add was considered by all Members of Parliament when it was passed some months ago, are to reduce substantially the income of those Canadians who I believe are in need the most.

I have a host of constituents not only in my own riding but in many areas throughout my province who are greatly affected by that measure. Although I welcome this increase in the GIS, I do not think it will compensate those individuals, previously receiving the GIS and the workmen's compensation, because their total income has been reduced substantially. I think of different organizations, such as the Pensioners' Union in the town of Glace Bay under the presidency of Mr. Peter Murray who has gathered a petition and has forwarded it to me in Ottawa. I am waiting for a second petition from the Town of New Waterford and its Senior Citizens' Club with regard to the provisions of Bill C-139. The total income of those Canadians has been reduced substantially as a result. Bill C-139 amends the Income Tax Act in Sections 81, 56, and 110. Those three sections of the Income Tax Act, when taken together collectively, have the effect that I have outlined.

Some individuals in my constituency have experienced reductions. I can think of Cecil Boutelier who has had a $37 a month reduction. Maybe with this $25 and $25 there will be a topping up. There are others who have a had a reduction of $90 a month. As the Hon. Member for Kingston and the Islands (Miss MacDonald) has pointed out so well, I do not think one has to wear a political colour to agree or disagree, but the fact is that there have been substantial reductions. I think of Mr. and Mrs. Michael Murray.

The Acting Speaker (Mr. Herbert): Order, please. I hate to interrupt the Hon. Member. I was prepared to recognize him for debate. He indicated that he was standing up in the ten-minute period allowed for questions and comments. There should be a limit to the time he speaks under that provision. Alternatively, he can be recognized for debate and could continue his remarks.

Mr. Dingwall: Do I have the consent of the House to continue for a short time, Mr. Speaker?

The Acting Speaker (Mr. Herbert): First I must ask whether there is anyone else who wants to put a question or make a comment to the Hon. Member for Winnipeg North (Mr. Orlikow), who, I notice, has now left the House. I see the Hon. Member for Bow River (Mr. Taylor). Is the Hon. Member rising for a question or a comment?

Mr. Taylor: Mr. Speaker, I would like to comment and then ask a question, if the Hon. Member returns. I find it difficult to understand the comment of the Hon. Member for Cape Breton East-Richmond (Mr. Dingwall). There is no need to convert people on this side of the House in connection with classifying workmen's compensation as wages. Almost everyone of our speakers this morning, including myself, pointed out that this money is not wages, it is compensation, particularly for permanent partial disability and permanent total disability. It is not wages in any sense. The man lost part of his body for which he is compensated, and it should not be considered as wages. The Hon. Member does not have to convert us over here. I suggest that he should take the matter before his own caucus. That is where it originated and that is where it was passed.

• (1630)

I see the Hon. Member has not returned to the Chamber. He has had considerable experience with compensation. I was about to ask him whether or not he agreed with my interpretation of compensation, namely, that compensation for a permanent partial disability and for a permanent total disability is not wages. It is compensation because part of the body has been lost. We cannot emphasize that too much.

In answering questions the other day, the Hon. Minister showed that she just did not understand what compensation was. She included ordinary compensation as wages, which was right, but as a pension it is not wages and should not be considered in that category.

The Acting Speaker (Mr. Herbert): It would appear that the response to that comment will have to wait for another occasion. For continuing debate, the Hon. Member for Cape Breton-East Richmond (Mr. Dingwall).

Mr. Dave Dingwall (Cape Breton-East Richmond): Mr. Speaker, I have agreed with the Hon. Member for Oxford (Mr. Halliday) that as he was to follow me I would try to be brief. Since I have been given the luxury of speaking at this point in time on Bill C-40, I should like to congratulate the Parliamentary Secretary to the Minister of National Health and Welfare (Mr. MacLellan) for his diligence in ensuring that this piece of legislation was brought before the House of

Commons. I think it will benefit greatly those individuals who are in desperate need.

Bill C-40 is a good Bill. I will vote for it wholeheartedly. I am sure Hon. Members on both sides will do likewise. The Hon. Member for Bow River (Mr. Taylor) said that we have not done anything in our own caucus. Unfortunately he is not a member of our caucus, so he does not know.

Mr. Taylor: Fortunately.

Mr. Dingwall: The door is open for Hon. Members if they wish to attend.

Mr. Taylor: No thank you.

Mr. Dingwall: I have a large number of constituents who have received substantial reductions in the moneys they previously received from the Government of Canada as a result of workmen's compensation being included in the calculation for the purposes of GIS. I could talk about Cecil Boutelier and a $37.77 reduction; Mrs. Michael Murray and her $134 reduction; Russell McLean and his $46 per month reduction; Mr. and Mrs. Bill Pittman and their $90 per month reduction. All those cases are ones of hardship and ought to be rectified.

I have listened to the Hon. Member for Bow River on a variety of topics in the House. In answer to his question, Hon. Members on this side of the House have echoed the same sentiments I am expressing this afternoon. However, I tell him and all Hon. Members opposite that when Bill C-139 was passed in the House, not one Member was on his feet arguing its provisions as they affected senior citizens and those in receipt of the guaranteed income supplement because it was a very technical inclusion. We could talk about Section 81(1)(h) as it affects Section 56(1)(v) and how it affects Section 110(1)(f)(ii). There are many sections tied into the Income Tax Act which Hon. Members did not recognize until notices were sent out to the individuals that compensation was to be included for the purposes of GIS. As a Member of Parliament representing such individuals in my constituency, I do not like the provisions of the Bill. I want to have them changed. I am seeking the support not only of Hon. Members opposite but of Hon. Members on this side as well.

Miss MacDonald: Come to committee and you will get your chance.

Mr. Dingwall: I am glad to hear the offer of the Hon. Member for Kingston and the Islands (Miss MacDonald). I will follow it up with her. It is unjust that individuals in the greatest need can be hoodwinked by a piece of technical legislation which has been missed by all Members of Parliament. It was only raised in the House of Commons when individuals affected by the legislation filled out for the very first time papers as they had done for the last 10 years or 12 years. The situation is a serious one which all Hon. Members should look at realistically and carefully. We ought to do something about it.

There are Hon. Members on this side of the House, many of whom I cannot speak for, who talk about the concerns of senior citizens and those in greatest need. Likewise there are those on the opposite side of the House. Now is the time to put their money where their mouth is. We can change this injustice if there is the will in the House, an injustice which is affecting individuals all across the country.

I have named a few people, but I could talk about Mabel MacNeil of Reserve Mines, Dick Buckland of Glace Bay, Shirley Reid of Donkin, John MacNeil of New Waterford, David Maxwell of Sydney Mines and, as I mentioned, Peter Murray, President of the Senior Citizens' Club of Glace Bay. This issue should not be tossed aside lightly. Any Minister or any representative of any Minister who wishes to toss it aside is doing a great injustice to individuals in the greatest of need.

The Hon. Member for Oxford was kind enough to allow me to make these comments. He now wishes to speak, therefore, I will say in conclusion that I am hopeful that we can get together either with the Minister privately or in committee to try to change what I believe is an injustice. I want the record to show that the Hon. Member for Oxford has been very helpful in bringing this issue to the floor of the House of Commons. With some political will on that side and on this side, I am confident we will resolve it in favour of those individuals who have been dealt an injustice.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions or comments.

Mr. Sargeant: Mr. Speaker, I would like to ask the Hon. Member whether there are any more of his constituents whom he did not name.

Mr. Dingwall: Mr. Speaker, I have a very long list of names. I know the Hon. Member is not trying to be disrespectful to the individuals I have mentioned, as he is an honourable gentleman. The individuals I have mentioned have suffered a great loss. I do not want to minimize their loss, nor do I believe that he wishes to minimize their loss. In answer to his question, there is a great number of individuals whom I have not named. The ones to whom I have referred are some of the more glaring cases who volunteered to allow me to use their particular circumstances as examples for the attention of bureaucrats and politicians. There are a great many individuals in that circumstance.

The Acting Speaker (Mr. Herbert): If there are no further questions or comments, for continuing debate, the Hon. Member for Oxford (Mr. Halliday).

Mr. Bruce Halliday (Oxford): Mr. Speaker, indeed it is a pleasure to follow the Hon. Member for Cape Breton-East Richmond (Mr. Dingwall). The issue before us today is not really a small one even though the number of people affected is a relatively small one. However, today could well be a momentous day in the life of the Parliament of Canada.

• (1640)

I have long awaited the time when there would be the kind of exchange that we have seen in the House today. In the past year and a half, not only have we been able to ask questions and give responses and comments following major presentations of 20 minutes or 40 minutes, a practice which I think enhances debate, but we now have an example of back-benchers being able and prepared to tell us what they really believe about an issue.

I give the Hon. Member for Cape Breton-East Richmond full marks for having had the courage and the conviction to say what he believed should be said regarding a Bill that was handicapping some of the citizens in his riding as well as citizens in all ridings across Canada. I look forward to the time when there will be more debates like this, and I submit that if we had more debates of this nature and if back-benchers felt that they could say what they should say more often, we would have a much better attendance here in the House. People would be interested in hearing what others had to say if they thought that the others were speaking from their hearts, the way the Hon. Member for Cape Breton-East Richmond just spoke.

I would like to point out that I would not be standing in the House of Commons this afternoon if it were not for the stubbornness and obstinacy of either the Minister of National Health and Welfare (Miss Bégin) or her colleague, the Minister of Finance (Mr. Lalonde). Many Hon. Members of the House, including the Hon. Member who just spoke, have brought to their attention the fact that there is a real problem with Bill C-139 as it affects old age pensioners who receive GIS.

Today we are debating Bill C-40, a Bill which, according to the Minister responsible, is intended to be of assistance to about 25,000 potential GIS recipients. However, this morning she forgot to tell us that a few months ago when Bill C-139 was before the House, benefits were taken away to a greater or lesser extent from another 25,000 GIS recipients. That is what the Hon. Member for Cape Breton-East Richmond was talking about and that is the matter to which I would like to devote my few minutes this afternoon.

My colleague, the Hon. Member for Provencher (Mr. Epp), who is the Party health critic, and my colleague, the Hon. Member for Kingston and the Islands (Miss MacDonald), have both explained very well and in some detail our concerns with regard to Bill C-40. As we have all acknowledged, all of us in the House are favourably disposed to this Bill itself. There is nothing particularly wrong with it, although some small points could be improved upon. However, we feel that as a substantive piece of legislation on pensions, this Bill is inadequate. Any criticism we have is directed to the inadequacy of this Bill and not because of a desire on our part to hold up the Bill. As the Hon. Member for Provencher has indicated, we had intended to see this Bill put through second reading this afternoon.

When I was listening to the debate this morning, I was very pleased to hear the Hon. Member for Bow River (Mr. Taylor) rise and speak in no uncertain terms about the problem as he saw it with Bill C-40 and its attempt to help GIS recipients. He mentioned that the Government that brought in Bill C-40 is the same Government that harmed another 25,000 people through Bill C-139 a few months ago.

The Hon. Member for Beaches (Mr. Young) touched upon the matter of the adverse effect of taking into account workers' compensation benefits on certain GIS recipients. As well, the Hon. Member for Beaches looked at the issue from the point of view of the work of the Committee on the Disabled and the Handicapped which met for three years and reported by way of a document entitled "Obstacles". As he said this morning, we received a fairly sympathetic hearing from the Government, which agreed with the committee's feeling that there is room for a great deal of help for the disabled and the handicapped people of the country. The Government appeared to be sympathetic, and then, a few months later, it turned around and came up with Bill C-139, which took away benefits from those same handicapped people. Now, three and a half months after the Government told us it was going to do it, it is bringing in this simple piece of legislation, which offers some benefits to those single pensioners who are in need of extra help by way of GIS.

There is a feeling among Members of all three Parties that there is a deficiency in this Bill because of the way in which it fails to coincide with Bill C-139. As the Hon. Member for Cape Breton-East Richmond suggested, I too would hope that when we get to committee on this Bill, we could prevail upon the Minister of National Health and Welfare to deal with this deficiency.

I suspect that it was not the fault of the Minister of National Health and Welfare that appropriate changes were not made earlier. I suspect that it was the fault of her colleague, the Minister of Finance, who does not seem to understand the difference between a compensation benefit that is paid to a worker who has been injured and remuneration for services rendered. This difference was well explained by my colleague, the Hon. Member for Bow River, this morning and again this afternoon.

I listened very carefully to the Parliamentary Secretary to the Minister of National Health and Welfare (Mr. MacLellan) who spoke a few moments ago, and I believe that he spoke very well. I have come to respect that Hon. Member because he and I were the parliamentary representatives of a recent delegation to the World Health Organization in Geneva. We got to know each other better at that time and I have a great deal of respect for him. For the benefit of those who might not be aware of it, WHO is the World Health Organization, an organization which holds an annual assembly in Geneva which is attended by representatives from some 150 countries who discuss issues of health care that are of general interest to all represented countries.

While at that assembly, the Parliamentary Secretary and I got to know each other to the point where I think we gained mutual respect. As the Hon. Member for Provencher said a few moments ago, he is an honourable Member and a sincere

person. I frankly feel sorry for him because he had to stand up and apologize for his Government. In his speech, and I am practically quoting him, he said that the Government did not need to apologize for Bill C-40. He is quite correct. The Government asked him to do the apologizing on its behalf. I think it is unfortunate that he was placed in that position since he is such an Hon. Member and a man of integrity and sincerity. I feel quite certain that he would agree with the feelings of his colleague, the Hon. Member for Cape Breton-East Richmond, that a change should be made with respect to the moneys that are received by pensioners who are single and in need of extra assistance.

I would like to say a few words to elaborate on what my colleague, the Hon. Member for Bow River, said so eloquently this morning. I am talking about the failure of the Government to understand the difference between compensation payments and remuneration. As far as I know, this issue first came to light on December 28 last when the secretary in my constituency office received either a phone call or a letter from a constituent of mine who was upset because he was being asked for the first time to report workers' compensation benefits when calculating whether or not he would be entitled to receive GIS benefits.

My secretary, Mrs. Whittingham, was not aware of this problem. She made literally dozens of phone calls to the OAS offices in the London and Toronto districts and to the Revenue Canada offices in the London and Toronto districts. After making these dozens of phone calls, she was still unable to find a single person who knew anything about this matter. Finally, after a couple of weeks, information began to trickle back which indicated that there had indeed been a directive issued in July, 1983, from Revenue Canada that the Workmen's Compensation Board payments were now considered taxable. Some officials were aware of that directive, but officials in other areas were not. My constituency office worked on that problem for about a month.

About four days before I raised the matter in the House, my colleague opposite, the Hon. Member for London West (Mr. Burghardt) asked a question on this matter and received an answer that was quite insignificant. On January 31, I asked the Minister of National Health and Welfare a question on this matter in the House. I received an answer that had been designed to answer another question. I do not fault the Minister personally, but it was obvious that even she had not been briefed by her officials regarding what was actually happening to these 25,000 people who were recipients of GIS and WCB benefits and would suffer a reduction in income.

● (1650)

On January 31, I asked a supplementary question of the Secretary of State. He as well was completely unaware of the issue, as was evidenced by the answer he gave. A few days ago, I again asked a question of the Minister of National Health and Welfare. She was obviously embarrassed to answer the question. She apologized to the Prime Minister (Mr. Trudeau) for answering in a way which would not please him. However, she had obviously been instructed by the Minister of Finance on how to answer the question and that she was to consider a compensation benefit through the Workmen's Compensation Board as being income that should be reported in the calculation of GIS benefits.

I would like to cite an example. It is one which I had in mind this morning and which my colleague, the Hon. Member for Bow River used as an example. However, it bears repeating because it is the kind of example that convinces a person that the Hon. Member for Cape Breton-East Richmond, the Hon. Member for Bow River and others are right. I hope the Minister of National Health and Welfare will see that. Moreover, I hope that the Minister of Finance will see it.

Let us say that a person is working in a plant and, through an accident, losses both eyes. That is very serious and will probably mean that that person will be disabled for the rest of his life as far as being employable is concerned. If our medical technology were sufficiently good, we would be able to replace those two eyes with two workable eyes. Or, if a worker lost a leg we could replace that leg. That day may come. But I would submit that if we were able to replace those two eyes, surely we would not charge that as income to the patient in the calculation of GIS benefits on a subsequent date. Surely we would not say that the replacement of those two eyes should be taken into account when that person is being assessed for GIS benefits. That is exactly what Bill C-139 did, and it has been overlooked again in Bill C-40.

The kind of benefits which we pay to a worker when we cannot replace the two eyes is known as compensation. That was the term used by my colleague from Bow River this morning. It is compensation. It is not remuneration, nor is it income. Society has no other way to recompense that person other than through a cash payment. We are not able to give two new eyes to that person. Therefore, in lieu of two eyes, that patient is given a sum of money. That is the next best thing we can do. That is compensation, not income from a disability plan to which a person may have paid premiums. It is not like income from the Canada Pension Plan into which that person has paid premiums. It is entirely different. That compensation attempts to provide the best which society can provide in this day and age—a recompense to that person for the loss of two eyes. That does not bring that person up to the level of people who have two eyes with which to see. That is what annoys me about the attitude of the Government *vis-à-vis* the handicapped. It has failed to recognize that handicapped people must be brought up to the level of the rest of us who are able-bodied. The Government is assuming that because a person gets a compensation payment for the loss of two eyes, somehow that person has received something extra which should be compared with a benefit that the rest of us who are able-bodied may receive. It does not make sense.

I would like to speak in the strongest terms to supplement what was said earlier by my colleague opposite, by my colleague from the NDP, the Hon. Member for Beaches, by my colleague from Bow River and by the Hon. Member for London West who asked a question of the Minister on January

27, as well as other Members in the House who have asked for the same approach.

I would hope that with support coming from all sides of the House, something will be done by way of Bill C-40, or by some other mechanism which the Government House Leader might devise. We must not deprive those 25,000 Canadians who are eligible for GIS solely because they are recipients of a compensation payment in lieu of the restoration of their limbs, eyes, nervous system or whatever, which we cannot do physically. The best we can do is to give them a sum of money. Surely that should not be taken into account in calculating GIS benefits. I trust that that will be heeded by the Minister.

I see that the Parliamentary Secretary is in the House. He did not address that question in his comments this afternoon. I thought he might have done it inasmuch as it was raised two or three times prior to his presentation. Obviously it meant that he did not have an answer to the question. I hope he will go back to the Minister, who I know is concerned about people, and impress upon her the need to do something about this.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

Mr. Evans: Mr. Speaker, I rise on a point of order. I think that if you sought the consent of the House, we could call it five o'clock.

Mr. Deputy Speaker: The House has heard the proposal put forward by the Hon. Parliamentary Secretary to the President of the Privy Council (Mr. Evans). Is it agreed that we proceed to the next order of business?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Therefore, it being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—PUBLIC BILLS

[*English*]

Mr. Deputy Speaker: Shall all orders and items preceding item 106 stand by unanimous consent?

Some Hon. Members: Agreed.

Public Service Employment Act

PUBLIC SERVICE EMPLOYMENT ACT

AMENDMENT RESPECTING STAFF OF MEMBERS OF THE HOUSE OF COMMONS

Mr. Paul E. McRae (Thunder Bay-Atikokan) moved that Bill C-215, an Act to amend the Public Service Employment Act (staff of Members of the House of Commons), be read the second time and referred to the Standing Committee on Miscellaneous Estimates.

He said: Mr. Speaker, it would be proper for me to indicate that while my name is on the Bill, the work which has been done in putting the Bill together has been done by the Parliamentary Secretary to the Minister for International Trade (Mr. Blaker) who is also the Hon. Member for Lachine. However, as a Parliamentary Secretary I am informed that he cannot be the author of a Bill. Therefore, I will say a few words and will move a motion at the end of my remarks.

I am concerned about the people who work for Members of Parliament. They have given faithful service, are well-acquainted with the operations of Government, have worked long hours, and have gained a great understanding of the various departments and what government is all about. But, for one reason or another, when the Member of Parliament for whom they work ceases to be a Member at the end of a particular term or at any particular time when the Member is defeated or when he decides not to run in the election, they are out of a job. I am told that in every Parliament approximately 100 Members cease to be Members of Parliament for one reason or another. What this Bill says is that after approximately three years of service, these people should have the same priorities as a public servant. I understand, Mr. Speaker, that these priorities, in terms of moving into the civil service, are held by people working in Minister's offices and so on. We feel that those persons who work hard for Members of Parliament should have that same privilege after three years of service. I, therefore, feel this Bill is very important. I understand there is some disposition on all sides to let this legislation go forward. There may be some amendments which will be required but, certainly, we hope that this Bill will be accepted by all Parties.

• (1700)

In view of the fact that I was not the author of the Bill, although I was certainly involved in and very much in favour of it, and in view of the fact that the author of the Bill is the Parliamentary Secretary to the Minister for International Trade, the Hon. Member for Lachine, I would ask for unanimous agreement of the House to allow the Parliamentary Secretary to speak for the next few minutes in my place so that the balance of my time would be given over to him. I believe that would require unanimous consent, but if that is possible I believe it would give a better understanding of what is in the Bill and would not necessitate the Hon. Member's speaking at a later date. If it is possible, I would yield the floor, as is common in the United States, to the Hon. Member, with unanimous consent.

Mr. Deputy Speaker: Order. The House has heard the proposal made by the Hon. Member for Thunder Bay-Atikokan (Mr. McRae). The Chair should observe that the Hon. Member is recommending a procedure which is followed in the American Congress. This is the House of Commons. However, by unanimous consent the House is master of its procedure. Does the House agree to allow the Parliamentary Secretary to the Minister for International Trade (Mr. Blaker) to speak at this time?

Mr. Domm: Mr. Speaker, I believe it should go on the record that all things which happen in the Congress to the south of us are not always precedents we follow here. However, having said that, I would hope that when we form the next Government, Hon. Members opposite will be as willing to accept that our Parliamentary Secretaries speak in support of their Bills as we are prepared to consider allowing their Parliamentary Secretary to speak on this occasion.

Mr. Deputy Speaker: The Chair gathers that there is unanimous consent. Agreed?

Some Hon. Members: Agreed.

Mr. Rod Blaker (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, I would like to express my gratitude to the Hon. Member for Thunder Bay-Atikokan (Mr. McRae) who has very kindly presented this Bill in his name, because under the procedures of the House of Commons, a Parliamentary Secretary cannot do so. I also wish to extend my thanks to the Hon. Member for Peterborough (Mr. Domm), who has recognized my difficulty in that I could not speak on this Bill without the consent of the House. It is my intention to be very brief and to indicate simply to Hon. Members of Parliament—and I see the Hon. Member from Hastings has just arrived, and I presume he will be speaking on this Bill as well—that this is a relatively simple proposition.

Certain staff members of the House of Commons now have the right in law to be considered—and I say "considered" not "hired"—by the Public Service of Canada in the event they are judged by the Public Service to qualify for a position. It is one of the benefits they might receive. However, if they, for some reason, do not appear to qualify in the eyes of the Public Service of Canada then they would not have an opportunity to be hired for a position. I believe the easiest way to explain this is by referring to the Explanatory Notes in this Bill. I would like to ask Hon. Members to consider the following wording:

> The purpose of this Bill is to provide equitable treatment to the staff of Members of the House of Commons—

And I would point out that this refers to all Members of the House of Commons—

> —(including the staff of the Speaker of the House of Commons) when their employment is lost as a result of Members ceasing to be Members, by according them the same priority to be appointed to the Public Service that employees in the following offices now enjoy:—

In a moment, Mr. Speaker, I will refer to staff members of Members of Parliament and how they compare to staff members of certain people in our House of Commons who do have the qualifications, rights and privileges to be considered for employment by the Public Service. I say again "considered". It does not mean a guarantee of employment.

May I draw your attention, Mr. Speaker, and the attention of all Hon. Members now sitting in the House of Commons to a very remarkable situation. The staff members of the Speaker of the House of Commons are not entitled to be considered for employment by the Public Service. I believe it is astounding that people who have given their time and service for three years and more to Members of Parliament or to the Speaker of the House of Commons cannot be considered to have a preferential right of consideration—and I underline the word "consideration"—so that if, as and when a Member of Parliament decides to leave, dies or fails to be re-elected—and that includes the Speaker of this House—they are not entitled to be considered as possible employees of the Public Service.

What we have, however, is a situation in which staff members of the Prime Minister (Mr. Trudeau), the Leader of the Opposition (Mr. Mulroney) and, I believe, the Leader of the New Democratic Party (Mr. Broadbent), together with staff members of Cabinet Ministers, if they have completed a term of three years or more, are entitled to be considered, and again I use the word "considered", by the Public Service for purposes of employment. It does not mean that they are given a guarantee to be hired. It simply means that if a position opens up, these people are given preferential consideration within the Public Service.

I believe that each and every one of the Members of the House of Commons who is sitting here today knows that as much as we put our loyalty, our care, our concern and our commitment to the service of Canada, so, too, do our staff. That is what we are talking about. That is all there is to it.

Hon. Members on both sides have no right to be considered as automatic, potential or specialized employees of the Public Service. All I am suggesting is that the men and women who work for us and have done so for a period of at least three years should be given consideration for employment by the Public Service. The proper definition of that expression is that they must first qualify in the view of the Public Service. Second, if they do qualify, they should be given that small extra advantage whereby they might be appointed without competition. It would still remain the right of the Public Service to say, no, we do not need that particular type of qualification, that particular personality, or those particular abilities. However, I believe all sides, whether it be the Official Opposition, the New Democratic Party, or the Liberal Party, ought to recognize the kind of tremendous commitment these people have given to Members of Parliament and to the House of Commons, and we ought to say, yes, it should be possible for them to be considered for employment by the Public Service. That privilege is extended to members of the staff of the Prime Minister, the Leader of the Opposition and the Cabinet Ministers. However, that privilege is not—as an example of what I would regard as governmental idiocy—extended to the staff of the Speaker of the House of Commons, which is a remarkable concept.

• (1710)

Simply put, the Bill would allow members of staff who have three years of service to be in a position where, should an opening arise—and I am rather careful about my language in that regard—should an opening arise in the Public Service for which these people would be qualified, as determined and judged by the Public Service itself, they would be permitted to enter the Public Service without benefit of an examination. That is all that is being asked. This is the same consideration given to the staff of the Prime Minister, the Cabinet and the Leader of the Opposition.

Before presenting this Private Members' Bill this afternoon I have had the opportunity of speaking to the Hon. Member for Prince Edward-Hastings (Mr. Ellis) and the Hon. Member for Churchill (Mr. Murphy). I do not know their decision, individually or on behalf of their Parties, but I believe there is a hesitancy on the part of the Government, which I find surprising. I have beside me the Parliamentary Secretary to the President of the Treasury Board (Mr. Foster) and it may be that we will be able to get this Bill through all stages this afternoon if there is all-Party agreement. It may be that we could look to a motion for reference of this Bill to an all-Party committee. However, I hope and think that I have explained decently the kind of moral obligation we owe, not to our personal secretaries and staff, but to all the people who join elected Members to serve us with such loyalty and effort. We should try to give them a chance.

I should explain what the numbers are. They are so pitifully small that I wonder why anyone might object to this Bill. Basically, at every election we lose about 100 Members of Parliament out of 282. That means a staff component of about 300 people. The administration of the House of Commons tells me that we could not reasonably expect to see many more than 100 people who might not find a job again in the House of Commons. Therefore, I think we are looking at anywhere between 35 and 50 staff members of the House of Commons, once every four years, who may not have found a job but who can use their experience for the benefit of Canada in the Public Service. We are talking about piddling numbers of people, but we are also talking about recognizing their loyalty and their commitment, and their continuing ability to serve Canada.

I have asked, Mr. Speaker, that the officers at the Table have the forms ready for putting the Bill through all stages. I do not know the situation on either side of the House, whether this might be acceptable. If that does not work, then possibly we could send the subject matter of the Bill to committee. But again I say, and I think this is perhaps typical of me, that this is not a partisan Bill. This is a Bill to take care of people who have cared for us for many years.

Mr. J. R. Ellis (Prince Edward-Hastings): Mr. Speaker, the sponsor of this Bill has very clearly and concisely set out exactly what it does. He has given the details, and there is no need for me to repeat them. I want to say that the Committee on Management and Members' Services, of which I am a member, has recommended to the Speaker in the past month and a half a number of changes in the status of our staff. Those changes include the subject matter of this Bill. This is another way that some of us felt we might help to promote the subject matter of Bill C-215. That committee is not really a very partisan committee and Members on all sides felt that it was a worth-while topic indeed and something that should be done for our staff.

The House of Commons is created for Members of Parliament. Everything that happens around here, from the service provided by the ladies and gentlemen who take down our every word, to that given by the staff in the restaurants, the bus drivers, elevator operators and messengers, clerks, everything that is done here, is for the benefit of Members of Parliament. Yet I doubt there is a Member in this House who would not concede that without his staff he is not really capable of doing very much on his own. They are the ones that make it work. While some of us might be impresarios or prima donnas, they are the ones who do the daily dog work, put in the long hours for what is really minimal pay by comparison to their counterparts in other parts of the Public Service. They are perhaps not badly paid by comparison to the real world, but given the pay scale in the Public Service, they are not overpaid. What is so very important is that they really do not have much in the way of security. They are personal staff. I happen to have been extremely fortunate in that one member of my staff has been with me since the day I started on the Hill. I shudder to think sometimes how I would run my office without her. I know that many of the suggestions made in the past few months by the committee to the Speaker reflect the gratitude to the staff which I am expressing now.

I suppose it would be too partisan of me to agree that the Hon. Member's figures are almost exactly right, and that truly, come the next election, there may well be 100 less Liberals re-elected and, therefore, 300 members of Liberal staff who are looking for jobs. You will recall those were his numbers, not mine, Mr. Speaker. I only put a lable on them to make it just a little bit more accurate. However, I will not add that connotation to it.

Mr. Blaker: A point of order.

Mr. Ellis: You do not have a point of order, and you know it.

Mr. Deputy Speaker: Order, please. The Hon. Parliamentary Secretary on a point of order, I hope.

Mr. Blaker: I am not sure if this is acceptable under our rules, but I felt I had been misquoted and I want to explain something. I did not refer to any number of staff who might become unemployed as a result of changes of Liberal Members of Parliament. I indicated quite clearly that in every election the House of Commons has a change of approximately 100 Members. That applies to all sides, not any particular political Party.

Mr. Ellis: I merely made the clarification, Mr. Speaker. I am sure you heard me clearly. I just clarified where the 100 Members were going to come from in the next election. However, the Hon. Member has researched his Bill reasonably well and I do not think he has anyone specific in mind as to staff members on that side of the House.

● (1720)

Our Party is quite prepared to support this Bill. I have already indicated that this subject matter has been put before the Speaker in the past few months. I see no reason to stand in my place for 10 minutes, as one could, extolling the virtues of the Bill. If the Member can get the support of his Party to put the Bill through this afternoon, we are prepared to support it.

Mr. Neil Young (Beaches): Mr. Speaker, I have no hesitation at all in indicating to both the Liberals and the Conservatives that I have discussed this question with my Leader. We will look kindly upon hiring their staffs after the next election.

It is true that the staff of Members of Parliament are probably the most exploited group of workers in the country. They work long hours. They bring a lot of energy and dedication to the job. In the main, they are highly non partisan. In fact, it has been said to me many times that when a person works for a Member of Parliament the political affiliation is very rarely a factor on the Hill. Certainly that has been my experience with my staff.

As far as I am concerned, this particular Bill is a bare bones measure to give some protection to people who work for Members of Parliament. As some Members who are present in the House know, I would go much further than this. I would give them the right to organize and form a trade union to give them the kind of protection which every other worker in the country enjoys, and which we deny to the people who work for us. Having said that, I do not want to spend any more time on this. I would be quite prepared to give the unanimous consent of my Party to deal with this Bill this afternoon prior to the adjournment hour.

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Mr. Speaker, it is with mixed feelings that I rise to discuss Bill C-215. I think the purpose of the Bill is admirable. I would like to join with the people who preceded me in stating that Members of Parliament owe a great deal to their staffs. We should be very concerned and interested in allowing for serious study and consideration of matters such as job security and career opportunities within the Public Service of Canada. However, I do think that the Bill requires some study. I would like to discuss some of the matters at hand rather than just say that I agree with it. I would like to look at the Bill a little more attentively and possibly agree with others that a committee of the House should look at it seriously with a view to recommending certain amendments to the Public Service Employment Act so as to include some of our personnel on the Hill.

Who among us could perform alone all the duties which our constituents and the House of Commons require of Members of Parliament and Senators? I have had the very good fortune of having excellent staff in the 11 years that I have been here. In many instances they have been the ones who have supplied me with the needed support, information and professional assistance to do a job which is, as all of us know, demanding and sometimes very tiring. We could not do it without the assistance of these dedicated people, both here in Ottawa and in our ridings. The riding assistants are very special to us. They play an essential role for the Members of Parliament in bringing forth for day to day consideration the problems and difficulties which constituents bring to our attention regularly.

Being on the staff of a Member of Parliament is indeed a demanding and time consuming job. In my office my assistants have no time limits. I have seen them work weekends, in the evening, and early in the mornings. There is no doubt in my mind that there is a great case to be made for the eventual possibility of these people finding themselves without a job come an election or another situation where a Member of Parliament resigns or, for health reasons he or she, must withdraw.

I would like now to review the contents of Bill C-215. The Bill proposes to amend the Public Service Employment Act to give the employees in our offices some of the privileges accorded to the staff of Ministers of the Crown. Of course, the Leader of the Official Opposition (Mr. Mulroney) is included in this category. Section 37 states:

(1) A Minister may appoint his Excecutive Assistant and other persons required in his office.

(2) A person who is employed in the office of a Minister ceases to be so employed thirty days after the person holding the position of such Minister ceases to hold that position.

(3) A person who

(*a*) was an employee immediately before he became employed in the office of a Minister, or

(*b*) during the time that he was employed in the office of a Minister, qualified for appointment under this Act to the Public Service . . .

(4) A person who for at least three years has been employed as Executive Assistant, Special Assistant or Private Secretary to a Minister, or in any of those capacities successively, is entitled, for a period of one year from the day on which he ceases to be so employed, to be appointed without competition and, subject to section 30 and subsection (3) of this section, in priority to all other persons to a position in the Public Service, at a level at least equivalent to the level of private secretary to a deputy head, for which in the opinion of the Commission he is qualified.

I read that *in extenso* because it is interesting to look at the annual report of the Commission, which was tabled in this House recently to see what has been going on. I looked at the 1982 annual report. I find that no one used this section of the law. In 1983, 13 people exercised their rights and three did not, for a total of 16 who were eligible.

● (1730)

It is also interesting to note that this priority which they have is priority 2 in terms of the Public Service Commission. Those who have been on leave and are returning from a sabbatical or other type of leave have priority 1 under Article 7 of the Employment Act. Priority 2 refers to Ministers' staff. Priority 3 concerns people who have been laid off because of reorganization, privatization or decentralization. This is provided for in Section 29.

There is a statutory list of priorities. Of course, there is another list that is called administrative priorities. It deals with the reorganization, privatization, decentralization, and language training courses. It also includes people whose spouses have moved to another city. There may be serious consideration given to transferring the other spouse on a priority basis.

The Bill would give the Public Service Commission a priority list No. 2 for virtually any job. The Commission will be responsible for determining the qualifications that an individual must meet for a job. The aim of the Bill appears to be to provide some form of job security for our employees. I agree with that. I compliment my colleague on what I may call his philantropic objective. I do not say this pejoratively in any sense.

In response to the Member for Prince Edward-Hastings (Mr. Ellis), I would say that if the aim of the Bill is to give some benefits to the staff of Members who cease to be Members or who are defeated in an election, I can assure him that it would benefit those on his side of the aisle more than those on this side, because we intend to make sure in a few weeks from now that some of the benches on the other side are vacated.

Mr. Ellis: How many weeks?

Mr. Gauthier: A few weeks.

As I said earlier, the Bill proposes to amend the Public Service Employment Act. Currently, Section 37 of that Act gives priority for employment to the staff of ministers and the Leader of the Opposition. I understand that in the last year three or four people from that office benefited from that section. It also provides for priority in instances where a person was a public servant previously. It also provides priority should someone serve a Minister or one of the other groups for a period of three years or more. The Act specifies that such a priority, however, is only given in the instances of employment as a special assistant, executive assistant or private secretary.

When I first read the Bill which we are discussing today, I thought that it appeared similar to the current Section 37 of the Public Service Employment Act which I have been explaining. I thought it was an expansion of those protections and benefits. Upon closer inspection, however, I feel that the Bill would provide greater protection to our staff than that which is accorded currently to the staff of Ministers and the Leaders of both the Government and the Opposition in the other place and here. There is a fundamental difference. Bill C-215 does not explain how the amendment affects employees whose Member of Parliament may have vacated his seat for any reason. It simply states that, after three years in the employ of a Member of Parliament, Clause 4(1) of amended Section 37 would be triggered and the individual in question would be able to ask for priority consideration from the Commission. This is not actually the case in existing law. The Minister in question whose staff has been with him for three years, would have to be either relieved of his ministerial duties, resign from his duties, or leave the House before the clause in question would be triggered, and give his former staff the priority listing which was accorded by this statutory clause.

There is one additional problem which I hope the committee will consider when, hopefully, it studies this Bill. It is that the Bill applies only to the House of Commons. Perhaps we would want to extend this privilege to the other place as well where there are also very devoted people who work for Senators and who are, in my view, equally entitled to this kind of consideration if a Senator dies after three years or perhaps removes himself from office.

In closing, I will say that I view this Bill favourably. I think it is a good initiative. I suggest that there are difficulties with the triggering of the priority listing. If the staff of Members of Parliament are to be included, they should be included in the same way as the staff of a Minister, that is, that the staff should be allowed to exercise that priority if a Member leaves this place either of his own volition or as a result of being defeated. I believe that this should also apply to the Senate.

I would like to hear further comments in the committee with respect to the other amendments, which possibly could be made to improve the Bill.

Having said that, I would like to state very firmly that I think the Bill is appropriate and would give our staff more security and well deserved consideration in the near future.

Mr. Blaker: Mr. Speaker, I rise on a point of order. I do not wish to abuse the time of the House or of the Hon. Member for Ottawa-Vanier (Mr. Gauthier), but I think there was a misunderstanding. The Bill simply provides that the staff of members who have been staff for three years will come under the qualifications of Section 37 of the Public Service Employment Act.

Mr. Deputy Speaker: Order. The Chair is uncertain about what the Hon. Parliamentary Secretary is attempting to do at this time. Does he wish to put a question to the Hon. Member for Ottawa-Vanier?

Mr. Blaker: No, Mr. Speaker. I am not sure that I am qualified to speak on a point of order in this regard. I will give way to you and to Hon. Members. However, the Bill is relatively clear. It refers to the Public Service Employment Act.

Mr. Garnet M. Bloomfield (Parliamentary Secretary to Minister of State (Small Businesses and Tourism)): Mr. Speaker, I rise to speak on a very important subject today, that of giving some degree of job protection to the staff of a Member of Parliament.

Bill C-215 proposes to amend the Public Service Employment Act to provide staff of Members of Parliament the same priority to be appointed to the Public Service that Ministers' staffs now enjoy. An analysis of the wording of the proposed amendment to the Public Service Employment Act indicates that, if approved, it would provide priority for appointment, without competition, for all staff of Members of Parliament who were formerly employed in the Public Service, are quali-

fied for appointment under the PSC Act or have been employed for at least three years in the office of a Member of the House of Commons.

Let us look at the existing order of priority for appointment to the Public Service. The Public Service Employment Act currently provides three levels of priority for appointment to the Public Service of Canada. Public Service employees returning from leave of absence have top priority; Ministers' staffs are second in the order of priority, and former indeterminate employees who are in lay-off status for one year following the lay-off have the least priority.

There is growing concern about the existing order of priority for appointment to the Public Service relating, for the most part, to the low priority for reappointment of lay-offs. Government initiatives over the past few years, including general over-all restraint programs, decentralization or discontinuance of functions and, specific program cuts, have resulted in increased numbers of indeterminate employees being added to the lay-off lists. At the same time, and for the same reasons, the number of job opportunities in the Public Service is declining progressively.

● (1740)

The situation is summarized as follows. At the end of March, 1984 there were more than 600 persons on lay-off lists, 13 Ministers' staffs remaining to be placed, and close to 800 employees were in surplus status prior to lay-off. The indeterminate job opportunities in the Public Service decreased by one-third in 1983. In addition, the number of such opportunities in the first quarter of 1984 is down 16 per cent from the same quarter in 1983.

In 1983, there were 800 surplus lay-off priorities in the National Capital Region. At the end of March, 1984 there were 300 persons yet to be placed. Based on estimates and past election history, a general election could add an immediate 190 to 200 more persons to these growing NCR figures should the proposed amendment be approved.

Until now the Public Service unions have been co-operative in implementing our work force adjustment measures. There is a risk, however, that by providing the close to 1,100 persons employed in Members' offices with a higher level of priority entry into the Public Service than that given to ex-union members who are on lay-off, we might jeopardize this co-operation. Resulting increased union resistance could, predictably, include demands for longer notice periods and extension of the period of lay-off status.

The stated intent of Bill C-215 is to provide staffs of Members of Parliament the same priority entry into the Public Service as is presently enjoyed by Ministers' staffs. It should be noted, however, that what the actual wording of Bill C-215 proposes is to provide Members' staffs with the same priority as that of senior members of Ministers' staffs. Technically speaking, the wording of the amendment to the PSE Act contained in Bill C-215 would provide a higher priority for Members' staffs than for any Ministers' staffs, including the senior members. Priority entry into the Public Service without competition after three years' employment in a Minister's office applies specifically to ministerial aides, for example, a Minister's executive assistant, special assistant and private secretary. Support staffs in Ministers' offices enjoy this priority only if they were formerly public servants, or if they qualified for Public Service appointment while serving in a minister's office.

Since Members' employees are primarily support staff people, their position *vis-à-vis* employees in comparable levels in Ministers' offices would be vastly superior if Bill C-215 were approved in its present form.

Section 37 of the PSE Act provides for the payment of salary to Ministers' staffs for a period of 30 days after a Minister ceases to hold office, which means that their priority for appointment to the Public Service can only commence after completion of this 30-day period. Since there is no similar pay provision included in the proposed amendment, the priority for appointment for Members' staffs would start 30 days sooner than for Ministers' staffs. This 30-day headstart could be an advantage following any general election, particularly for support level employees.

The primary concern of the Public Service Commission is, understandably, for protection of the merit principle.

Since 1918, when it was first introduced, the protection afforded Ministers' staffs only changed when the Acts, the Civil Service Act and later the Public Service Employment Act, were opened to over-all reviews. The last changes were made in 1967 and were part of an over-all review of personnel management in the Public Service and related legislation.

The amendment to Section 37 of the PSE Act proposed in Bill C-215 could be similarly reviewed. The provision should be considered on its own merit and not as an add-on to provisions designed and approved for another group of employees.

The best procedure for achieving changes to legislation governing personnel management in the Public Service is through detailed review of the situation at hand in both existing and in proposed legislation rather than by approval of an isolated amendment presented in a Private Members' Bill.

A Members' staff who have served a term of employment of at least three years should, in my opinion, have some protection. This would be moving in the right direction. These people who have worked for three years in an MP's office have gained a tremendous wealth of experience which would stand them in good stead for most government related positions.

This is a serious problem which needs to be addressed in an in-depth manner as quickly as possible.

I therefore recommend that this Bill be given top priority by the House. It is an urgent matter.

Mr. Maurice Foster (Parliamentary Secretary to President of the Treasury Board): I am happy to speak on Bill C-125. I know this principle has been widely canvassed and discussed in the Standing Committee on Management and Members' Services. I believe it finds much support on all sides of the House.

We are especially appreciative of the work our executive assistants and other assistants do. They operate at a senior level, working with senior public officials through our committee system here in the House of Commons and in dealing with Ministers and so on. I do not think Members' assistants are accorded anywhere near the respect or prominence they should be. This is true as well of the wages paid them. An assistant to a Member of Parliament receives a certain level of pay. A person working for the staff of the House of Commons, say for the Clerk at the Table, will get 30 per cent or 40 per cent more in wages. I think Members are very conscious of this. They would like to see the same kind of assistance accorded to assistants of MPs as is provided to the staff of Ministers with regard to this provision in the existing Public Service Employment Act. The PSE Act provides that Ministers' assistants can have a priority entry into the Public Service after three years of employment. I think that is why the recommendation has come forward from the Members' Services Committee.

There are a couple of questions which should be considered. As far as Ministers' assistants are concerned, that special privilege is only accorded to executive assistants, special assistants, and private secretaries, as I understand it. Employees at a lower staff level can be accorded this priority after three years only if they have been in the Public Service previously to coming on staff with a Minister. There are a number of questions in that regard. I do not believe the Government has canvassed this Bill to the extent it needs it before giving it second reading. I do know that around the House of Commons there is a great deal of support and encouragement for this Bill.

I would like to suggest to the House this afternoon that perhaps, if there is agreement, we could send the subject matter of Bill C-215 to the Standing Committee on Miscellaneous Estimates so that it can be more fully canvassed with regard to the implications for employment, its relationship *vis-à-vis* Members' staffs, and the relationship of the Ministers' staffs with the Public Service unions and so on. Therefore, I move, seconded by the hon. Member for Ottawa Centre (Mr. Evans):

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

"Bill C-215, An Act to amend the Public Services Employment Act (staff of Members of the House of Commons) be not now read a second time but that the Order be discharged, the Bill withdrawn and the subject matter thereof referred to the Standing Committee on Miscellaneous Estimates.

● (1750)

Mr. Deputy Speaker: Mr. Foster, seconded by Mr. Evans, moved an amendment thereto, that the motion be amended by deleting all the words after the word "that" and substituting the following therefor:

Bill C-215, an Act to amend the Public Service Employment Act (staff of Members of the House of Commons), be not now read a second time but that the order be discharged, the Bill withdrawn and the subject matter thereof referred to the Standing Committee on Miscellaneous Estimates.

Mr. Neil Young (Beaches): Mr. Speaker, I would like to move the following amendment to the amendment, seconded by the Hon. Member for Winnipeg North (Mr. Orlikow):

That the said committee submit a report to the House of Commons within a period of 10 days.

Mr. Gauthier: Mr. Speaker—

Mr. Deputy Speaker: If the Hon. Member for Ottawa-Vanier (Mr. Gauthier) would be patient for a moment, the Chair will consider the subamendment.

Mr. Young, seconded by Mr. Orlikow, moved an amendment to the amendment that the said committee submit a report to the House of Commons within a period of 10 days.

Mr. Gauthier: Mr. Speaker, I would like to speak to the amendment as Chairman of the Committee, and I will be very brief. I would like to ask for the co-operation of the Hon. Member and his Party and of the Official Opposition. If they can pass Bill C-24 through committee in a short time, I would be more than happy to deal with this matter expeditiously. The question is that we have 11 witnesses scheduled for tomorrow. We will be sitting all day tomorrow, possibly the day after the day after that on Bill C-24. If we can get through Bill C-24, the first item of business, we will consider this one after that.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: No.

Mr. Blaker: Mr. Speaker, I rise on a point of order. It is really a matter of half an hour to protect a lot of people who served us well. The subamendment of the Hon. Member for Beaches (Mr. Young) requires no more than half an hour of the time of the committee to look at it.

Mr. Foster: Mr. Speaker, I would suggest to the Hon. Member for Beaches (Mr. Young) that in fact the Committee on Miscellaneous Estimates is seized with a very important Bill. I believe that every time slot is tied up for the next 10 days. I would be afraid that the Bill would not receive the proper consideration it needs.

I am sure the Hon. Member for Ottawa-Vanier (Mr. Gauthier), who is Chairman of that Committee, would do everything possible to expedite the work in consideration of this Bill if we refer the subject matter to the Committee. To have it back in the House within 10 days is highly unlikely. Since the Committee will be tied up for at least 10 days in discussions on a very important Bill, and in view of the very important event which will be happening in the last three days of next week, I would suggest to the Hon. Member that we provide a little more time, perhaps 20 days, on the understanding that the Chairman of the Committee, who is a very active and capable Chairman, would report it as soon as possible. Otherwise, it is impractical to expect the subject matter to be reported back with the due consideration it needs.

Mr. Deputy Speaker: Is the Hon. Member for Beaches (Mr. Young) seeking to be recognized to speak again?

Mr. Young: Yes, Mr. Speaker, just very briefly.

Mr. Deputy Speaker: That could only be done with unanimous consent of the House, because the Hon. Member has already spoken. Is it agreed?

Some Hon. Members: Agreed.

Mr. Young: Mr. Speaker, I was involved in discussions with other members of a subcommittee of the Standing Committee on Management and Members' Services, and I can tell the House that this subject has been thoroughly aired within that group. It consists of Members from all sides. Also, there was unanimous agreement that this measure should be adopted by the House, because of the many arguments which have been used in support of the Bill.

In the spirit of co-operation, and since we have been told that the committee is tied up for 10 days, I would be more than delighted to accept a friendly amendment to extend my amendment to 12 days rather than 10.

Mr. Evans: Oh, come on!

Mr. Deputy Speaker: Of course the Hon. Member is not making a formal proposal because there cannot be two subamendments before the House at the same time. Is the House ready for the question?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Mr. Young, seconded by Mr. Orlikow, moved an amendment to the amendment that the said committee submit a report to the House of Commons within a period of 10 days. Is it the pleasure of the House to adopt the subamendment?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: All those in favour of the amendment to the amendment will please say yea.

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion, the yeas have it.

Mr. Ellis: There are only two Members rising.

An Hon. Member: Get up.

Mr. Ellis: Now there are only four. They cannot struggle up like that.

Mr. Deputy Speaker: Call in the Members.

Mr. Evans: No, Mr. Speaker.

Mr. Young: The amendment was carried.

Mr. Deputy Speaker: Order. Perhaps the House will allow the Chair to clarify the proceedings. The Chair proceeded with putting the amendment to the amendment to the House. The Chair then invited Hon. Members who support the motion to say yea and proceeded to invite Hon. Members who opposed the motion to say nay, and, in the Chair's opinion, the yeas had it.

Mr. Ellis: Very definitely.

Mr. Evans: Mr. Speaker, I rise on a point of order. It is my impression that we have now passed an amendment to the amendment, a subamendment. Now we have an amended motion before the House, and that is debatable, is it not? I was rising to debate the main motion as amended.

Mr. Blaker: Mr. Speaker, I rise on a point of order. I had a different understanding. If you are agreeable, may I just indicate my understanding of what happened, because I was involved with the Bill. First, a subamendment—

Mr. Young: Rod, you are trying to talk it out.

Mr. Blaker: First, as I understand it, a motion has been made to refer the subject matter to the committee. I have not heard that motion being put to the House. A further subamendment suggested that the report be made within 10 days. I understood, on a voice vote, that the ten-day subamendment was rejected. I then understood—

Mr. Ellis: No, no.

Mr. Young: It was carried.

Mr. Orlikow: It was carried very clearly.

Mr. Blaker: Then I have a misunderstanding, my apologies.

● (1800)

Mr. Deputy Speaker: Order, I would recognize the Hon. Parliamentary Secretary to the President of the Privy Council (Mr. Evans), however, the Chair should indicate to the House that at this time, the hour provided for Private Members' Business has elapsed.

Mr. Evans: Mr. Speaker, it is my understanding that a motion was put by the Hon. Parliamentary Secretary to the President of the Treasury Board (Mr. Foster) which moved that the order be withdrawn and the subject matter referred to the Miscellaneous Estimates Committee. No debate was held on that motion, and an amendment was subsequently put to that motion by the Hon. Member for Beaches (Mr. Young) adding: "and a report should be made in ten days". We voted on the subamendment to have the report made in ten days which changed the motion, and now that motion as amended is before the House for debate. I was rising to debate that motion as amended which was put by the Parliamentary Secretary to the President of the Treasury Board.

Mr. Ellis: Mr. Speaker, I rise on a point of order. I am not the world's best expert on procedure and there are two very

fine advisers at the Table but, very clearly, the voice vote carried. If five Members stood, then the bells must ring. I did not count them, but if five Members did not stand, then the motion was carried. We will take it either way—with a bell vote or as having been carried.

Mr. Orlikow: Mr. Speaker, I rise on the same point of order. I think what has happened is quite clear. There was a motion and the amendment was that the subject of the motion be referred to the committee. The amendment made by my colleague, the Hon. Member for Beaches (Mr. Young), was an addition to that amendment, the addition being that not only should the subject matter be referred to the committee but that the committee should report back in ten days. That matter was voted on, and that finishes the debate. I would suggest to you, Mr. Speaker, that the subject matter of the original motion was referred to the committee with the instruction that the committee report back to the House in ten days.

Mr. Deputy Speaker: Order. I must admit that there was some confusion in my own mind as to what Hon. Members were attempting to do. That matter clarified itself following the words of the Hon. Parliamentary Secretary. In my understanding, some Hon. Members rose, not to force the House to proceed to a vote, but to seek the floor to make further comments.

The Chair is in a position where it must normally put a stop to Private Members' Hour. That is obvious in the mind of every Member. We may only proceed with the consideration of the amendment as amended which is now before the House by unanimous consent. Is there unanimous consent?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: There is not unanimous consent. The hour provided for the consideration of Private Members' Business has now expired.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

BANK ACT—ROYAL BANK'S AUTOMOBILE FINANCING PLAN. (B) REQUEST FOR AMENDING FINANCING PLAN

Mr. David Orlikow (Winnipeg North): Mr. Speaker, on May 11 I addressed a question to the Minister of State for Finance (Mr. MacLaren) in the absence of the Minister of Finance (Mr. Lalonde) regarding a new plan of the Royal

Bank of Canada to enter into the business of leasing of automobiles.

The big five Canadian banks are powerful and rich. They control virtually all of the financial services in Canada. They have been one of the most powerful influences in determining Canadian economic policies since the time the white man first came to this land that is now called Canada. Not only do they dominate the financial life of the country, because of their business relationships with all other sectors of our society—manufacturing, agriculture, resource development, retail and service industries—and because the directors of our major banks are also directors of virtually every major Crown corporation, they have a decisive say in every economic decision or plan made in the country.

● (1805)

Over the years banks have been permitted by the Government of Canada and by Parliament to expand into fields from which they had previously been prohibited. Until a few years ago, banks were not in the mortgage loans business and they were not in the personal loan business. However, now that they have been permitted to enter those fields, they play a dominant role. In recent months, some banks have entered into the stocks and bonds business; in competition with companies which have traditionally been in that business.

It was argued by the banks and their proponents that entry into these fields would create more competition and provide better service at lower cost to the consumer. That has not happened. What has happened is that bank profits have gone up substantially almost every year. The last year for which I have figures is 1982. According to *The Financial Post* survey on industrials, the net income of the Royal Bank was $357 million, the net income of the Toronto-Dominion Bank was $307 million, the net income of the Canadian Imperial Bank of Commerce was $280 million, the net income of the Bank of Nova Scotia was $272 million, and the net income of the Bank of Montreal was $257 million. I would like to point out that 1982 was not a particularly good year for the banks.

When the Bank Act was last revised, after a great deal of debate and representations by the auto dealers, a new section was included. It was believed by the Government and Members of Parliament that the section would prohibit banks from getting into the business of leasing cars and small trucks. The Royal Bank has now implemented a plan under which customers can appear to purchase a car or truck. They borrow the money from the Royal Bank and after three years they can pay off the rest of the loan and take possession of the car or—and this is the important part—they can just return the car to the bank and the bank will take the vehicle over. The bank also makes arrangements with the insurance company so that they will not take it over. By making such an offer, the Royal Bank is able to appear to be facilitating the financing of the purchase of the car through a much smaller loan requirement than is usually required by the purchaser of a car. This is made possible because the bank agrees in advance to buy back the car at the end of the loan period, which is usually three

years, at a guaranteed buy-back price. Neither the bank nor the customer has any way of knowing what the actual real price of the car will be after three years. However, it gives the bank the opportunity to appear not to be leasing the car. The bank claims that it is not a leasing plan. In fact, it is a loan with a balloon payment.

The bank, I suggest, is proposing to do through the back door what Parliament and Government, in enacting the last revised Bank Act, wanted to prohibit the banks from doing. I do not believe that the banks should be permitted to do this. I know that Parliament did not intend for the banks to be in the car or truck leasing business. If, as the Minister indicated, the advice of the legal officers of the Government is that what the bank is doing is in fact legal under the present provisions of the Bank Act, I would call on the Government to put into effect what it intended when the Bank Act was last revised. It should plug the loophole in the Bank Act so that the Royal Bank, or any other bank, is not permitted to get into the leasing of cars through the back door when it is not permitted to do it in the normal way.

• (1810)

Mr. Ralph Ferguson (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the Bank Act does allow banks to enter into some financial leasing contracts through subsidiaries, but specifically excludes them from entering into financial leasing contracts involving most motor vehicles. This exclusion reflected a number of considerations. Generally, banks are prohibited from dealing in goods under the Bank Act. There was concern that banks would be able to deal in goods through car leasing. There was also some concern expressed over the effect bank lessors would have on other lessors, such as car dealers. Thus, the Bank Act excluded banks from the business of leasing cars.

While the Royal Bank Buy-Back car loan program has features that are very similar to a leasing arrangement, the Department of Justice has concluded that in fact it is not a lease and that the Royal Bank is in compliance with the Bank Act. This reflects the fact that, unlike a leasing arrangement, the bank at no time owns the car. It is owned by the borrower. Further, the bank never deals with the cars. It is not involved with the physical purchase or final marketing of the car, although it appears to guarantee the price of the vehicle at the end of the time span of the repayment schedule, subject to several conditions.

From a strictly legal perspective, it would appear that the Royal Bank program is not a leasing program, but an innovative financing technique. In this regard, if one accepts the intent of the legislators that the Bank Act provisions are aimed at prohibiting banks from dealing in goods, the program would also be in accord with the spirit of the Act. However, if the Bank Act is aimed at providing protection to other lessors, the Royal Bank program will have to be examined carefully to determine if it is consistent with that objective. The issue clearly requires further study before any action could be considered.

NATIONAL REVENUE—BARRIE HOSPITAL FUND RAISING CAMPAIGN—REFUSAL OF TAX DEDUCTIBILITY. (B) REQUEST THAT MINISTER RESIGN

Mr. Ron Stewart (Simcoe South): Mr. Speaker, during question period on May 14 I raised an issue of considerable importance to the constituents of my riding. The response of the Minister of National Revenue (Mr. Bussières) was less than satisfactory, although it demonstrated very clearly that his attitude toward the taxpayers of this country has not changed at all, despite the controversies in which he has been involved and which have been raised in this House for the past half year.

Let me recall briefly the circumstances which led to my question, Mr. Speaker. Canadian artist Ken Danby had agreed to assist the Royal Victoria Hospital in Barrie with its fund raising drive by autographing 250 limited edition prints of a painting which he was commissioned to do for the Barrie recreation building. He would, of course, pay tax on the $20,000 commission that he was paid to do the painting.

The hospital wants to give one of these prints as a token of appreciation to each person who makes a donation of more than $500 to the building fund. In this way the hospital would raise a minimum of $125,000, if not a lot more, without resorting to any government assistance whatsoever at a time when we need such help in medicare. It is an innnovative way of raising money without having to go to the Government for any help at all. However, an official of the Minister's Department has ruled that if these prints are given to donors, tax deductible receipts cannot be issued for their donations. This will surely put a damper on an important and worthwhile fund raising project.

The Minister is well aware of the details, and when I asked him whether he would consider reversing the decision of one of his officials his reply was that I did not have all the facts and intimated that it was against the Act, and that I was, and I quote "stupid". Mr. Speaker, this is an insult to every constituents of Simcoe South. It is also a prime example of why the Minister has come under so much fire recently. Who is stupid, Mr. Speaker?

I telephoned the office of Revenue Canada today, the charitable and non-profit organization section, and spoke to a Mrs. Bennett. She assured me that at present there is nothing in the Income Tax Act which states that a donation cannot be deducted from taxable income if a gift is given to the donor in return. There are discussions going on about having this put into the Act in order to avoid much of the confusion which has arisen lately. However, at the present time, the Minister has the power to determine whether a donation will be allowed for the purpose of deduction from taxable income, even if a gift is received in return for the donation. The fact that the Minister is discussing this matter with his officials, and with the parties concerned, indicates that he has discretion in this matter. So it is up to the Minister to allow the fund raising scheme to go ahead. He has the authority to do so and nothing in the Act prevents him from doing so. Why does he not allow the Royal

Victoria Hospital to proceed instead of stone-walling in the House and calling me stupid?

In Langley, British Columbia, tax collectors seized $37 from the bank account of an eleven-year-old boy because his parents could not come up with the money which Revenue Canada said they owed. The boy's father suffered a nervous breakdown because of the harassment by those officials. Who is stupid, Mr. Speaker?

• (1815)

In 1982, William Rowe, a St. John's lawyer, was appointed to report on the alleged heavy-handed techniques of tax officials in Newfoundland who were demanding that fishermen sell their houses to pay off assessments, and were threatening to garnishee the wages of fish plant workers. Rowe recommended that Revenue Canada clean up its act. He noted that the Department's search and seizure powers may be an infringement of the Bill of Rights. He called for a special task force to investigate these charges. The Rowe Report was neither published nor acted upon. Had it been, the present controversy could have been avoided. Who is stupid, Mr. Speaker?

The 1983 edition of *Inside Taxation*, a Revenue Canada publication, says that the mandate of the Department is to maintain public confidence in the integrity of the tax system by administering tax and related legislation fairly, uniformly and courteously. I ask you to talk to some of the people who have been inside Revenue Canada offices lately on tax matters. It states further that a self-assessment system can work only when taxpayers readily comply with the law.

Revenue Canada, Taxation, recognizes the importance of maintaining public confidence in the integrity and impartiality of such a system. How does the Minister meet these commitments? By adopting a hard line approach to the administration of the Act. This has left a trail of angry taxpayers who feel there is no such thing as justice and fair play when it comes to dealing with the Department. His aggressive and confrontational style has replaced reliance on dialogue and negotiation as an approach to problem solving. The Minister's response to mounting public criticism of his Department has been to ignore the problem. We have seen him operate this way in the House for six months. Who is stupid, Mr. Speaker? I ask you: who is stupid?

After defending the heavy-handed tactics of his Deputy Minister for six months, the Minister then fired him in an attempt to deflect criticism of the Department. Who is stupid? When the Opposition called for a full parliamentary inquiry into Revenue Canada, the Minister spent $1.5 million to hire Mr. Farlinger to conduct an in-house study, not a public inquiry. The Minister thinks that throwing a cloak of secrecy around his Department's operations is the way to satisfy public discontent. Ignore the problem and it will go away. Again, who is stupid?

Incidentally, 80 per cent of my constituents who responded to a questionnaire in my Spring Householder declared themselves in favour of our demand for a full public inquiry. We set up a task force and we listened to the people of Canada. In far less time and at much less cost than Mr. Farlinger we made 76 recommendations designed to make the tax system more fair, more accountable and more effective. Our task force set out to correct an injustice, one the current Government seems prepared to ignore. To make it even more ludicrous, Mr. Turner, who would lead the Liberal Party, supports the report of the Progressive Conservative Task Force in its entirety. Who is stupid?

The Royal Victoria Hospital affair is indicative of the Revenue Canada approach that so many Canadians have become so fed up with. Why does the Minister not intervene in this case, as he did in the case of the Toronto Symphony Orchestra, and reverse the decision of his Mr. Robert Young? Why does he not encourage fund raising in the private sector? What does he have against private money at a time when we are spending billions of dollars on medicare? I know this is a concept foreign to this Government which likes to get its hands into every segment of the economy and society—state control. But it would be a great thing to do and it is so simple.

The Minister is also responsible for customs and excise. The Hon. Member for Provencher (Mr. Epp) brought up in the House today the matter of an American hockey team which came to Canada and exchanged pins. They went to Customs and were charged $72 in duty. They came up here to play hockey with Canadians and the Government made us look ridiculous in the eyes of our largest trading partner.

Being called stupid by that Minister, given the events I have described, does not bother me. Coming from him it is really not offensive. But my constituents deserve better treatment from his Department and from this Government. I hope Revenue Canada will smarten up in a hurry.

Mr. W. Kenneth Robinson (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I do not intend to respond to the Hon. Member in terms of who is stupid or who is not stupid. I do not think it is relevant to what we are talking about today. It is certainly not relevant to the matter which he has raised, and did raise, in his question of May 14, 1984.

• (1820)

I am responding to the question raised at that time by the Hon. Member for Simcoe South (Mr. Stewart) concerning the Royal Victoria Hospital of Barrie Foundation and the Department's refusal to allow tax deductions for payments of $500 made to the Foundation by taxpayers in exchange for a copy of a print of a painting by the Canadian artist, Ken Danby. The Hon. Member also seems to feel that the Department's position discriminates against hospitals in their fundraising campaigns. This is just not so.

In the matter at hand regarding the Royal Victoria Hospital of Barrie, I would like to point out that the Minister of National Revenue (Mr. Bussières) is precluded by the confidentiality provisions of the Income Tax Act from discussing the particulars of the Department's dealings with this organi-

zation. However, in general terms, it is the Department's practice to encourage, to the greatest extent possible, the acquisition of funds by Canadian charities. I am sure the Hon. Member will agree with that. Nonetheless, the Department of National Revenue, Taxation, must apply the law as it currently exists in this respect.

There are restrictions, however, as to what may and may not be considered a gift for the purposes of issuing an official tax deductible receipt for purposes of the Income Tax Act. In other words, there has to be an interpretation. Although the Minister may have discretion, he must listen to the advice he receives from his officials. He is obviously going to be very concerned about the whole question of precedent setting.

To be entitled to a tax deduction in such cases a taxpayer must have made a gift to a registered charity. As the Income Tax Act does not define the term "gift", it therefore takes on the common law meaning; that is, a voluntary transfer of property without expectation of return, compensation or other consideration. Where a taxpayer receives an element of consideration in exchange for a payment to a registered charity no gift has been made and, accordingly, no tax deduction may be claimed. I would stress that the Department's position in this respect does not preclude registered charities from extending consideration to taxpayers in exchange for payments made. A charity may sell articles to a limited extent. However, as I am sure the Hon. Member will agree, there is a distinction to be drawn between payments made to a charity by a taxpayer in return for which no consideration is received, and those payments in return for which the payer receives something of tangible value. The former constitutes a gift for which an official tax deductible receipt may be issued. The latter can be considered as a payment for which consideration is received and thus for which no receipt may be issued.

The House adjourned at 6.24 p.m.

HOUSE OF COMMONS

Tuesday, June 5, 1984

The House met at 11 a.m.

• (1110)

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

Mr. Speaker: Before proposing to the House the question on the Opposition motion, since today is the final allotted day, the House will go through the usual procedures to consider and dispose of the Supply Bill. In view of recent practices, do Hon. Members agree that the Supply Bill be distributed now?

Some Hon. Members: Agreed.

Mr. Speaker: With regard to the Supply motion today, I have difficulty because there are motions standing in the name of two Hon. Members. Before making a decision, if Hon. Members wish to argue the matter to assist the Chair in making a decision, the Chair would be prepared to hear argument.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, it almost seems to be growing into a tradition that you are put in the unfortunate position of having, on each of the allotted days, to exercise your discretion with respect to which of the two motions on the Order Paper should be selected for debate.

You will recall that last Thursday I put forward a variety of arguments in support of the contention that you exercise your authority under Standing Order 62(4)(c) to select for debate the motion then on the Order Paper standing in the name of the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty). As it turned out, the fact that the debate was to conclude in a vote seemed to play the critical role in helping you reach a decision. On this occasion there will be no vote on whichever motion is selected for debate. For that reason I would like briefly to review some of the statistical detail which supports the selection you made last Thursday and militates in favour of a similar decision today. That is to say, to support the discussion of the motion standing in the name of my colleague from Fraser Valley West (Mr. Wenman).

As I mentioned at that time, there is a fundamental difference of opinion between the NDP and the Official Opposition with respect to the manner in which the fair distribution of Opposition days may be calculated. The NDP have argued in this House that the distribution of Opposition days should be calculated on the basis of calendar years. These references may be found at pages 29059 and 29060 of *Hansard* for November 22, 1983. Her Majesty's Loyal Opposition is of the view that Supply and not calendar years be used to determine the proper allocation of Opposition days. This seems only reasonable to us because the whole business of Supply relates to the Government's expenditure plans for the fiscal year. Surely if Opposition days are to relate to Supply, their distribution should also relate to the fiscal year.

Nevertheless, the NDP were successful on November 22 last in convincing the occupant of the chair that the protection of the rights of the minority in the House depended upon selecting the NDP motion. Thus the distribution of days was revised to conform to the calendar year distribution as suggested by the NDP. Since that time we have taken particular care to ensure that the distribution of Opposition days conform not only to the optimal distribution of days by calendar year, but also to the Supply year as well. With those objectives in mind the NDP have been given five of the 18 Opposition days held since the end of the fall semester. This works out to roughly 28 per cent of the Opposition days, although NDP Members—

• (1115)

Mr. Speaker: May I interrupt the Hon. Member to check whether it is five or six. Would the Hon. Member have a count to verify this?

Mr. Hnatyshyn: Mr. Speaker, my understanding is that it is five out of the 18 days. If it is six, that just enhances my argument, of course. Using my figures it would be 28 per cent of the Opposition days although NDP members constitute only 25 per cent of all those who sit on this side in opposition in the House of Commons. If you were to select the motion of the Hon. Member for Fraser Valley West for debate today, the percentage distribution of those days would adjust so that the NDP would have taken 26.3 per cent of the Opposition days since the beginning of the year, or a higher percentage if they have indeed had six Opposition days.

Lest there be any suspicion that the argument with respect to the distribution of days by calendar year is being used to conceal an inequitable distribution of days by Supply year, I would like to point out that over the four Supply years which have taken place since the beginning of this Parliament, the NDP received 26 of the 100 Opposition days which were held in that period. Seven of these motions have come to a vote. In other words, the NDP constitute only 25 per cent of all Opposition members, but have received 26 per cent of the Opposition days and over 29 per cent of the motions filed under Standing Order 62(9).

It is important fully to understand this percentage distribution of days, if only because it seems to be the only point of

agreement between the Parties. It is clear that equity is served if Opposition days are allocated to the Parties in proportion to their relative representation in the House. As I have already stated, the NDP constitute about one-quarter of the total Opposition. Indeed, the NDP House Leader acknowledged time and again last day that for every three Conservative Opposition days they should be entitled to one. By my calculation that makes a 75 to 25 per cent ratio. They are entitled to receive one-quarter of the Opposition days which occur each year. The Standing Orders provide that 25 days will be devoted to the consideration of the business of Supply in each year. When you divide 25 by four, one can see that the NDP's share of Opposition days works out to six and one-quarter days per annum.

Needless to say, we simply cannot divide the days in this manner. For that reason we have attempted to average out the distribution of days in such a manner as to ensure that over the life of the Parliament the NDP would receive their full allocation of days. Thus, in three out of four years the NDP would receive six days and in the fourth year they would receive seven. As you know, Mr. Speaker, the NDP received seven days in the last Supply year. Two of those days concluded in votes.

The Supply year concludes at the end of March in each year. Since that time the NDP have received two Opposition days. It is readily apparent to anyone that they have been under-allocated days in this semester if one judges solely on the basis of the working ratio of one-quarter to three-quarters which I have outlined. However, this under-allocation can be explained when one takes into account the fact that the NDP were successful last November in convincing the Chair that calendar years should be considered when calculating the allocation of Opposition days.

In order to meet both standards, we ensured that the NDP were given more than the number of Opposition days to which they were entitled in the last Supply year by allowing three NDP motions, including one votable motion, to come before the House for debate in the period which ended in March. While that Supply period was the final period in the last Supply year, it was also the first period in the current calendar year. Thus the NDP were over-allocated days by both measures.

This fact left us with a problem in the current period. If we were to give the NDP a sixth day before the end of this period, they would have exhausted their full entitlement of Opposition days for the entire calendar year by the first week in June. We would then have been faced with the problem of whether or not the rights of the minority demanded that the NDP be given a day in the fall semester without regard to the fact that they would have already used their full allotment for this year. If, on the other hand, we were to wait until the fall semester to allocate further days to the NDP, it would be possible to ensure an even distribution of days while offending neither formula.

• (1120)

Is there some iron-clad rule that states that the distribution of Opposition days must be mathematically correct in each Supply period rather than equitable over the full year? The precedents certainly do not support such a contention. Although based upon the one-quarter-three-quarter ratio that we have employed, the NDP would be entitled to precisely 3.25 days in the first semester, 1.25 days in the second semester and 1.75 days in the third semester. The actual allotments have been 2.75 and 2.25 days respectively. Thus it can be seen that the NDP have always been under-allocated days in the first semester, over-allocated days 50 per cent of the time in the second semester and always over-allocated days in the final semester.

In my submission, therefore, it would be perfectly consistent with the general pattern of allocation of Opposition days over the past four years if the motion proposed by the Hon. Member for Fraser Valley West were to be selected for debate today. Furthermore, that is the only option which allows the distribution of Opposition days to conform to both the Supply year and the calendar year systems of allotting Supply days.

However, there are two other good reasons for not selecting the motion put forward by the NDP. Both of these reasons relate to the procedural regularity of the motion. As you know, Mr. Speaker, the motion proposed by the Hon. Member for Churchill (Mr. Murphy) was placed on the Order Paper prior to the last Opposition day. At that time it was filed with the Table pursuant to Standing Order 62(9). Standing Order 62(9) reads as follows:

> In each of the periods described in section (5) of this Standing Order, not more than two opposition motions shall be no-confidence motions against the government. The duration of proceedings on any such motion shall be stated in the notice relating to the appointing of an allotted day or days for those proceedings. On the last day appointed for proceedings on a no-confidence motion, at fifteen minutes before the ordinary time of daily adjournment the Speaker shall interrupt the proceedings and forthwith put, without further debate or amendment, every question necessary to dispose of the said proceeding.

The Opposition motion that was debated last Thursday was also filed pursuant to the provisions of Standing Order 62(9) and was the second and final motion permitted under that rule for the current Supply period. Following that Opposition day, the motion filed by the Hon. Member for Churchill should, in my opinion, have been dropped from the Order Paper because it could not be proceeded with in the Supply period in which it had been filed.

Even if one is of the view that the motion could stay on the Order Paper until such time as a new Supply period was reached and the provisions for motions under Standing Order 62(9) revived, there remains significant doubt as to the procedural regularity of selecting this motion for debate today.

I recognize the fact that the Hon. Member for Churchill wrote to the Table requesting that the motion remain on the Order Paper so that it might be taken up and considered today. Indeed, I have the text of his letter to the Table and I would like to cite it in support of my argument. The letter is to Jim Cooke of English *Journals,* Room 128N, dated June 4,

1984, from Rod Murphy, MP, Churchill. The subject is "Re: Motion on Order Paper" and it reads as follows:

I submitted a motion last week which still remains on the Order Paper under 62(9). Following the decision of the Speaker on Thursday morning, I have decided I would like the motion to remain on the Order Paper. Please have it changed however to a 62(11). Thank you.

It is purportedly signed by the Hon. Member for Churchill. The Hon. Member clearly recognized the distinction between motions filed under Standing Order 62(9) and those filed under Standing Order 62(11), and in order to get around that distinction he attempted to play a shell game. Leave the motion on the Order Paper, states his letter, but change the notation with respect to the filing of the motion. What we have before us today is a hybrid motion. It was laid on the Order Paper on May 30, 1984, with the understanding that the House would be required to divide on it and yet it appears today, suddenly transformed into a motion on which the House cannot under any circumstance vote.

Well, Mr. Speaker, which is it? Is it a motion pursuant to Standing Order 62(9), or is it a motion pursuant to Standing Order 62(11)? There is no doubt that had the Hon. Member filed a new motion with the Table yesterday, it would have been debatable under the provisions of Standing Order 62(11) today. If, on the other hand, the motion were filed pursuant to Standing Order 62(9), no matter how long ago, it cannot be debated today.

• (1125)

Had the Hon. Member for Churchill written to the Table requesting that a motion similar in form to the one that he filed on May 30 be placed on the Order Paper pursuant to Standing Order 62(11), there would be two motions standing on the Order Paper in his name today. Had he asked that the original motion be withdrawn and that one similarly worded be placed on the Order Paper pursuant to Standing Order 62(11), there would be only one motion on the Order Paper today in his name. The Hon. Member could have chosen either of these options. Instead, he wrote to the Table and said: "I have an apple on the Order Paper; please make it an orange". Lo and behold, Mr. Speaker, a miracle occurred and the motion changed form, but it did so without going through the proper intervening steps, and I think this sort of short-cut should not be permitted.

Mr. Fulton: Who wrote this for you, Ray?

Mr. Hnatyshyn: I can only say to the Hon. Members of the New Democratic Party that the last time they attempted to dilly-dally with the House Leader for the Official Opposition, their House Leader got mugged in Paris. The same thing may happen to them later on. I will not say that because I know they are a little sensitive.

Would this procedure, for example, be permitted in the opposite direction? Had the second motion under Standing Order 62(9) not already been dealt with in this period, and had the Opposition day fallen on a Friday, would the Hon. Member have been permitted to make his casual change? Surely he could argue that notice had been given of his motion pursuant to the terms of Standing Order 62(9) even if it had not been filed under that Standing Order. Why then not change the designation from Standing Order 62(11) to Standing Order 62(9)? It is only incidental that such a change would bring on a vote on a motion that had not previously been votable and would do so within a time frame normally prohibited by the Standing Orders.

For that reason alone, Mr. Speaker, I submit that the Hon. Member's motion is not in proper form to be debated today and that there is no reason for you to exercise your authority to select the motion to be debated.

If you do not find that argument sufficiently persuasive, Sir, I would ask you to consider the terms of the motion which the Hon. Member proposes to put to the House today. For the first three and one-half lines the motion is perfectly acceptable. It complains of a lack of Government action in an important area of public policy. This is very much in accord with the general object of the business of Supply. However, in the remainder of the motion the Hon. Member goes on to argue that a lack of Government action has put:

—the health and safety of Canadian workers at the mercy of long-standing Conservative resistance to such improvements in labour legislation.

Here, Mr. Speaker, we get into some pretty rocky procedural ground. As you are aware, Citation 423 of Beauchesne's Fifth Edition states the following:

A motion should be neither argumentative, nor in the style of a speech, nor contain unnecessary provisions or objectionable words. It is usually expressed in the affirmative, even where its purpose and effect are negative.

It is clear that the motion proposed by the Hon. Member is argumentative; it is in the style of a speech and it contains both unnecessary provisions and objectionable words. Furthermore, its allegations are blatantly false. Once again, Mr. Speaker, it can be seen that the motion is not in order as to form, and I submit that the Chair is, therefore, not obliged to exercise its authority under Standing Order 62(4)(c), but need merely call the motion standing on the Order Paper in the name of the Hon. Member for Fraser Valley West, which does meet the requirements of the Standing Orders as to form.

For all of the reasons I have outlined, Sir, I would ask that you call my hon. colleague's motion for debate this morning.

Mr. Rod Murphy (Churchill): Mr. Speaker, it is not my intent to spend half an hour talking about procedures. I will simply say that we will trust the fairness and the judgment of the Chair to determine that we have followed the proper procedures and that the wording is acceptable, even though the House Leader of the Conservative Party says that the word "Conservative" is negative and objectionable.

I believe the procedures were followed, that we did give proper notification of change, that we are entitled, under the rulings that have been made in the past, to this Opposition day. I would rather spend our time debating the need for changes in the Canada Labour Code than wasting the time of the House in a procedural wrangle which has taken half an hour of the proceedings of this House.

• (1130)

Mr. Speaker: I thank Hon. Members who have contributed to this discussion. Their advice has been most helpful. However, the responsibility imposed upon the Speaker by Standing Order 62(4)(c) is for the Chair alone. Only last week it fell to the Chair to exercise the same duty and it will be its duty again, as I said the last time, to exercise its power of selection on the basis of fair play and impartiality.

One of the issues which has been raised is how we count Supply periods. Normally the Parties in opposition are in agreement on what they are doing. When they are in agreement, the Chair has no problem. However, when the Parties are not in agreement, the Chair must decide on what basis we will count the allotted days. In these circumstances I propose to count the three Supply periods ending on June 30 this year. That is the Supply period ending December 10, the Supply period ending March 26, and the Supply period ending June 30.

On the basis of this count, six of the allotted days have been awarded to the NDP. Also on the basis of this count, it amounts to 24 per cent of the 25 allotted days. Eighteen of the allotted days have been awarded to the Progressive Conservative Party, or 72 per cent. In terms of the numbers, a little over 76 per cent relate to members of the Conservative Party and a little over 23 per cent to members of the New Democratic Party. On the basis of a mathematical distribution, using this method of counting, I award this day to the Official Opposition. This would give them 19 out of 25 allotted days, or 76 per cent, within the three periods. This reflects very closely the percentage of Opposition seats in the House.

I also point out that the content of the two motions put forward by the Opposition Parties is sufficiently similar to enable both of them to have the debate they are seeking. I am not ruling on the matter raised by the Hon. Member for Saskatoon West (Mr. Hnatyshyn) concerning the style or the nature of the motion.

I reiterate the point that the Chair has been urging as recently as last week, that the House, perhaps through the Standing Committee on Procedure and Organization, should clarify its intent with regard to the allocation of allotted days. In the circumstances, I call the motion in the name of the Hon. Member for Fraser Valley West (Mr. Wenman).

ALLOTTED DAY, S.O. 62—CANADA LABOUR CODE

Mr. Robert Wenman (Fraser Valley West) moved:

That this House condemns the government for failing to introduce amendments to the Canada Labour Code during the first four years of this Parliament, and by so doing, unnecessarily putting at risk the health and safety of Canadian workers, failing to address the concerns of women in the workplace, and inadequately addressing the issue of technological change.

He said: Mr. Speaker, the concerns of workers in Canada have not been met by this Parliament. They have not been met in the entire life of this Parliament. There were promises. From these promises grew some measure of hope. From that hope a large amount of fanfare and legislation was brought forward. I am confident that in all likelihood, as this legislation is discussed during second reading, the interests of workers of Canada will still not be met, and that it will fall to a new Conservative Government to create a new blueprint in the form of new legislation. Our blueprint will provide justice, equity, safety and productivity in a rapidly changing workforce.

My reaction to the legislation which may come before the House was certainly one of disappointment. It is not what Canadians want. What Canadians want today is jobs. They want almost any kind of job. There is a sense of desperation and fear in the workplace. That desperation and fear are not addressed in the House of Commons through the Minister of Labour (Mr. Caccia), the Minister of Finance (Mr. Lalonde) or through the many speeches we have heard in the House of Commons. The reality is that there are no jobs. I face that fear every day in my constituency office and in my constituency, as do other Hon. Members. We face it among our children. We face it among our friends. It is real and the Minister knows it. It is not addressed by any anticipated legislation before the House of Commons.

Canadians want jobs. They do not want make-work programs by governments. Canadians want new jobs through the development and creation of new wealth and power in Canada. That is where the jobs have to come from—the creation of new wealth, new opportunity and new power in Canada. They want jobs from an expanding and growing economy which will assure the security of job opportunity in the workplace. That is from where security comes—new jobs, the creation of new and more jobs. The kinds of jobs we must have should provide job security, not six-month security nor a make-work program. They must provide a real security which comes from an expanding and growing economy.

Along with this creation of new jobs and new wealth, we must look at the condition of those jobs. We want those jobs to be in safe places to work. We want the condition of those jobs to be that of justice, equity and sharing. The labourers and workers should share in the fruits of their efforts.

Instead, in Canada today we are faced with more and more workers trying to share less and less jobs at a time when business after business is going bankrupt, from the smallest to the largest. The engine of our productivity is damaged to the point where we wonder whether it can recover. Everyone is starting to fight to share a diminishing labour force or workforce, a diminishing capacity for jobs. This is the tone which we face in 1984. We must remember the human misery which is associated with this. It is the hurt to the mother, to the child and to the weak in society who are crushed by not having jobs. They are being crushed today in a way we have never seen before. This is the concern of Canadians.

What do we have in place? We have the offer of a blueprint or a hope. The blueprint is nothing but the extension of a few more social benefits. There are no real guarantees about a safer workplace. Also it has a definition of sexual harassment which supposedly is innovative but is totally ineffective.

The legislation which will come before the House is a disappointment. When it comes before us, that will be our opportunity to discuss the details of it. However, the failure of the House of Commons to address the needs of workers in the workplace is not dealt with in the legislation. That is of great concern to us on this side of the House.

It is appropriate that this motion has been brought before the House because both Opposition Parties have at least guaranteed that the subjects of labour, the workplace, the rights of our workers and the need of our economy for productivity will be discussed. I am pleased that the members of the New Democratic Party have, as our Party has for so many months, called for a debate on this subject.

• (1140)

It is obvious that the Liberal Government is attempting to play politics with these current amendments just by the way they were introduced. They were introduced late in the session, almost as an afterthought or last-minute election expediency. It attempts to buy labour votes with intention rather than introducing meaningful and substantive legislation. Substantive legislation could still be developed. The Government could take the base of what is provided and allow for debate in the House of Commons.

If the Government sees this labour legislation as a priority, let it bring it before the House of Commons for many days of debate. Let us measure its intent by the number of days it is willing to commit. Let us see how many days it will commit to second reading and how many days to committee.

This legislation is poor, weak and inappropriate. Representatives of labour and business are not satisfied with it. They find it wanting and inadequate. If we are going to add substance to it and make it meaningful, it must be talked about here in the House of Commons and in committee, and delegations must be heard.

The Minister has given a commitment when the legislation moves to committee that at least the major players, those with the major interest, will be heard. I hope that happens in this Parliament. Such a committee should sit. It should listen to the problems of labour, hear about the suffering of our workers and listen to the problems of management. I hope this will be allowed. It is important that it happen.

My colleague, the Hon. Member for Perth (Mr. Jarvis), called for legislation, amendments and discussion in the House over six months ago. The Government claims that this legislation is the result of extensive consultation, yet many groups indicate they were consulted three years ago. The workplace is different from what it was three years ago. They want to be heard again. If this Government wants, it can commit the time for this matter to be dealt with extensively.

Unfortunately, the amendments seem to be little more than an extension of social benefits. They fall far short of the objectives of the proponents of any part of this question. Will this legislation create new jobs? I do not see any new jobs being created other than possibly in the bureaucracy. It will not create job security or increase productivity. It will not create any jobs for labour. If it will not do any of this, what will it create? It certainly is not the answer we are looking for.

This Bill was introduced late in the session in the hope that there would be little or no examination of the legislation. Any examination of it by any element of concern either in this House of Commons or in the country would find it wanting. This Bill was not produced in the interest of the workers but in the interest of the Liberal Party of Canada in its attempt to cling to power. That is what it is all about. That must not be allowed.

I am disappointed with the New Democratic Party. We again see a situation of confrontation in labour relations, and what does the NDP do? Instead of addressing the issue, that Party wants to play politics by throwing a slam at the Conservative Party or the Liberal Party.

The failure of our Parliament to create meaningful legislation that will develop the workplace is to the shame of all of us. Our people in the country are crying out for jobs. They want new creativity, new jobs and a better kind of job security. I do not know why elements of labour look to the New Democratic Party, which wants to play politics even with this motion. The New Democratic Party cannot lead the labour movement out of the wilderness and into the power of government. Everyone around them can see that the horse they are riding is on its last legs. The NDP cannot get into power in government. Even if they knew what to do if they got in, it would not matter.

The Liberals are and have been in power for many years. What is the result? Unemployment, rising interest rates, falling productivity are the result. That is the reality. If Canadians would judge this Government on this issue alone in an election, it would be swept out of power. It is a labour issue. It is an issue of workers in our society who are struggling. They are less and less successful every day. It remains for us to examine this legislation carefully. The hope lies in new legislation that will emerge from a new government with a new mandate.

We must not look at the politics in this issue. That is why I reworded the motion. I had seen the NDP motion and I was disappointed. Clearly the NDP motion forgot not only about the health and safety of Canadian workers, but the concerns of women in the workplace. My colleague from Kingston and the Islands (Miss MacDonald) will address the problems of women in the workplace later in this debate. I am pleased for this debate so that she can bring those issues and those concerns forward.

We adapted our motion to recognize the rapidly changing workplace, technological change and the necessity of job retraining. While the rest are arguing politics, we have had a task force come forward with positive recommendations which identify the reality of the workplace today. Of those working today, 90 per cent will require retraining. Where does this legislation address retraining or technological change? It does not address women in the workplace, nor does it address young people entering the workplace. They may never find their place. They are losing hope more and more. Some have gone from a part-time job to welfare, then off welfare and back into

their homes. At age 19, 20, 25 or 29, they are sitting at home. It is a shame on the Government of Canada and on all of us that we have not been more positive and more creative. That is the challenge which is before us in the election that is to come.

• (1150)

Let us look at some of the areas which need to be addressed. All of us recognize that we must increase productivity and be able to sell our products in international markets. By doing that we will create more jobs and the cycle will be complete. We feel also that productivity is enhanced if the workplace is a healthful workplace. We feel that the legislation which has been brought forward is not adequate to meet the needs of the health and safety of workers. More productivity is lost as a result of industrial accidents than is lost in strikes and work stoppages. We focus on strikes as the problem; however, there is an equal problem in health and safety.

Mr. Kristiansen: Use the word "we" selectively.

Mr. Wenman: Mr. Speaker, I hear a member of the NDP saying "Use the term 'we' selectively". When I use the word "we", I do not mean "we" in terms of myself and the Conservative Party. I mean "we" in terms of myself, the Liberal Government and the NDP Opposition. All of us bear responsibility in this. We all bear responsibility for identifying the importance of health and safety in strong legislation that will give guarantees to our workers, thereby enhancing productivity and the standards and life-styles of Canadians.

We cannot allow the lives of our workers to be jeopardized by occupational health and safety accidents. After we consider all of the technology in the world, what really counts is the individual: How does he feel about himself, his work, and his opportunity? If he is not healthy and lives in constant danger and fear in the workplace, he will not be a productive worker. That is not the kind of society we want.

The number of person-days lost to occupational accidents and illness in the past ten years is double the days lost to work stoppages. The Auditor General was extremely critical in his 1983 report on Labour Canada management of their occupational health and safety programs. In view of that criticism and the criticism of the Opposition, I wonder why the Government has not been able to do better in the legislation which it has brought forward. In 1981 alone 82,000 workers were injured and 18 workers were killed in on-the-job accidents within the jurisdiction of Labour Canada. That is a very small jurisdiction. Those people were hurt, sent home and suffered because of on-the-job activities just in this jurisdiction. That is not good enough.

There is so much that needs to be said about this Bill. In the debate that follows, other speakers from our side will cover women in the workplace, technological change and other areas which are of concern. These areas must be addressed. That is why the Bill must be brought forward for as full a debate as is possible within the time-frame of this House of Commons. Is the Government ready to give one, two, three or four days of debate to jobs and labour in Canada to discuss the problem? Or does it just want to shove it under the mat or the election rug? Is it willing to go to committee to hear the concerns of Canadians? I hope so—

The Acting Speaker (Mr. Guilbault): Order, please. I regret to interrupt the hon. gentleman but his time has expired. A ten-minute period is now provided to Members either to ask questions or make comments related to the hon. gentleman's remarks. Are there any questions?

Mr. Kristiansen: Mr. Speaker, I would like to ask the Hon. Member, who I understand is the labour spokesman for his caucus, a question. I refer him to the proposition which the House Leader of the New Democratic Party put before the House and the Government House Leader on May 31, 1984, and I quote from the remarks of the NDP House Leader on that date, when he asked the President of the Privy Council (Mr. Pinard):

> —I would ask you to seek unanimous consent for leave to introduce the following motion pertaining to the treatment of Bill C-34. If unanimous consent were forthcoming, I would be prepared to mvoe and to support that the Standing Orders be amended by adding immediately following Standing Order 79(1) the following:
>
> 79 (1a) The purpose of this Standing Order is to provide for the orderly and timely consideration of Bill C-34, an Act to amend the Canadian Labour Code, and to be finally disposed of no later than June 30th, 1984;
>
> (b) When the House is considering the said legislation for second reading, at the end of one day's debate, all questions necessary to dispose shall be put;
>
> (c) That the said legislation shall be deemed to be returned to the House for report stage and third reading no later than June 28, 1984.

I would like to ask the Hon. Member who has just spoken, as the labour spokesman for the Progressive Conservative Party in this House of Commons, whether he and his Party would give unanimous consent to the support of such a motion so that, despite some of its inadequacies—and any legislation put forth by any Party will have some inadequacies—we may have legislation in both Parts III, IV and V of the Canada Labour Code particularly on occupational health and safety. This would be a vast improvement over the regime which exists today. As well, it will ensure that, regardless of whatever government is elected in the next election, hopefully fewer Canadian workers will die. Will he and his Party give support to such a motion to ensure that we have the legislation prior to the end of this Parliament?

Mr. Wenman: Mr. Speaker, if we could stop playing politics with this issue, from the Minister getting involved, to writing letters beyond the system to the Member proposing amendments to give the kinds of assurances without notice to myself as the official critic or to the House Leader of the Official Opposition or to the Leaders on the other side, if they really meant what they said, they would follow the process of negotiation that is established in this House through our House Leaders. We have honourable and competent House Leaders who are negotiating this process. I would urge them to meet at the first possible opportunity to negotiate among themselves in order that our House Leader can find in good faith if the Government does intend to give one, two, three, four or five days to the House of Commons to debate the

legislation. Is it that important, or is it only important enough for five minutes' debate? How important is the time spent in the House of Commons to the Government? That is what I want to know. As well, I want to know what the Opposition is willing to sacrifice in the name of the workers of Canada in order that this legislation can proceed through second reading. It should have the measure of debate that it so justly deserves. Will it be given enough time in committee in order that we can do as the Minister suggested and hear the major players?

If the commitment from the Government is genuine, then we can meet these kinds of objectives. That is the way it must be met, by the meeting of minds within the structure. Otherwise we will end up with a lot of debate that is meaningless. The meaningfulness will come from debate. I urge that debate to continue at the earliest possible moment among our House Leaders.

Mr. Hnatyshyn: Mr. Speaker, I did not intend to get drawn into this question and answer period, but the naivety and lack of actual background that obviously the Hon. Member for Kootenay West (Mr. Kristiansen) has with respect to this matter has prompted me to make a brief comment. I would like simply to confirm that we have been attempting to have the legislation come forward. I find it exceedingly curious that a member of the New Democratic Party—

• (1200)

Mr. Fulton: Let us have some order. Is that relevant? Come on, Mr. Speaker!

Mr. Hnatyshyn: Mr. Speaker, the Hon. Member for Kootenay West mentioned the fact that there was a proposal put forward by his House Leader. They get very excited when I get up and try to give those Hon. Members a little assistance with respect to their perspective, because they get things all wrong. I assure you I am trying to help the New Democratic Party. I am trying to assist them in order to make sure—

Mr. Kristiansen: Then agree to the motion!

Mr. Hnatyshyn: —that its failing place in public politics—

Mr. Fulton: I rise on a point of order, Mr. Speaker.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Skeena (Mr. Fulton) on a point of order.

Mr. Hnatyshyn: I am prepared to help them.

The Acting Speaker (Mr. Guilbault): Order, please.

Mr. Fulton: There are certain rules in this House, Mr. Speaker, and the House Leader for the Official Opposition obviously does not understand them. This is a question and answer period. If the Hon. Member wants to ask a question of the Hon. Member for Fraser Valley West (Mr. Wenman), he should do so. If he just has a bunch of butterflies in his mind, I do not believe he should be seen to be in order.

The Acting Speaker (Mr. Guilbault): The point is well taken in that questions or comments must relate to the remarks made by the Hon. Member who had the floor.

Mr. Hnatyshyn: Mr. Speaker, I know that is the case, but you allowed the question with respect to Bill C-34, which was referred to. The Hon. Member for Fraser Valley West has indicated that we want to get on with this legislation, that we want to have the matter brought forward so that the interests of Canadian workers can be considered by the House of Commons. However, the reason we are not able to do that, Mr. Speaker, is that the New Democratic Party is preventing us from getting this matter before the House of Commons. It is that Party which has prevented us, in the negotiations, from getting on with this legislation.

Mr. Fulton: Point of order!

Mr. Hnatyshyn: I simply say, Mr. Speaker, now that—

Mr. Fulton: You are the last one who should say that.

The Acting Speaker (Mr. Guilbault): Order, please. The Hon. Member for Skeena (Mr. Fulton) on a point of order.

Mr. Fulton: Thank you, Mr. Speaker. My understanding of the rules of this House is that this is a question period in order to allow Hon. Members of this House to ask questions of the person who has just spoken. It is not to allow someone who does not know what they are talking about to continue blathering on. Everyone in this country knows that it is the Conservatives who are stalling. The question which was put to the Hon. Member for Fraser Valley West made that quite clear. The Tories will not get up and say that they will support the passage of this legislation in one day.

Mr. Taylor: You are out of order!

Mr. Fulton: It is clear that they are the ones who are stalling. And those are the kinds of questions we want to put. If the Hon. Member for Saskatoon West wants to stall the ten minutes, then that is how it should be recorded.

The Acting Speaker (Mr. Guilbault): Order. First of all, the question of who stalled or has not stalled legislation is not a point of order in itself. It is a matter for debate. The Chair will leave Hon. Members to resolve this. Meanwhile, I would just ask Hon. Members to direct either their questions or their comments to the material which was delivered by the Hon. Member for Fraser Valley West (Mr. Wenman). The Hon. Member for Kootenay West (Mr. Kristiansen).

Mr. Hnatyshyn: I have not finished, Mr. Speaker. I was interrupted on a point of order.

Mr. Kristiansen: I believe I have the floor, Mr. Speaker?

Mr. Hnatyshyn: Point of order!

Mr. Kristiansen: Thank you, Mr. Speaker. I would like to redirect my question—

Mr. Hnatyshyn: Point of order!

An Hon. Member: Sit down, Ray!

The Acting Speaker (Mr. Guilbault): The Hon. Member for Saskatoon West (Mr. Hnatyshyn) on a point of order.

Mr. Hnatyshyn: Mr. Speaker, with respect to the point of order, I was in the middle of making a few comments. I have been interrupted twice by a very sensitive NDP member. I wanted to conclude by asking a question of my colleague, but I have not been able to make any comments or to ask a question because the New Democratic party is preventing me from having my say on the floor of the House of Commons.

Mr. Kristiansen: Mr. Speaker, he rose on a point of order. Is that a point of order?

Mr. Hnatyshyn: Those Hon. Members refuse to allow me the courtesy to make a comment. I was recognized—

The Acting Speaker (Mr. Guilbault): Order, please. Can I ask the two Hon. Members who are standing and talking at the same time to sit down, please? The Chair will recognize the Hon. Member for Saskatoon West who is trying to make a point of order.

Mr. Hnatyshyn: All I was saying is that, if you will recall, I started off with my comments and was interrupted twice on points of order. I just feel that I should not be prevented from carrying on because someone from Skeena does not believe in free speech on the floor of the House of Commons. I feel I should be entitled to finish my comments—

Mr. Fulton: We just get tired of Tory drivel.

Mr. Hnatyshyn: —and ask a question of my colleague. Is that permissible?

The Acting Speaker (Mr. Guilbault): Is the Hon. Member for Saskatoon West finally going to get to his question? That would certainly help the Chair. The question period is coming to an end as well.

Mr. Hnatyshyn: On the comment and question period, I want to simply ask—

Mr. Kristiansen: Is he on a point of order, Mr. Speaker?

Mr. Hnatyshyn: —a question in this context. We know that the New Democratic Party has been holding up the presentation of Bill C-34 on the floor of the House of Commons, notwithstanding what those Hon. Members say to the CLC or if they are pretending to come forward with a notice of motion, for which they are unprepared. I simply want to ask my colleague, the Hon. Member for Fraser Valley West, is it not the position of our Party, which was stated by our Leader and by the labour critic for our Party, the Hon. Member for Fraser Valley West, that we are prepared to deal with this matter? Is it not the case that the Conservative Party has been pressing to have this matter dealt with so that we can in fact address the issues in question? Have we not asked on a number of occasions why this Bill has not come forward? Have there not been a number of Conservatives asking on behalf of our Party where the Bill is dealing with the Canada Labour Code? Would the Hon. Member be able to address himself to the question of why we have taken the lead on behalf of the workers of Canada, as opposed to the New Democratic Party which has done everything it can to prevent the legislation coming before the House and is playing petty politics with this particular Bill?

Mr. Wenman: In answering the question, I will say that I am willing to sit in the committee and hear—in a democratic manner, I might add, Mr. Speaker—those who want to be heard on this debate. I will start any day it is wished to have those hearings. Let us get on with it and hear what the people of Canada have to say about this legislation in a democratic way. Then we can possibly come to a conclusion.

If the Government decides to let the House of Commons go on long enough, if it decides to give enough comitment to the workers of Canada in order to allow for as much debate as possible in the House of Commons—because that is good and in the interests of democracy and the workers of Canada—and if it allows as much time as possible in committee so we can have our hearings, then I say that I am certainly willing to attend those meetings, to speak and participate in those meetings—as many as the Government wishes to have and for as long a period as it wishes. Then when it is brought to a conclusion, it will be brought to a conclusion in the House of Commons through negotiations of our House Leaders and not through motions which are out of order.

Mr. Hnatyshyn: And petty politics.

Mr. Wenman: And not play petty politics in the House of Commons. Let us get on with the job. Let us talk about the workers of Canada.

The Acting Speaker (Mr. Guilbault): Resuming debate, the Hon. Member for Churchill (Mr. Murphy).

Mr. Rod Murphy (Churchill): Mr. Speaker, one of the reasons we presented a motion on this very important matter, not only today but last week, is that we recognize that this is a matter of very strong importance to the working people of Canada. We are not playing political games by bringing this motion forward. As a Party, over four years ago we set up a task force which toured right throughout this country from one end to the other. We went into the work sites and talked with the workers and management. We talked about the problems with the present Canada Labour Code.

The reason we took that route, Mr. Speaker, was that we recognized that the present Canada Labour Code, especially Part IV of that Code, did not provide adequate protection for the workers who come under federal jurisdiction. We also recognized that there were a number of workers who worked for the Government itself; those on the rail lines, those who

worked under Atomic Energy of Canada and others, who were excluded from the protection of the Canada Labour Code.

With that in mind, we went right across this country. We came up with recommendations which we presented in a report called "Graveyard Shifts: Life and Death on the Job in Canada". It was a report of the New Democratic Party special task force on occupational health and safety in the federal workplace. We presented that report to the House of Commons and to the various Ministers of Labour who have held that portfolio over the last number of years. We talked, as I said earlier, with both management and with labour.

I believe we have an agreement in this country that the law as it presently stands is very inadequate. That is the purpose of our intervention, because we believe that those inadequacies must be addressed. Even though the proposals made by the present Minister of Labour (Mr. Ouellet) through Bill C-34 are still not perfect, for the sake of the workers who come under the present federal jurisdiction, and those workers who will come under federal jurisdiction if Bill C-34 passes, we believe that the proposals presented by the Minister of Labour must be passed before this House has its summer recess, and must be passed before a federal election occurs.

• (1210)

There are a number of reasons why we believe that is necessary. Labour legislation always seems to be passed prior to a general election. The last time that happened was in 1978. What that means is that if this legislation is not passed now, and it does not matter whether there is a Liberal or Conservative Government after the next election, this legislation or its equivalent will not be introduced into this House of Commons.

Last week we proposed to the Government and the Official Opposition that we agree to a one-day debate on second reading, and then send it to committee for study, but we want to know that by June 29 the legislation will be brought back to this House and dealt with prior to our summer recess. As the occupational health and safety of our Party, I can guarantee that we sill sit morning, afternoon and night to make sure that as many representatives as possible of industry and labour can make their presentations before the committee.

We also agree that there should be amendments made during the committee process. There are areas of the legislation which need some improvement. But for God's sake, Mr. Speaker, let us not let any more people die. Let us not let any more people be unprotected by the Canada Labour Code. Let us not leave unprotected by the Canada Labour Code those hundreds of thousands of federal Government employees. Let us not ignore the people who work on the rails and on drilling rigs similar to the *Ocean Ranger*. Let us not ignore their concerns. Let us make sure before we leave that all three Parties in this House stop playing political games and pass legislation which, despite its inadequacies, is certainly an improvement over the legislation that many people in this country have to work under today.

We can give examples of the problems which exist currently. We can talk about federal Government employees across the river in Hull who work in places where the ventilation is imperfect. We can talk about the problems of people who work on video display terminals and their increased absenteeism from work, which is documented. We can talk about the people who have died in grain elevators because there are not enough federal Government inspectors. We can talk about my home communities of Flin Flon and Snow Lake, mining communities, which fall under federal jurisdiction and do not even know that there federal labour people should be up there inspecting their work sites. We can bring up all those things in debate.

What I would really like to bring up at this time, Mr. Speaker, and will continue to emphasize, is that the only way those people will have any chance of improving their health and safety is if we in this House commit ourselves to passing this legislation prior to our summer adjournment. We can do it. Just last Friday we passed three pieces of legislation in one afternoon. When it comes to our own raises, this House has been known to act very quickly. When it comes to legislation which is near and dear to the hearts of some people in this House, we act quickly.

Bill C-34, the amendments to the Canada Labour Code, is very dear to the health and safety of workers and we would like to see that legislation passed as soon as possible. We are committed to meeting with the House Leaders of the two other Parties. We are committed to dealing in the House or behind the curtains to make sure this legislation passes. Again I call on both Parties to make that same commitment this afternoon during debate.

The Acting Speaker (Mr. Guilbault): Questions or comments? Debate.

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, I am pleased to have this opportunity to take part in this debate, following comments by the representatives of the Progressive Conservative Party and the New Democratic Party, both of whom appear to acknowledge the importance of this legislation, Bill C-34, whose purpose is to amend the Canada Labour Code.

I do not want to get involved in a partisan discussion, nor do I want to try to establish that one or the other party is to blame for the fact that these long awaited amendments to the Canada Labour Code have not yet been passed in the House. I must say I was very sorry to see the two motions of non-confidence proposed today, one by the Progressive Conservative Party and one by the New Democratic Party. It is not terribly important to know what we should or should not have done in the past, or whether we are one, two, three or four years late in amending the Canada Labour Code. The important thing is not to look back but to look at what we have before us today, a number of long awaited amendments that will considerably improve the Canada Labour Code—that I am sure—amendments that will help Canadian workers in their job environment, amendments wished for by all the major labour organi-

zations in Canada. These amendments, because they are not excessive and strike a balance in the vast range of labour legislation in Canada, have been accepted by both labour and management.

Mr. Speaker, I am therefore prepared to assume that the Progressive Conservative Party labour relations critic is acting in good faith and I am also prepared to believe in the good faith and good intentions of the labour relations critic for the New Democratic Party. I therefore hope that the Parliamentary House Leaders, both on the Government and the Opposition sides, will be able to reach an agreement within the next few days so that Bill C-34 can be adopted as soon as possible.

I have received copies of some correspondence which I would like to quote. These are public documents, since these telegrams were sent to the Leader of the Government, the Leader of the Official Opposition and the Leader of the New Democratic Party. Nevertheless, for the purposes of our debate today, I would like to have them read into the record.

I shall first recall, if I may, a letter sent a few days ago to the Leader of the Government in the House (Mr. Pinard) by the President of the Canadian Labour Congress, Dennis McDermott, who said, and I quote:

● (1220)

[*English*]

I am writing to express my support for Bill C-34, an Act to amend the Canada Labour Code and the Financial Administration Act.

While no piece of legislation is perfect, the proposals contained within this Bill are on balance most welcome. The task of consolidating health and safety within the federal jurisdiction is a large one and Cabinet is to be congratulated on bringing the process this far.

My concern is that these amendments may remain simply proposals and not be enacted into law. Both the Progressive Conservative Party and the New Democratic Party have publicly expressed support for Bill C-34. I urge you to give the health and safety of Canadians working within the federal jurisdiction the highest priority and pass this Bill before the summer recess.

I can think of no more fitting conclusion to this session of Parliament and era of Government.

Yours sincerely,

Dennis McDermott
President

[*Translation*]

Mr. Speaker, after reading this letter, I wrote to the Leader of the Progressive Conservative Party and the Leader of the New Democratic Party, urging them to tell their respective House Leaders to consult with the Government House Leader, in order to expedite the passage of this Bill through the House. I am waiting for a reply from the two Opposition leaders. I do not expect to receive a reply personally, but I hope that the Government House Leader will receive a positive answer from the Opposition House Leaders.

Another letter was sent to us recently by the Director of the Rehabilitation Institute of Ottawa, and I quote:

[*English*]

As an association working with disabled citizens in Ottawa Carleton, we are very pleased that our Government is proposing to change the Canada Labour Code, to ensure that any handicapped person employed in an occupation under the Federal Government will receive at least the minimum wage.

This amendment is long overdue and we encourage all members to pass this agreement as speedily as humanly possible. Thank you very much for your efforts to do this.

Yours sincerely,

Mary Anne van Gaal
Director of Services

[*Translation*]

This is a statement by a very important group in our society. I think it is clear that the objectives of this Bill are receiving considerable support from Canadians as a whole.

We also received a telegram from Montreal a few days ago, during the proceedings of the recent convention of the Canadian Labour Congress, and I quote:

[*English*]

Re amendments to the Canada Labour Code. I have sent a telegram today to the Prime Minsiter asking him to give us a firm undertaking for a set procedure under a rigid time table to see the amendments to the Code passed into law during the current session of Parliament. Delegates to the 15th constitutional convention of the Canadian Labour Congress here in Montreal have expressed very strong anxiety that the amendments to the Code be passed into law forthwith—

[*Translation*]

Mr. Speaker, I have received a host of letters and statements in support of this Bill, asking all three parties in the House to adopt the Bill as soon as possible. I do not intend to read through all this correspondence. We can of course lay it on the Table and perhaps expand on its contents when the Bill passes the second reading stage, if the Opposition parties ever agree with the Government to refer the Bill to the Standing Committee. However, I would like to mention the press release issued by the Canadian Advisory Council on the Status of Women, dated May 24, in which the Council supports the proposed legislation and urges the Parliament of Canada to pass this Bill as soon as possible, and I quote:

The Canadian Advisory Council on the Status of Women supports the amendments to the Canada Labour Code proposed by the federal Minister of Labour, André Ouellet, and hopes that the legislation will be adopted very shortly.

I think it is important to stress the major amendments proposed to the Canada Labour Code. These amendments are connected with Part III and deal with labour standards. It is in this part, more specifically, that the Government wishes to make major amendments to give women better protection on the labour market.

We are proposing a series of amendments that cover child care leave, which will mean that a mother who must obtain a certain amount of leave because she is going to have a baby

will not be penalized as a result of this noble and important task she fulfils in our society. Consequently, the proposed amendments are concerned first of all with the period of continuous service required to be eligible for pregnancy leave. This period will be reduced from one year to three months. As a result, any employee who has been working at least three months for a company that is governed by the Canada Labour Code or who is working for the Canadian Government, will be eligible for pregnancy leave after three months' employment. This leave of absence which under the present legislation was seventeen weeks will now be increased by a period of leave in addition to the seventeen-week pregnancy leave. We are adding a leave of absence of twenty-four weeks for child care, which means that the mother who has a child and wants to take care of that child during the first months, during the time right after birth when the child needs its mother most, these mothers will now be able to take a leave of absence of forty-one weeks. In our modern society, however, it has now been recognized that both parents may participate actively in taking care of the children, and increasingly, fathers are sharing this responsibility.

That is why we have decided, with respect to the additional twenty-four weeks allowed for child care, to allow either parent to take the leave of absence. For instance, the mother could take the first twelve weeks and the father the remaining twelve of this additional twenty-four week period.

We also recognize the fact that whether a baby is born into the family or adopted, it needs special care. Consequently, pursuant to the proposed legislative amendments, this 24-week child care leave would be granted whether the child is natural or adopted.

More significant still, we have introduced a whole series of amendments to improve the job security of a mother who is temporarily forced to quit her job as a result of pregnancy. That is why we have strengthened the leave conditions and the guarantees that the mother will resume employment without losing the benefits to which she would normally have been entitled had she remained at work.

Considering that in our new and contemporary society there are ever more women in the labour force or a sizeable number of them who work on a part-time basis, we wanted to make sure that the annual paid leave of part-time employees will be covered just as if they were working full-time. Certain anomalies will thus be eliminated so that all part-time employees will be eligible for annual paid leave calculated on the basis of their working time.

I should like to refer briefly to the amendments related to sexual harassment. We acknowledge that any working individual is entitled to full respect for his or her dignity as a human being and that he or she must not come under any undue and unacceptable pressure in our modern society, nor should he or she be subjected to blackmail with respect to promotion or preferred treatment. That is why the Canada Labour Code will contain a very specific definition of sexual harassment. Employers will be expected to make a mandatory policy statement on sexual harassment, and indeed to make sure that sanctions and penalties will be imposed should there be evidence of sexual harassment in the work place. We feel that such provisions flow from the Charter of Rights and Freedoms, and we believe that those amendments to the Canada Labour Code will guarantee that all Canadian workers, men and women alike, will be better protected.

A series of amendments to Part IV of the Canada Labour Code have to do with work safety. We think that those amendments are very important because, for the first time, the Labour Code will cover all workers and all Government employees, a measure which had been strongly advocated by all major Canadian unions and more particularly by Canada's Labour Code will henceforth apply to transport and offshore resource-based industries as well as to all people who work aboard aircraft and ships or who belong to the Public Service of Canada. What will be interesting is that, wherever there are more than 20 employees, we shall require that there be work safety and health committees; these committees will be mandatory, and the Act will specify the responsibilities of both employer and employees in the area of work safety and health.

• (1230)

It is a fact, Mr. Speaker, that there are too many accidents on the job and that lives are lost and serious injuries occur in the work place because of negligence. If we could cut down significantly the number of days lost because of work-related injuries, we would all benefit from it. I therefore submit that the amendments we are proposing to Part IV of the Canada Labour Code will be a step in the right direction to ensure that employers and employees will assume their responsibilities in a more serious way where work safety and health are concerned.

Finally, we will be proposing a series of amendments to Part V of the Canada Labour Code to ensure that the work of the Canada Labour Relations Board is done more efficiently and is better coordinated with regard to the objectives set when the board was appointed. Certain amendments are to be proposed to the provisions on technological change to ensure that the workers are better informed by their employers of their plans to implement technological changes.

In closing, I would like to remind the House that the Government is suggesting the mandatory deduction of union dues, which has long been requested by the unions. I therefore believe that this series of amendments is justified and long overdue, and I hope that all the Members of this House will soon be approving them.

The Acting Speaker (Mr. Guilbault): Order, please. Are there any questions or comments? The Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen).

[*English*]

Mr. Friesen: Mr. Speaker, I listened with care to what the Minister had to say. He went on at great length to describe his concern about health in the workplace and to make sure that there would be no time lost through accidents. I think his phrase was that we would all be the richer if there was less time lost on account of accidents.

I have walked around Parliament Hill. The Department of Public Works is very busy doing construction work to make sure that these buildings are maintained. I have watched them working with diamond-tooth saws. They are breathing in clouds of pulverized stone and concrete and not one of them is wearing a mask. Has the Minister walked around the Hill to see how many of those workers are wearing hard hats?

If the Minister is so concerned about health in the workplace and time lost because of accidents, why do we not have the most minimal, even 1900 health standards enforced on the Hill for construction workers? If he is really concerned about workers in the workplace, why does he allow employees of the Government to breathe in those clouds of dust and become walking silicosis cases? If it is necessary to pass legislation to enforce this kind of minimum health standard, surely there is no heart left in the Government. I would ask the Minister to respond to that.

[*Translation*]

Mr. Ouellet: Mr. Speaker, I am not going to give my hon. friend a lecture on labour affairs, but I would at least hope that, as a Member of the Parliament of Canada, he should know who comes under the jurisdiction of the Canada Labour Code and who comes under the jurisdiction of the various provincial Departments of Labour. Construction workers come under provincial jurisdiction. In all Provinces, construction workers come under provincial jurisdiction except for the workers in the Northwest Territories and the Yukon, who are covered by the Canada Labour Code.

I have taken note of the comments made by the Hon. Member. I shall immediately advise the provincial authorities in Ontario that there could be negligence on the work site right here on Parliament Hill to make sure that elementary precautions are taken. However, I want to inform the Hon. Member right now that these construction workers are not federal Government employees.

• (1240)

Mr. Roy: Mr. Speaker, I wish to congratulate the Minister (Mr. Ouellet) on this legislation which will amend the Canada Labour Code and Financial Administration Act, namely Bill C-34. These amendments concern pension, health and disability benefits and occupational safety and health standards. However, after reading the Bill carefully and listening to the Minister, I find there is one point on which I would have liked to hear his comments, although it may not be directly related to the Canada Labour Code. I am thinking of an instance where I received many representations from employees of a transport company which had received a certain amount of money from the federal Government to ensure its survival. Unfortunately, employees who had been with the company for fifteen or twenty years received no protection whatsoever with respect to their salaries or pension plans, despite the federal subsidy.

I would like to ask the Minister, even if this falls under provincial jurisdiction, whether, when the federal Government agrees to provide subsidies, it could ensure that the employees concerned have some protection, not only for their salaries but their pension plans as well, and whether it could perhaps add an amendment to give them that protection under this legislation. When we see employees with twenty years of service who worked all their lives for a company, who have families and then overnight, the company goes bankrupt and shuts down . . . The employee is the big loser: he not only loses his salary, he also loses his pension plan. It seems to me, Mr. Speaker, that we could look for ways, perhaps in consultation with the provinces, to make sure the employee loses neither his salary nor his pension plan.

Mr. Ouellet: Mr. Speaker, it is a fact that the whole issue of Government subsidies to the private sector should be examined, especially in the present situation, by all three social partners, that is, employers, unions and governments. Personally, I would like to see as one of the conditions for Government subsidies that a company would have the obligation to consult its employees and, if possible, obtain their support for improving, expanding and modernizing its facilities.

Very often if not always, subsidies granted companies have not been particularly welcome to workers who were then displaced by machines. The Government was supposed to be helping the company modernize its facilities, which often meant that a number of jobs would be lost.

I think I understand the Hon. Member, who would like to see greater social responsibility among companies that receive Government subsidies. I think that in future, we should strive for more direct involvement of employees in a process where the federal or provincial governments are helping companies with substantial funding to modernize their facilities or to get established in Canada.

[*English*]

Mr. Murphy: Mr. Speaker, as the Minister knows, I have asked him and his predecessors a number of times over the years when this legislation would finally be introduced into the House of Commons. I am glad to see it is here. I would like to see it passed and become law.

After hearing the official spokesman for the Conservative Party talk about long and lengthy debate and long and lengthy hearings, would the Minister not agree that the best way to ensure the passage of this legislation, that the best way to ensure those workers will gain the protection of a vastly improved Canada Labour Code, that the best way to make sure there is at least some minimal mention of technological

change, and that the best way to ensure some improvement in maternity leave benefits, would be for a House order which would guarantee the legislation would come back to this House for final vote prior to the June recess?

The Acting Speaker (Mr. Guilbault): The Hon. Minister has one minute in which to answer the question.

[*Translation*]

Mr. Ouellet: Mr. Speaker, the answer is yes.

[*English*]

Mr. Wenman: Mr. Speaker, the Minister was very selective in tabling his correspondence. Would he table all correspondence he has received recently that relates to opinions expressing either concern or support for the legislation? I am sure that would help all of us.

It is not a matter of whether the Bill will or will not be passed or what changes are made or may be suggested to it; the important decision to make is whether the Government is committed to providing time for debate in the House of Commons. If so, how many days can the Minister gain? How much time can the Minister gain from his House Leader in the House of Commons in order that the Bill get to committee? And when it gets to committee, is he looking to allow—

The Acting Speaker (Mr. Guilbault): Order, please. This puts an end to the period allotted for questions and comments. We are now resuming debate. The Hon. Member for Calgary West (Mr. Hawkes).

Mr. Jim Hawkes (Calgary West): Mr. Speaker, it is a shame the Minister did not have time to answer the question posed by the Hon. Member for Fraser Valley West (Mr. Wenman). Partly what we are engaged in today on an Opposition day is a debate about who is to blame. This Parliament has sat for well over four years now. For the first time, just recently we have seen some proposed amendments to the Canada Labour Code. The Member from the New Democratic Party said he has been pushing for amendments to come forward for quite some time. I think that is probably true. Certainly the previous critic for the Conservative Party, the Hon. Member for Perth (Mr. Jarvis), has pushed for years for amendments. Given the kind of unanimity found in the Opposition Parties that amendments to the Canada Labour Code are necessary and desirable, that the health and safety of workers are at risk and need to be protected, it is very curious that we suddenly see a proposed set of amendments so close to a federal general election.

Sitting here and listening to the debate it is very clear, given the fairly long-standing lead of the Conservative Party in the Gallup poll, that both the Liberals and the New Democrats, the socialist alliance which we have faced year in and year out in this country, have got together in a fashion designed, hopefully for them to erode the popularity of the Conservative Party of Canada and to replace it with popularity for either the New Democratic Party or the Liberal Party.

● (1250)

I wonder whether or not we are looking at these amendments in the month of June, 1984 from the right perspective. Normally when a piece of legislation is before the House, it is the obligation of Members of Parliament to vet it, to see that it gets to committee, to hold hearings and to decide whether or not it is worded as well as it can be, whether or not it deals with the real problem, whether or not it is designed to provide a real solution. That is the normal practice. However, standing here today I am wondering whether this legislation is being brought forward solely for the purpose of electoral gain. I am wondering whether or not there is any motivation lying behind the legislation which deals with the health and safety of workers, the concerns of women and the concern for technology.

Last week the New Democratic Party brought forward a motion which was very similar to the one we are debating today. The first two or three lines of it were identical, but the last two lines read "at the mercy of long-standing Conservative resistance to such improvements in labour legislation". In that motion they attempted to indicate that the Conservatives were against labour legislation to protect health and safety.

Not only is that false, it is particularly vicious. I do not know a single Member of the House of Commons of any political persuasion—an independent or a Party member—who is not concerned about the health and safety of working Canadians. Surely every Member of Parliament is concerned about that. Given that concern, why have we not had this legislation before us? Given the fact that it has been introduced in the House and has received first reading, why do we require an Opposition day urging the Government to bring it forward for consideration, movement to committee and passage? The only explanation I can come up with is that there are some political shenanigans at work here.

When I look at the beheviour of the New Democratic Party, I see that some of its members in high profile positions, such as the heads of major labour unions in the country, have written to the Minister urging him to pass this piece of legislation. I hear members of that Party urging its passage as well in the House of Commons. On the other hand there are secret meetings between House Leaders in which they are supposed to reach agreement. They are not reaching agreement. I see NDP members filibustering other pieces of legislation such as the one dealing with mortgage insurance. I wonder whether we have a little shell game going on. They say that we need the legislation and that they want it, but if we dig underneath their motivation, perhaps we find that it serves the interests of NDP members to go into the next federal general election without the passage of this Bill. They need to be able to put out brochures and to say in their speeches that in four years of Parliament we did not provide improved health and safety regulations in the Canada Labour Code, that we did not provide protection for women or deal with technological change in the Code. The two mainline Parties, in particular the Conservatives, do not care about such things.

If we had been in government, there would have been changes to the Canada Labour Code. In the month of June, 1984 we should look very carefully at the behaviour of NDP members. Are they really the Party in this Chamber which has the most to gain in electoral terms if this piece of legislation does not pass? If that is true, what kind of behaviour would we expect? We would expect to find filibuster behaviour in terms of other pieces of legislation designed to choke the House and to ensure that before it adjourns there is not sufficient time for this particular piece of legislation to pass.

That hypothesis can be confirmed by those who happen to be addicts of *Hansard* and like to look at the pattern of speeches of Hon. Members and the amount of time spent. If that is the case, I guess today is kind of an exercise in hot air. Certainly the New Democratic Party House Leader and its Leader have the power to hold up this piece of legislation for the remaining 23 or 24 sitting days before the House adjourns. They can do it unobtrusively, by filibustering other pieces of legislation and not attacking this one directly, so that they can create an impression with the general public that they really want it passed when in fact they do not.

I wish to draw to the attention of the House that it is the Conservative Party of Canada which in the year 1984 has a Leader with a lifetime of experience with the labour movement. It is the Conservative Party of Canada which has a Leader which labour movement leaders and labour union leaders respect, know and understand. The labour union movement understands the importance of and need for health and safety regulations. It is the Progressive Conservative Party of Canada which has that kind of Leader. We do not have an academic from McGill law school such as the one who is leaving the leadership of the Liberal Party, someone who never got his two feet on the ground. Will he be replaced with a Bay Street lawyer who is part of the Canadian Pacific board of directors and receives $15,000 per meeting? Will he be replaced with the petit gars from Shawinigan? Will we create a Prime Minister out of the current Leader of the New Democratic Party, another academic, a historian? Will we have after the next federal general election a government which is committed to the people?

That is to what a Conservative Government would be committed. We are committed to assisting people to maximize their talents, to maximize their energy and to maximize their creativity. That cannot be done from an academic, airy-fairy, ivory-towered perspective. That can be done by a Leader and by Members who have their feet on the ground, have lived in the real world, have been employees, have been labour union members, have been managers and investors. Those kinds of people, pragmatic and practical people, are what the country needs at all levels of the economy if we are to grow, eliminate poverty and have a fair deal for women. It is only the Conservative Party of Canada which provides the mix of talents, background and experience which the country needs.

I see that it is almost one o'clock. Since I have a few minutes remaining, perhaps I could continue after the luncheon break.

[*Translation*]

The Acting Speaker (Mr. Guilbault): Order. It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

VISIBLE MINORITIES

REDRESS SOUGHT FOR JAPANESE CANADIANS INTERNED DURING WORLD WAR II

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, my riding includes many hundreds of Canadians of Japanese ancestry who saw their homes, automobiles, and fishing boats confiscated during World War II. I have thus followed with considerable interest the renewed debate over compensation for these Canadians.

I disagree strongly with the Prime Minister (Mr. Trudeau) who, some weeks ago, said that we should not try to correct the injustices of the past. Every injustice is technically a thing of the past the moment it is committed, but that does not absolve a Government from its obligation to right such injustice. I was also skeptical when the Prime Minister told the House that the Charter of Rights would prevent future Governments from taking such actions, in view of the fact that the Charter of Rights does not recognize the right to own and enjoy property. I thus asked the Library of Parliament to study this specific subject.

It is clear from the findings of the Library of Parliament that the lack of a property rights clause in the Charter of Rights seriously undermines its effectiveness in preventing the arbitrary confiscation of property by Governments. Some have said that because the War Measures Act overrides the Charter, a property rights clause would not help, but the Library of Parliament study indicates that a property rights clause would definitely discourage the illegal confiscation of property. I thus call on the Government not only to take steps to compensate Canadians of Japanese ancestry for this confiscation of their property, but also to add a clause to the Charter of Rights to ensure that future generations will have the right to the use and enjoyment of property.

Mr. Speaker: I regret to interrupt the Hon. Member, but his time has expired.

[*Translation*]

HISTORIC EVENTS

FOUR HUNDRED AND FIFTIETH ANNIVERSARY OF JACQUES CARTIER'S FIRST VOYAGE TO CANADA

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, I wish to call the attention of the House and all Canadian men and women to a series of events which will commemorate the 450th Anniversary of Jacques Cartier's first voyage to Canada. Mr. Speaker, you are certainly aware that the Right Hon. Prime Minister of Canada (Mr. Trudeau) is now in Saint-Malo, the French port from which Jacques Cartier sailed on his historic voyage. It is on July 26, 1534, on the shores of Gaspé, that American Indians welcomed for the first time this courageous navigator and his men. There, in several towns and villages, ceremonies will take place this summer to commemorate this major event in the history of our great and beautiful country. A most spectacular show will be the getting together of the tall ships which is scheduled to take place in the Bay of Gaspé June 17 to 20. An equally awe-inspiring display will take place on July 24 to commemorate the 450th Anniversary of Jacques Cartier's arrival in Gaspé.

Through its job creation programs, the subsidies provided by the Hon. Secretary of State (Mr. Joyal), as well as those provided by the Hon. Minister for Supply and Services (Mr. Charles Lapointe) who is responsible for these 1984 celebrations, as well as the assistance of several other departments, the Government of Canada is contributing over $1.5 million to the success of these celebrations. Celebrations on such a large scale have never taken place there. We are therefore looking forward to seeing you all in the Gaspé area, the cradle of Canada.

* * *

[*English*]

TOURISM

IMPOSITION OF TAX ON UNITED STATES TOURIST LITERATURE—CONSEQUENCES FOR CANADA

Mr. Girve Fretz (Erie): Mr. Speaker, a 9 per cent sales tax is imposed on tourist material imported to Canada from the United States. It now appears that this will have serious repercussions on the tourist industry in Canada, especially in the area of our promotion in the U.S.A. Since Revenue Canada has decided to uphold its decision to impose the tax, it now appears that a Bill may be passed in Congress to impose a similar tax on Canadian literature entering the United States.

It would seem appropriate that the Minister of State for Small Businesses and Tourism (Mr. Smith) should make strong representations to his Cabinet colleagues with a view to repealing the tax imposed on literature entering Canada. Otherwise, similar legislation in the United States will not only nullify the effect of our legislation, but cause financial hardship to those who make their living by promoting this country in the United States. If these people decide to pull out, there could be a great loss of tourist business in Canada. This will push the unemployment figures higher. Tourism is labour intensive. We need an atmosphere that is conducive to creating jobs, jobs, jobs for Canadians.

* * *

[*Translation*]

VETERANS AFFAIRS

REQUEST THAT PRISONER OF WAR COMPENSATION FOR DIEPPE VETERANS BE REVISED

Mr. Gérald Laniel (Beauharnois-Salaberry): Mr. Speaker, considering the various representations made in the past by the Dieppe prisoners of war who were kept in chains for 18 months and were subjected to every kind of bad treatment, such as undernourishment and unsanitary living conditions, and who were held in captivity for 36 months; considering that a number of them demonstrated on Parliament Hill at noon today, the 40th anniversary of D-Day, when Canadian troops landed in Normandy; for all those reasons, I think that the Government should review the scale of compensation automatically paid to former prisoners of war in Europe, which now ranges from 10 to 20 per cent, and increase to at least 30 per cent or more the compensation paid to former Dieppe prisoners of war who were involved in a very ill-conceived military operation which proved to be the worst fiasco of World War II.

* * *

[*English*]

FISHERIES

PROPOSED INQUIRY INTO IMPACT OF ALCAN PROJECT IN BRITISH COLUMBIA

Mr. Jim Fulton (Skeena): Mr. Speaker, earlier this year the Department of Fisheries and Oceans held meetings in various locations in British Columbia to hear the views of the public on Alcan's Kemano II Project. It was clear beyond a reasonable doubt that the affected public want a full public inquiry. This has been reported to the Minister of Fisheries and Oceans (Mr. De Bané) by his own officials.

Last week, following discussions with the Minister of Fisheries and Oceans, he agreed with me that a full public inquiry under the Federal Inquiries Act is warranted. His officials have contacted me regarding the drawing up of terms of reference, structure of the inquiry itself, costs of the inquiry, level of intervenor funding, access to intervenor funding, expected duration of the process, and implementation of the inquiry. They have now asked publicly for suggestions for a chairperson.

In light of the fact that the Province of British Columbia has offered an unreasonably inadequate process to evaluate the benefits, impacts, and alternatives for power supply to new aluminum smelters which are widely supported in northern

B.C., it is the responsibility of the Minister today to rise in his place and announce the implementation of a full public inquiry into Alcan's hydroelectric project.

We in this House recognize that there will be some costs for an inquiry, but these are small when compared with the effects of the major diversion of water which will take 88 per cent of the Nechako, lower the Fraser River by three feet at Hell's Gate, join the Fraser and Skeena Rivers, and have major impact on fish stocks. The Minister must act, and I trust the Minister will announce the Kemano inquiry today.

* * *

[*Translation*]

EMPLOYMENT

REQUEST FOR AID FOR RESIDENTS OF ASBESTOS, P.Q.

Mr. Alain Tardif (Richmond-Wolfe): Mr. Speaker, last Thursday, the Johns Manville Asbestos mining company announced that more than 225 workers would be laid off beginning next September 1. A few years ago, this mining company was providing work for over 2,700 people.

Next September, only 950 people will be working for the J.M. Asbestos Company. This disastrous situation has two underlying causes: first, the world market for asbestos is weak, and second, the Johns Manville Asbestos, a private company, having to compete with other asbestos companies owned by the Quebec Government, has been operating in spite of substantial deficits.

The town of Asbestos, which is a very important community in my constituency, has lost in excess of 1,500 very well-paid jobs. As this is a one-industry town, the results are simply terrible and tragic.

The Quebec Government having completely ignored this community, I urge the Canadian Government to take action and help the people of Asbestos.

Twice already, our Government has intervened, first by designating the region and later on, by providing assistance under the NEED program and by way of Section 38 of the Unemployment Insurance Act.

Once more, Mr. Speaker, I respectfully but firmly request an immediate intervention by the Government to help the Asbestos area and spare us a second Schefferville.

• (1410)

[*English*]

AUTOMOTIVE INDUSTRY

LOCATION OF JAPANESE CAR ASSEMBLY PLANT AT ALLISTON, ONT.

Mr. Ron Stewart (Simcoe South): Mr. Speaker, the residents of the Town of Alliston and the riding of Simcoe South are smiling proudly today in the wake of the announcement that Honda Motors will be building its new assembly plant in Tecumseth Township. As the Member of Parliament for this dynamic riding, let me welcome Honda to Alliston, and let me congratulate it on its far-sightedness in choosing this location for its $100 million venture.

My good friends, Oak Gray, the Mayor of Alliston; Reeve Alan Glasford of Tecumseth Township, and the Hon. George McCague, MPP for Dufferin-Simcoe, are the type of progressive, forward thinking gentlemen who will ensure that both Honda and the surrounding communities will achieve the utmost benefit from this initiative.

When Honda goes looking for the 350 employees to run its plant, it will not have to go far. The labour force in Simcoe South is high calibre, dedicated, and equal to the task of operating one of Canada's newest and most modern industries. The area's network of transportation is second to none.

It is especially gratifying for me to watch Alliston, the birthplace of my mother, continue to grow and prosper. Mr. Speaker, to Honda Motors, let me say this: *Kangei no i wo hyoshemasu.*

* * *

[*Translation*]

SOCIAL SECURITY

DECLARATION MADE BY QUEBEC SOCIAL AFFAIRS MINISTER

Mr. Marcel Roy (Laval): Mr. Speaker, with reference to the statement made by Dr. Laurin, Quebec Minister for Social Affairs, concerning the Old Age Security pensions and other pensions for Quebec senior citizens, I wish to say that during a visit to Manoir des Îles in Laval, I would like to officially register on behalf of the government of Canada objection to Dr. Laurin's request for a transfer of, any program either through tax points or transfer payments, to the Province of Quebec. Considering the attitude of that province's Premier towards senior citizens who, in his opinion, are against Item No. 1 of the PQ's platform dealing with Quebec's separation, Mr. Speaker, seniors citizens are urging us to oppose any change to the Old Age Security scheme or the Guaranteed Income Supplement or any other Quebec pension plan.

[*English*]

METRIC CONVERSION

EFFECT OF ORDER IN COUNCIL ON TEXTILE IMPORT TARIFF COLLECTION

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, the metric madness of the Government of Canada continues to create havoc with the business community. By an Order in Council passed on May 17, but not communicated to anyone, the Government attempted to convert some of the customs tariff items in the 50,000 tariff series from imperial to metric. Canada Customs found out about the regulation on May 25 and, without telling the industry, tried to enforce the regulations on May 30 and May 31. There was havoc. The regulations have since been suspended. Fortunately, or unfortunately, the regulations only covered part of textile imports.

As a consequence, computer programs designed to convert imperial to metric cannot be used by customs brokers and others in attempting to comply with the regulations.

When will the Government wake up to the fact that business, indeed people generally, should have the right to measure things the way they want to measure things? When will the Government stop trying to change a measurement system without notification, and without understanding how that system works in the real world? In short, when can we have an opportunity to elect a Government which is prepared to co-operate with business?

The Order in Council affecting the 50,000 tariff series should be revoked forthwith.

* * *

CRIMINAL CODE

PORNOGRAPHY—SEIZURE OF VIDEO TAPES AT ART FESTIVAL

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, the confiscation of video tapes by police at an international video art festival is the sort of thing which gives all of us who are concerned with violent pornography, a bad name. This is not to suggest that artists should be above the law. No one should be. However, it is to say that the police and departments of the Attorney General should exercise some common sense in deciding who are the real culprits and who deserves to have the full force of the law brought against them. There is real, serious, violent, and dangerous pornography out there. I continue to receive complaints from women's organizations that the complaints they take to the police are not being acted on.

The police, of course, are hampered by the loopholes in the current law, and that is something we could be doing something about here in Parliament. The Criminal Code amendments have still not been brought forward for second reading. It has been nearly a year since we had the draft legislation. It will require serious action on the part of Parliament to amend the Criminal Code and the Broadcasting Act to deal with pornography. It will also require vigorous enforcement. Let us hope that will be wise and well directed enforcement on the part of provincial authorities, and not a witch hunt against merely technical infringements of the law.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

EXCHANGE VALUE OF DOLLAR—STATISTICS CANADA ANALYSIS

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my question is directed to the Minister of Finance. I would like to point out to the Minister that the Canadian dollar at noon today, in terms of the U.S. dollar, stood at 76.89 cents. It is just about down to the historic low, the lowest value the Canadian dollar has ever had in terms of the U.S. dollar.

I would also like to refer the Minister to the current economic analysis of Statistics Canada which was issued yesterday. It was stated in that analysis that the Canadian economy grew more slowly in the first quarter of this year than in the last quarter of 1983, and that low rates of growth will likely persist. Statistics Canada came to the conclusion that external demand, which provided most of the strength in recent quarters, has lost vigour; that real net exports have declined; that the already weak growth of domestic demand has persisted, and that the slowdown will continue beyond the first half of 1984. It is stated that growth has slowed to a pace which is insufficient to reduce unemployment. These are the conclusions of Statistics Canada, an official government agency.

Will the Minister tell the House, in view of the fact that his Budget has been a complete failure and that the economy is deteriorating around us, what plans the Government has to stop the further unravelling of the Canadian economy? The Minister is presiding over the dissolution of the Canadian economy. What plans has he to overcome these conclusions and these facts which I have just read to him from the report of Statistics Canada?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, my colleague could not only have read from the Statistics Canada publication; he could have read from the Budget Speech which I delivered in this House on February 15, at which time I indicated that there would be a slowdown in the rate of growth which we had known in the last year, particularly in the last quarter of last year. At that time the rate of real growth was close to between 6.5 per cent and 7 per cent. That was such a high rate of growth it could not be sustained over an extended period of time, and one should expect a slower rate of growth.

What is important to note, however, is that the economy is continuing to grow and that a more moderate rate of growth is something we will be able to sustain over a longer period

without the resumption of inflation. That will ensure that we will have, indeed, stable growth over an extended period. I have stated this repeatedly, and I have stated it in the Budget. My friend should not be very surprised. This has been forecast and foreseen for quite a long time.

MINISTER'S PLANS

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my supplementary question is directed to the same Minister. Even supposing that the Minister had forecast what he said he forecast, that does not help the 1,500,000 unemployed Canadians who are now being told that domestic demand remained—and I quote from Statistics Canada—"about 2 per cent below its pre-recession peak". They are being told that growth has slowed to a pace insufficient to reduce unemployment. Unemployment cannot be reduced because of the reduction in domestic demand. They are being told that there is a deterioration of labour market conditions. They do not want to hear the Minister say he forecast this. What is the Minister going to do about the misery which he forecast? That is what the Canadian people want to know.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I indicated in the Budget a number of measures which I invite my friend to take into account. Second, I invite the Hon. Member and his Party to support those measures when they take the form of legislation before the House, in order to ensure that this legislation is passed quickly so it will benefit the Canadian people.

I indicated, indeed, that the level of unemployment would remain too high, from our point of view, that it would take time to come down, and that we expected it to come down gradually. The economy, as I said, is still growing, and we are going to pursue a steady pace of stimulation of the economy as was contained in the Budget. I invite my friend to support the measures we have put before the House. That would be a first step on the part of the Opposition, rather than just crying at the wailing wall.

● (1420)

Mr. Crosbie: Mr. Speaker, the Minister has not put before the House any measures which will help this situation. In the February Budget he said he was delighted that he was not going to be affecting the economy. He has proposed no measures that this House can adopt which will help in this situation.

REQUEST THAT GOVERNMENT CALL GENERAL ELECTION

Hon. John C. Crosbie (St. John's West): Mr. Speaker, Statistics Canada points out a weakening in housing starts, domestic auto sales, and exports, and that we can anticipate a slowdown in all interest rate sensitive industries. In area after area disaster stares us in the face. When will the Minister stop watching the shell game going on with the seven Liberal contenders? When will the Government start to govern, or call an election so we can do something to stop this?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I can hear my hon. friend whistling in the dark. I think that having had a taste, fortunately very short, of a Progressive Conservative administration, Canadians lost it very quickly. Since then, the Progressive Conservative Party has chosen a new leader whose record is quite clear: Schefferville is a case in point. If this is the alternative which the Progressive Conservative Party is suggesting for the economic future of Canada, I think that Canadians generally and Quebecers in particular will have no difficulty making up their minds. When the election comes, Mr. Speaker, we shall put forward for all voters to see not only what we have achieved so far, but also what we are planning to do to ensure an uninterrupted economic recovery, contrary to the "return to the past" sort of backward policy of the Progressive Conservative Party which is reflected in the Schefferville situation.

[*English*]

DECLINE IN HOUSING STARTS

Mr. Doug Lewis (Simcoe North): Mr. Speaker, I am tempted to ask the Minister of Finance if they are going to present 11.4 per cent unemployment to the Canadian people, but what I really want to ask him about is housing. He will know that 2.3 jobs are produced for every housing start, that is, jobs for backhoe operators, carpenters, plumbers, forest workers, and jobs in factories which produce such things as kitchen sinks. There are also jobs in building supply stores, and listings for real estate agents. Housing starts are directly linked to mortgage interest rates, and housing starts are down and mortgage interest rates are up. What prospects does the Minister of Finance see for employment in the housing industry in the next six months?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the previous questioner said that the Budget did not contain measures, and the Hon. Member is now talking about housing starts. I remind the Official Opposition that there is before this House a Bill which provides for mortgage interest rate protection. It has been submitted to the House for consideration and early approval. It has the support of all organizations in the housing field in Canada, including the Canadian Construction Association and the Canadian Consumers' Association. But what do we see? We see the Opposition dragging its feet on a Bill supported by everyone in Canada except themselves.

Mr. La Salle: Not us!

Mr. Lalonde: They are just dragging their feet on a Bill which has the unanimous support of every organization in the country. Who is dragging it out? The Opposition.

Mr. McDermid: Who?

Mr. Lalonde: The Opposition is dragging it out.

Some Hon. Members: Nonsense.

Mr. Lalonde: If they were sincere in their concern for the housing industry and home owners, they would make sure that we get approval of this Bill which will be of significant benefit to Canadian home owners.

Mr. Lewis: First, Mr. Speaker, I would point out to the Minister that it is the NDP who are against this Bill, not the Progressive Conservatives.

Some Hon. Members: Hear, hear!

Mr. Lewis: Second, the Minister went to the banks and the trust companies. If he went to representatives of the real estate industry at the level of CREA and OREA, the local real estate boards, he would know that they are unanimous in saying that this Bill will not strengthen the industry; it is only a safety net.

REASON FOR DECLINE

Mr. Doug Lewis (Simcoe North): Mr. Speaker, does the Minister not agree that the real reason housing starts are down and the housing industry is in a slump is the extended period of unemployment for the past four years under this Government?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the answer to the Hon. Member's question probably lies in a small comparison. Housing starts in the United States went down 26 per cent last month, more than in Canada. The Hon. Member likes to brag every once in a while that the U.S. has had a significant decline in unemployment. I would think he would have to look a little bit further than just the unemployment figure for an explanation of the question he has raised.

Mr. Lewis: We will not get it from you, that is for sure.

* * *

GOVERNMENT EXPENDITURES

RESEARCH AND DEVELOPMENT TAX INCENTIVE PROGRAM—REQUEST FOR CHANGE

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is for the Minister of Finance. Yesterday I asked the Minister if he would confirm that under the Government's R and D tax benefit program it was possible for a large corporation to obtain millions of dollars in benefits without doing any R and D. Essentially I suggested this was possible because of paper transactions, and I cited the case of Imperial Oil. The Minister denied it. Well, this morning I contacted Imperial Oil, talked to people in their tax department, and they have confirmed that what I said is the case.

Will the Minister admit that he was wrong yesterday and acknowledge that a company like Imperial Oil, under this program, can obtain not a thousand, not millions, but hundreds of millions of dollars in benefits without doing the R and D itself? Secondly, will he change the program to make it impossible for any company to gain a windfall from this program and make it impossible for R and D funds to be used for anything other than R and D?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member should know, and I am sure he does, that you cannot have the R and D performed before the credits have been acquired. Those credits are acquired to perform research and development. If no research and development take place, those companies are going to be liable to pay the taxes they would otherwise have to pay under Part VIII of the Act.

Mr. Broadbent: No, no.

Mr. Lalonde: I invite my friend at least to consult a lawyer or accountant if he cannot find the facts for himself.

IMPERIAL OIL CORPORATION—ELIGIBILITY FOR BENEFITS

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Minister not only gave us a wrong estimate in his Budget when he said this would only cost $100 million, and it is going to cost $1 billion, but he is now suggesting he does not know what he is talking about. I say that with care, because I have looked into it with care.

Is the Minister telling the House that it is impossible for Imperial Oil to obtain millions of dollars in benefits under this program without doing the R and D itself? Or is he saying that Imperial Oil has to do the R and D to get that benefit?

Hon. Marc Lalonde (Minister of Finance): The Hon. Member is hard of hearing, or something, Mr. Speaker.

Mr. Blaikie: We cannot believe what we are hearing.

Mr. Lalonde: I have indicated that before you perform the research and development you have to acquire the credit. That is what the companies are doing. They are acquiring the tax credits on the basis of R and D that they will perform. If they do not perform research and development then they become liable for the equivalent amount of the tax credit from which they would have benefited. This is quite clear.

Mr. Blaikie: Answer the question.

Mr. Lalonde: I have answered the question.

Mr. Blaikie: No, you have not.

Mr. Lalonde: Well, open your ears, my friend. I am sorry. If you cannot understand that, then there are lots of things in life you will not understand.

Mr. Blaikie: I do not understand Liberals.

Mr. Broadbent: Mr. Speaker, it is clear that the Minister is factually wrong. Imperial Oil can get a tax benefit even if the R and D he is talking about is performed by another company. The Minister should check his facts, because that is the case.

• (1430)

PAYMENT IN ADVANCE OF WORK

Hon. Edward Broadbent (Oshawa): Under this program there is another deficiency, namely, that the taxpayer is providing millions of dollars before the R and D is actually done, in terms of the benefit. Certain officials of the Department of Revenue have acknowledged that the taxpayer may be left holding the bag because the R and D may never be done. Will the Minister change the program to ensure that, before any benefit goes out to any company, it must do the R and D?

Hon. Marc Lalonde (Minister of Finance): Definitely not, Mr. Speaker. The recommendation made by the Hon. Leader of the New Democratic Party is a ridiculous one.

* * *

[*Translation*]

EMPLOYMENT

REQUEST THAT MINISTER OF FINANCE CONFIRM STATISTICS CANADA PROJECTIONS

Hon. Roch La Salle (Joliette): Mr. Speaker, my question is also for the Minister of Finance.

In view of the forecasts published yesterday by Statistics Canada—and in spite of everything that the Minister of Finance can promise Canadians and all the encouragement he can give them about our economic prospects, the fact remains that, according to Statistics Canada, as the Minister will have to recognize, the rate of unemployment, which was 11.3 per cent in September 1983, now stands at 11.4 per cent. In spite of all the commitments and promises made by the Minister of Finance, unemployment is still about the same.

Would I be pressing the Minister too much if I asked him to confirm to the Canadian people that we shall have to live with an unemployment rate exceeding 11 per cent during the next few months or years? If his answer does not tie in with what I have just stated, we would like him to prove what he says.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, in my opinion, the forecasts voiced by the Hon. Member for Joliette would match the projections conceived by a Progressive Conservative Government. I can tell him that our own projections are contained in my Budget and clearly show a gradual and regular decrease in unemployment during the forthcoming months and years. It is quite possible in fact that, with a Progressive-Conservative Government, unemployment could well exceed 11 per cent.

REQUEST FOR DETAILED INFORMATION

Hon. Roch La Salle (Joliette): Mr. Speaker, it is rather surprising to hear the Finance Minister's reply in view of the fact that, during the last fifteen years, the number of unemployed has jumped from 300,000 to close to two million taking into account all the people that have been dropped from the unemployment rolls.

The Minister of Finance keeps referring to Schefferville, but he does not say that there have been thousands and thousands of shutdowns. In Canada we have had thousands of plant shutdowns because of a lack of adequate policies.

I would like to direct my question once more to the Minister of Finance. In view of the fact that it has been established that his projections were inaccurate over a long period of time, and since Statistics Canada tells us that unemployment will remain at around 11 per cent even though the Minister says the opposite, as a result of the performance of the Government, can the Minister confirm that the rate of unemployment in Canada fall down below 11 per cent within the next six or twelve months? If not, will he be honest enough to stop lying to the Canadian people as he has being doing for too long?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member mentions thousands of shut-downs. He could have referred to a single one, the one which boarded up half of the North Shore communities because of the action of the Leader of the Official Opposition when he was in business! He could have said so many things about the situation in Schefferville, which is now a ghost town because of the decisions made when his Leader was a big man in the private sector. The record is clear in this regard.

On the other hand, I would remind the Hon. Member that, since 1968, for instance, Canada has created four million jobs. The labour force has increased by 40 per cent in Canada, and this is the highest rating among all industrialized countries, including the United States, for which the figure is about 30 per cent. The Hon. Member will realize that, of all the industrialized countries, Canada has created the largest number of jobs during the past fifteen years. Canada ranks first among all industrialized countries!

The record is therefore clear in this regard. However, as I have stated myself stated, unemployment is still too high. We have taken direct action to promote job creation in Canada. We have promoted investment and job creation by the private sector. We shall continue to do so and our objective is to bring down unemployment in Canada as quickly as possible, especially in Quebec, since the Hon. Member must be more familiar with the situation in that Province.

[*English*]

Mr. Speaker: The Hon. Member for St. John's East.

Hon. James A. McGrath (St. John's East): Mr. Speaker, my question is with regard to the use of the unemployment insurance fund to train the unemployed. In the absence of the Minister of Employment and Immigration, I will defer my question.

LABOUR CONDITIONS

LAY-OFFS AT URANIUM CITY, SASK.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, my question is for the Minister of Finance, who talks about shutdowns of towns. When he was Minister of Energy he not only shut down a mine, but the whole town of Uranium City, Saskatchewan. The heartless act of the Minister of Finance put four times more people out of work than were put out of work in Schefferville. These people are still suffering.

The Government, through the present Minister of Consumer and Corporate Affairs, has complimented our Leader with respect to the humane way in which he, as president of that corporation, treated the people who were unfortunately laid off in that town. With all the resources of the Government behind the Minister of Finance, what is he going to do to bring justice to those thousands of people who have been laid off at Uranium City? Is he heartless, or is he going to do something for those people?

Some Hon. Members: Hear, hear!

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member knows very well that, when the Minister of Consumer and Corporate Affairs wrote that letter, he was referring to the way the federal Government had made public funds available to the people who had been laid off as a result of the decision of that company. And if half the North Shore is still shut down today, we know who can be held responsible for that!

[*English*]

With regard to Uranium City, the Hon. Member knows—and I invite him to look at the record—that the Eldorado Mining Company has introduced the most generous scheme of any—

Mr. Mulroney: Oh no.

Mr. Lalonde: —company in Canada in terms of helping the people in that case where the mine had to close because it was absolutely uneconomical to operate.

Mr. Mulroney: Absolutely.

* * *

EXTERNAL AFFAIRS

BRAINWASHING EXPERIMENTS FINANCED BY AMERICAN CIA—EXPRESSION OF APOLOGY

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question is for the Secretary of State for External Affairs. It is with regard to the problems of the nine Canadians who were involved in brainwashing experiments conducted in Canada funded by the CIA. In January the Minister indicated that the United States Government had apologized for these experiments and that our Government was prepared to take the case to the International Court of Justice at The Hague if satisfaction was not obtained. Satisfaction has not been obtained.

The confidential apology received from the United States is useless to the nine people concerned, and an insult to Canada, particularly since the actions of the CIA were a violation of Canada's sovereignty. Is the Minister prepared to make the details of the apology public and to tell Canadians what officials from the U.S. State Department or the CIA expressed regret, and what they said? If not, why not?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, the question of the expression of apology or regrets has been covered already in the House and in correspondence. My predecessor, the present High Commissioner to London, addressed letters to Members of the Opposition when he was in this post. In them he stated that there had been an expression of regret by officials of the United States for the actions which had been taken at the Allan Memorial Institute. Furthermore, there is at least one member currently serving in the Department who recalls the oral transmission of these regrets to Canadian officials. I will be prepared to send that detailed information to the Hon. Member.

I do not think there is a written statement by an American official. There were expressions of regret. It was upon that fact that the former Minister made the assertions in letters to Members of Parliament at the time, several years ago.

• (1440)

REQUEST THAT CASE BE REFERRED TO INTERNATIONAL COURT OF JUSTICE

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the Minister knows that the United States Government has thus far stonewalled all efforts to obtain compensation for the CIA's Canadian victims. There is no satisfaction in sight. Will the Minister now follow up his commitment to take the matter to the International Court of Justice at The Hague? If so, will he indicate when he might take such a step?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, I think the Hon. Member knows that members of the Department are under standing ministerial instructions to pursue this case with vigor with the United States authorities. I can assure him that I have taken a personal interest in the case. I have followed it up as urgently as could be done in the circumstances, and will continue to do so. We have consistently taken the view that the actions of the CIA in funding the research constitutes an infringement of Canadian sovereignty. We intend to press the case forward with the United States diplomatically.

The Member has raised the question of the International Court of Justice. That is a serious proposal which he has made, and it is an action that could only be undertaken after very serious consideration.

Questions orales

[*Français*]

LES ÉVÉNEMENTS HISTORIQUES

LA TRAGÉDIE D'UN GRAND VOILIER, LE *MARQUES*

M. Alexandre Cyr (Gaspé): Monsieur le Président, ma question s'adresse à l'honorable ministre des Approvisionnements et Services et ministre responsable des Fêtes 1984. De grandes fêtes sont organisées du 17 juin à la fin d'août en Gaspésie pour célébrer le 450e anniversaire du premier voyage de Jacques Cartier, et les grands voiliers doivent séjourner dans la Baie de Gaspé du 17 au 20 juin. Suite à la tragédie du grand voilier *Marques*, près des Bermudes, est-ce que l'honorable ministre peut dire à la Chambre s'il prévoit des retards dans l'itinéraire prévu pour l'entrée de ces grands voiliers dans la Baie de Gaspé le 17 juin?

L'hon. Charles Lapointe (ministre des Approvisionnements et Services): Monsieur le Président, je remercie l'honorable député de sa question et également de l'intervention qu'il a faite au début de la reprise de la séance.

J'aimerais profiter de l'occasion, monsieur le Président, pour offrir, au nom du gouvernement canadien, nos plus vives condoléances aux familles des disparus dans le malheureux naufrage qui s'est produit près des Bermudes.

J'aimerais rassurer l'honorable député et mes collègues de la Chambre en disant que les événements nautiques prévus à Halifax, à Gaspé et à Québec, se produiront aux dates prévues et j'espère, comme l'a mentionné mon collègue, le député de Gaspé, que les Canadiens viendront en grand nombre sur la Côte-Est canadienne durant l'été, soit à Halifax, à Gaspé et à Québec, pour célébrer le 450e anniversaire de l'arrivée de Jacques Cartier.

[*Traduction*]

LE RÔLE D'UN NAVIRE DE LA MARINE CANADIENNE

M. J. M. Forrestall (Dartmouth-Halifax-Est): Monsieur le Président, je voudrais poser une brève question supplémentaire au ministre de la Défense nationale. Tout d'abord, voudrait-t-il bien féliciter l'équipage du navire *The Assiniboine* pour l'aide qu'il a apportée? En outre, nous dirait-il si le navire canadien a abandonné ses recherches ou s'il entend les poursuivre?

L'hon. J.-J. Blais (ministre de la Défense nationale): Monsieur le Président, je reviens à peine de la côte ouest où j'ai assisté, hier, aux funérailles du général Pearkes. Je débarque à l'instant de l'avion et je ne suis donc pas en mesure de renseigner le député. J'obtiendrai les renseignements demandés immédiatement et les lui transmettrai, je l'espère, avant la fin de la période des questions.

LES FINANCES

LA CONTRE-VALEUR DU DOLLAR—LES TAUX D'INTÉRÊT

M. Don Blenkarn (Mississauga-Sud): Monsieur le Président, ma question s'adresse au ministre des Finances. La dernière fois que le dollar est tombé à 76.80 c. c'était en juin 1982. A cette époque-là, le taux d'escompte était de 18.25 p. 100. Le ministre des Finances connaît pertinemment le lien étroit qui existe entre les taux d'intérêt et la situation de l'emploi. Jusqu'où les taux d'intérêt vont-ils monter? Atteindront-ils leur niveau de 1982?

L'hon. Marc Lalonde (ministre des Finances): Monsieur le Président, je tiens tout d'abord à dire au député de Saskatoon-Ouest que j'ai oublié de préciser une chose dans ma réponse . . .

Des voix: Oh, oh!

M. Lalonde: Je veux ajouter que la société Eldorado Mines est allée de l'avant et a investi 500 millions de dollars dans l'extraction de l'uranium à Key Lake, en Saskatchewan . . .

Des voix: Règlement!

M. Lalonde: . . . afin de créer des emplois pour certaines des personnes qui avaient perdu leur emploi à Uranium City ce que, j'en ai bien peur, la société Iron Ore n'a jamais fait. En fait, la société Eldorado participe à l'exploitation de la plus grosse mine d'uranium du monde. Je pourrais également ajouter . . .

M. le Président: J'invite l'honorable ministre à répondre à la question.

M. Lalonde: Oui, monsieur le Président. Je ne fais pas de pronostics sur les taux d'intérêt.

ON DEMANDE AU GOUVERNEMENT DE DÉCLENCHER DES ÉLECTIONS GÉNÉRALES

M. Don Blenkarn (Mississauga-Sud): Monsieur le Président, si le gouvernement l'ignore, les Canadiens savent par contre que si le cours du dollar baisse c'est parce que les investisseurs manquent de confiance dans le Canada à l'heure actuelle. Les Canadiens ont exprimé leur manque de confiance dans des sondages et le reste, en disant qu'à leur avis le taux de chômage augmenterait au cours de l'année. Ils pensent également que l'inflation va s'aggraver. Le manque de confiance est également apparent chez les investisseurs canadiens qui placent leur argent aux États-Unis où il y a de l'espoir, des débouchés, des emplois et des endroits où investir. Que fera le gouvernement? Se contentera-t-il de profiter des avantages que lui confère le pouvoir qu'il ne mérite plus ou déclenchera-t-il des élections? Que fera-t-il?

M. Crosbie: Déclenchez des élections, Marc.

L'hon. Marc Lalonde (ministre des Finances): Monsieur le Président, j'invite les conservateurs à se préparer à des élections qu'ils perdront de belle façon.

Des voix: Bravo!

M. Stevens: Allons-y.

Mr. Lalonde: However, as the Hon. Member knows, such a decision is taken not by the Minister of Finance but by the Prime Minister.

As far as the question of lack of confidence is concerned, I suppose the biggest lack of confidence that there is in this country is the lack of confidence that the Conservatives are showing in the country itself and the lack of confidence that they show in themselves.

In effect, if my friend looks around, he will have to explain why it is that the European currencies have been losing ground against the U.S. dollar month after month over the last two years.

Mr. Crosbie: What about the Canadian dollar? You are the Canadian Minister.

Mr. Lalonde: He will also have to explain why the Canadian dollar over-all has been gaining ground, over the last two years against the European currencies. He will have to reflect upon these facts again and find an explanation.

* * *

EMPLOYMENT

LOCATION OF MANPOWER OFFICES IN DUNNVILLE AND WELLAND, ONT.

Mr. Bud Bradley (Haldimand-Norfolk): Mr. Speaker, my question is directed to the Minister of Employment and Immigration, but in his absence I will direct it to the Minister of Finance. My concern is jobs in Haldimand-Norfolk. The municipality of Dunnville has a population of approximately 11,000 and is textile and agricultural based. Dunnville is located 30 miles west of Welland, which is in a different constituency and is a large industrial centre. Yet Dunnville's Manpower office is a suboffice of Welland.

If Dunnville's unemployment figures are included with Welland's figures, it does not qualify for any programs that are related to textiles or agriculture.

We now have two more industries closing in the Dunnville area. Will the Minister take steps to separate the Dunnville employment office from the Welland office so that the residents of Dunnville can qualify for the job-creation programs that relate to their needs and not the needs of Welland?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I am sorry. May I ask the Hon. Member to repeat the question?

Some Hon. Members: Oh, oh!

Mr. McDermid: What is going on over there?

Mr. Crosbie: You are shell shocked.

Mr. Speaker: Would the Hon. Member make his question short?

Mr. Bradley: Mr. Speaker, I will try to make it short. The Minister was obviously too busy campaigning.

I pointed out the problem experienced by Dunnville in my constituency. Its Manpower office is a sub unit of the Welland office. Dunnville is textile and agriculturally based, but is tied into the population of Welland which is a large industrial area and does not qualify for any of the assistance programs related to textiles or agriculture.

Since we now have two more plants closing in the Dunnville area, which will put unemployment up to approximately 25 per cent, will the Minister take steps to separate the Dunnville Manpower office from the Welland Manpower office so that the residents of Dunnville can qualify for the job-creation programs that relate to their needs and not those of Welland?

Mr. Lalonde: Mr. Speaker, it is no surprise that I was unable to answer the first question which is the same as this one, because this issue is not a matter of my responsibility. It comes under Manpower and Immigration and the issue could have been addressed to the Acting Minister of Employment and Immigration or to the Parliamentary Secretary. This is how questions in the House are handled. They should be directed to the correct Minister.

● (1450)

NEED FOR EMPLOYMENT IN DUNNVILLE

Mr. Bud Bradley (Haldimand-Norfolk): Mr. Speaker, I pointed out at first that I was going to ask my question of the Minister of Employment and Immigration but, in his absence, I would put it to the Minister of Finance because employment is involved with finance. Without the dollars you cannot have programs. Therefore, I will put my question to the Acting Minister.

We are concerned that the history of this Government has been to put one million Canadians out of work. My people in Dunnville are concerned about jobs; they are concerned about employment, and they are concerned about making money to put food on the table to feed their families. What is this Government going to do to create employment for the people of Dunnville, and for textile and agricultural areas like it?

[*Translation*]

Mr. Jean-Guy Dubois (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I have taken as notice the Hon. Member's question concerning his riding. As to the situation which now exists in the textile and agricultural industries, the Career Access program administered by the Department of Employment and Immigration is providing financial assistance to help the unemployed train for other jobs. For the people in the textile and clothing industries, early retirement schemes implemented as a result of Bill C-172 being passed provide a measure of assistance. However, Employment and Immigration programs are made available through Canada Manpower Centres. I hope my hon. friend is referring the people who are seeking help to these centers which have money to help them. Concerning the particular situation of the two communities mentioned, I will inquire and reply to him at the next opportunity.

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE

COMMITTEE'S STUDY OF LEGISLATION

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, my question is for the Solicitor General. Last week, and again yesterday and today, the Minister attempted to ram his security Bill through the Standing Committee on Justice and Legal Affairs, using closure. In view of the profound threat which this Bill poses to the fundamental civil liberties of all Canadians, allowing sweeping new intrusive powers, the targeting of law abiding Canadians, with no parliamentary oversight, why will the Minister not reconsider his position and agree—

Mr. Speaker: Order, please. The Chair is concerned about a question relating to a matter currently before a committee and a proceeding before a committee. The Hon. Member knows it is not in order to ask questions in the House on a matter which is before a committee at this time. I will recognize the Hon. Member for Burnaby on a supplementary question. Can he ask a question that is in order?

An Hon. Member: No.

REQUEST FOR SERIES OF PUBLIC HEARINGS

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, in view of the importance of the legislation in question, will the Minister agree to hold public hearings across Canada to allow those Canadian individuals and organizations that are so concerned about this massive assault on their civil liberties to be heard, rather than attempting to ram the Bill through the Justice Committee, using closure?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, the question which arises is when does the time come for Parliament to make up its mind about an admittedly difficult but very important issue for the country.

An Hon. Member: It is not for you to judge.

Mr. Kaplan: The Hon. Member fails to take account of the number of briefs that have been received, the dozens of witnesses who have testified before the parliamentary Committee, the Senate Committee, the two Royal Commissions which considered the matter over a 15 year interval, and of the conclusions reached by many, many objective observers that it is time to get on with this now. The question now is how long one single Member of this House can prevent the parliamentary process from working.

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ENVIRONMENTAL AFFAIRS

ACID RAIN—STATEMENT ATTRIBUTED TO LIBERAL PARTY LEADERSHIP CANDIDATE

Hon. John A. Fraser (Vancouver South): Mr. Speaker, I have a question for the Minister of the Environment. The Minister will note that a couple of days ago John Turner decided to clarify his position on acid rain. He said: "I would move to the President and say, 'how about a treaty to protect our air as we protected our water?' " That is what he said. If it is that easy, what has the Minister been doing all these years? Why don't you get on with it?

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, I suggest to the Hon. Member that we should be charitable about statements made by people who are not Members in this House of Commons.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. Epp: That is the best answer the Minister has ever given.

Mr. Fraser: Mr. Speaker, one of my colleagues just said that is the Minister's best answer ever.

REQUEST THAT MINISTER BRIEF CANDIDATE

Hon. John A. Fraser (Vancouver South): Mr. Speaker, I know the Minister is very charitable, but would he do the following for the rest of us who have been working on this issue for some time? Would the Minister offer a briefing for Mr. Turner just to explain, first, what acid rain is and, second, what some of the problems are?

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, this may be only a partial answer to the Hon. Member if I tell him that I have been doing something about it as recently as yesterday on a visit to Chicago. This allowed me to put the Canadian viewpoint on acid rain to Americans, on the *America Today* show and to a conference held by the American Outdoor Writers' Association. I met last night with the Chicago League of Women Voters and I again put our position to them. I think by intensifying efforts of this kind and trying to reach the American voter, developing an alliance with Americans who see the issue the same way as we do, that eventually we will be able to convince the Washington administration of its importance.

Mr. Fraser: And what about Turner?

* * *

EXTERNAL AFFAIRS

POLAND—REFUSAL OF EXIT PERMITS—ETOBICOKE HUNGER STRIKE

Mr. Jesse P. Flis (Parkdale-High Park): Mr. Speaker, my question is for the Deputy Prime Minister and Secretary of State for External Affairs. Three of my constituents are on a hunger strike in front of the Polish Consulate in Etobicoke because the Polish Government is refusing to grant exit permits for their spouses and their children to allow them to join

their families in Canada. Can the Minister tell the House what his Department is doing to speed up the reunification of all divided Canadian and Polish families, in addition to these three specific cases?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, the Hon. Member knows that one of the major objectives of the CSCE has been to facilitate family reunification. There have been a number of cases with which we have dealt with Polish authorities. The additional cases which the Hon. Member mentions today serve our careful attention, but I must say we have had some success with the Polish authorities in these cases and we will continue to press them for further co-operation. I thank the Hon. Member for raising the matter because it will provide an occasion to make a further representation to these authorities.

* * *

EXTERNAL AFFAIRS

INTERNATIONAL CONFERENCE ON WOMEN'S ALTERNATIVES FOR NEGOTIATING PEACE

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, my question is for the Secretary of State for External Affairs. On Friday the Minister appeared to agree to help fund Canadian participation in the proposed International Conference on Women's Alternatives for Negotiating Peace. However, his reply was so shrouded in conditions that it is in doubt. Will the Minister tell the House of Commons now what precise amount of financial support the Department of External Affairs is prepared to provide?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, I cannot tell the Right Hon. Member the precise amount, but I did want to indicate, in the message which I sent, a positive attitude toward the request.

Mr. Dick: That means no money.

Mr. MacEachen: When we have further details we will attempt, both within the Department and in other government Departments, to fund as much of that program as is possible. I want to tell the Right Hon. Member that, even though there were conditions, the main purpose is to be supportive of the request.

PROVISION OF SEED MONEY

Right Hon. Joe Clark (Yellowhead): Could the Minister tell us whether seed money will be provided immediately, Mr. Speaker?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): In this case, Mr. Speaker, I do not think the term seed money is quite appropriate. I think what is required is financial support, not seeds.

FISHERIES

PROPOSED PUBLIC INQUIRY INTO ALCAN PROJECT IN BRITISH COLUMBIA

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Minister of Fisheries and Oceans who has now agreed to the need for a full federal public inquiry into Alcan's Kemano II project. His Department has completed the drafting of the terms of reference and is now searching for a chairperson for that inquiry. Will the Minister rise today, formalize the call for that inquiry, and give us some idea of a date when it might begin?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, the policy of the Department as outlined by my predecessor is that when there is a major project which could have significant impact on the fishery, there is a full investigation. Concerning the Kemano project, the policy of the Department is that we want a full-fledged inquiry. What is the most practical way of achieving that? Should it be only one inquiry under the B.C. Utilities Commission or should we have a separate one? Of course the two should not duplicate the work. This is what we will try to achieve through proper consultations with the province. As for the principle, as the Hon. Member said, I am ready to recommend a full-fledged public inquiry.

• (1500)

ROUTINE PROCEEDINGS

[*Translation*]

PENSION BENEFITS STANDARDS ACT

TABLING OF COPIES OF DRAFT AMENDMENTS

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, pursuant to Standing Order 46(2), I wish to table in both official languages, copies of draft amendments to the Pension Benefits Standards Act.

* * *

[*English*]

PETITIONS

MS. McDONALD—CHINESE HEAD TAX

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I have a petition to present today on behalf of a number of people who are members of the Chinese Elderly Persons Association of the Woodgreen Community Centre regarding the discriminatory nature of the Chinese head tax.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to issue an apology to Chinese Canadians for the treatment they received and to begin negotiations for proper compensation on the head tax.

Introduction of Bills

MR. WEATHERHEAD—PENALTIES FOR IMPAIRED DRIVERS

Mr. David Weatherhead (Scarborough West): Mr. Speaker, I have the honour to present a petition signed by 597 students of Cardinal Newman High School in the City of Scarborough, Ontario. The petition strongly supports the proposed changes in the Criminal Code of Canada as set out in Bill C-19 presently before the House, which would impose stiffer penalties for impaired driving. Therefore the petitioners urge the House of Commons to pass the relevant clauses of Bill C-19 relating to impaired driving as quickly as possible.

MR. SCOTT (VICTORIA-HALIBURTON)—LAW RELATING TO DIVORCE

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, it is my duty and pleasure to present a petition signed by a number of my constituents from the Oakwood Pastoral Charge of the United Church of Canada. These petitioners believe that the family is the cornerstone and basic building block of society and therefore oppose any means of making divorce quick and easy. They feel that any action taken to reduce the cost and pain of divorce is bound to increase the frequency of divorce and work to destroy the family—the very fabric that holds our society together.

* * *

CONSTITUTION ACT, 1867

AMENDMENT RESPECTING OFFICE OF PRIME MINISTER

Mr. Bill Yurko (Edmonton East) moved for leave to introduce Bill C-244, an Act to amend the Constitution Act, 1867 (tenure of the Prime Minister).

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Yurko: Mr. Speaker, the entrenchment of the office of Prime Minister of Canada in the Constitution of Canada has become imperative. The purpose of this Bill is to list the minimum qualifications required to become Prime Minister of Canada. It also provides for a maximum tenure of 10 years in office for a Prime Minister and for the power of the Governor General to swear in the Prime Minister and to remove him or her if he or she can no longer meet the conditions of this office.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 96 and 682.

[*Text*]

CANADA POST CORPORATION—PUBLIC RELATIONS EMPLOYEES

Question No. 96—**Mr. Howie:**

How many persons engaged in public relations, media relations or publicity are employed by the Canada Post Corporation?

Mr. Normand Lapointe (Parliamentary Secretary to Minister of Labour): The Canada Post Corporation informs me as follows: A total of 48 employees are engaged in public relations, publicity or media relations. Twenty are employed at head office and 28 in the divisions.

CANADA POST CORPORATION—STAMP ADVISORY COMMITTEE

Question No. 682—**Mr. Clark (Yellowhead):**

Did the Stamp Advisory Committee of the Canada Post Corporation reject the proposal to issue a postage stamp in 1984 to commemorate the 100th anniversary of women attending McGill University and, if so, for what reason?

Mr. Normand Lapointe (Parliamentary Secretary to Minister of Labour): The Canada Post Corporation has indeed informed me that the Stamp Advisory Committee recommended against the proposal to issue a stamp to commemorate the centennial of women attending McGill University because McGill was not the first Canadian university to admit women students and the Committee therefore considered it would be inappropriate to mark this anniversary with a stamp issue.

[*English*]

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

Mr. Speaker: The questions enumerated by the Hon. Parliamentary Secretary have been answered. Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Robinson (Burnaby): Mr. Speaker, we said no.

Mr. Speaker: I point out to the House that the net effect of refusal to let them stand is that all questions will disappear from the Order Paper. Is that the wish of Hon. Members?

Some Hon. Members: No.

Mr. Speaker: That will be the effect of refusal to let them stand.

Mr. Evans: If they do not stand, they disappear.

Mr. Speaker: Is it the wish of the Hon. Member for Burnaby that the remaining questions should disappear from the Order Paper?

Mr. Robinson (Burnaby): No.

Mr. Speaker: Then the Hon. Member should consent to let them stand. He can make up his mind.

Mr. Robinson (Burnaby): Mr. Speaker, judging from the speed with which the questions are answered, we might as well let them disappear; but certainly that is not our intention.

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

Mr. Speaker: Orders of the Day.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY—S.O. 62—CANADA LABOUR CODE

The House resumed consideration of the motion of Mr. Wenman:

That this House condemns the government for failing to introduce amendments to the Canada Labour Code during the first four years of this Parliament, and by so doing, unnecessarily putting at risk the health and safety of Canadian workers, failing to address the concerns of women in the workplace, and inadequately addressing the issue of technological change.

Mr. Speaker: The Hon. Member for Burnaby on a point of order?

Mr. Robinson (Burnaby): Mr. Speaker, I move:

That the House do now adjourn.

Mr. Speaker: The Hon. Member did not have the floor in regular proceedings.

Mr. Harquail: You cannot do that. The Speaker had already called Orders of the Day.

Mr. Speaker: I draw to the attention of the House that there are certain Supply items which according to the Standing Orders must be dealt with today. In the circumstances, the Chair cannot entertain a motion for the House to adjourn when the House is under the provisions of the Standing Orders relating to Supply. I call the attention of the Hon. Member to Standing Order 8(3).

Mr. Robinson (Burnaby): Mr. Speaker, on a point of order, that Standing Order does not preclude a motion to adjourn until such time as the votes on Supply are to be put.

Mr. Speaker: The Hon. Member is seeking to move a substantive motion, and he cannot move it without notice. In such a case he would have to give notice of such a motion. The Hon. Member for Calgary West (Mr. Hawkes) has the floor.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I believe I have five or six minutes left. The motion which we are debating today has as one of its statements—

Mr. Robinson (Burnaby): I rise on a point of order, Mr. Speaker.

Mr. Speaker: The Hon. Member for Burnaby rises on a point of order again.

Mr. Robinson (Burnaby): Mr. Speaker, my point of order is that surely a motion to adjourn is by no stretch of the imagination a substantive motion. Rather, it is a procedural motion which should be dealt with as all similar procedural motions are dealt with.

Mr. Speaker: The Hon. Member rose on a point of order in the first place. He cannot move a motion to adjourn on a point of order. That is the first irregularity. The second irregularity is that the House is under a disposition relating to Supply today. Therefore the type of motion which he is seeking to move cannot be moved without notice. The Hon. Member may wish to confer. That is the decision of the Chair. In the circumstances, the Chair recognizes the Hon. Member for Calgary West.

Mr. Hawkes: Mr. Speaker, the motion moved by the Hon. Member for Fraser Valley West (Mr. Wenman) indicated in part that we were condemning the Government for its failure—

Mr. Fulton: On a point of order, Mr. Speaker.

Mr. Speaker: I have a further point of order from the Hon. Member for Skeena (Mr. Fulton). Is it a different point of order? If it is a different point of order, we will hear the Hon. Member for Skeena.

• (1510)

Mr. Fulton: Mr. Speaker, I stand to be corrected but my understanding was that the first mention of the motion by the Hon. Member for Burnaby (Mr. Robinson) was not on a point of order. He rose before the House had resumed debate on the order of Supply.

Mr. Speaker: The Hon. Member for Calgary West had been recognized and had the floor. The Chair recognized the Hon. Member for Burnaby on a point of order. The Hon. Member seems to have difficulty understanding. Once conditions are applied to a motion to adjourn until a certain hour, which would have to be the circumstance today, it then becomes a substantive motion of the House and requires notice. The Hon. Member cannot move such a motion without notice. In view of the provisions relating to Supply today, an ordinary motion to adjourn is not in order and cannot be received by the Chair.

Mr. Hawkes: Mr. Speaker, earlier this day when I began my few comments, I mentioned that labour union leaders across the country and certainly members of labour unions that fall under the Canada Labour Code should watch the behaviour of the New Democratic Party. They indicate strong support for passage of the amendments to the Canada Labour Code Bill, but their behaviour is one of obstruction and delay.

You have to ask yourself whether it serves the interest of the New Democratic Party to deny members of labour across this country the right to health and safety which will be guaranteed by the passage of these amendments. Do we find a political filibuster for political purposes, for purposes of trying to win a few more seats in the next election? Do they really care about the health and safety of workers or do they just care about winning seats? Certainly the behaviour we witnessed in the last few minutes would lead one to the latter conclusion.

I began my after-lunch comments by indicating that the Hon. Member from Fraser Valley West, as part of his motion, condemned the Government for its failure to address the concerns of women in the workplace and for inadequately addressing the issue of technological change. I have before me one page of a study done by the European Management Forum, EMF, a research organization in Geneva, Switzerland, and I want to put a couple of figures on the record.

Their survey of some 22 nations indicated that when it comes to equality of opportunity for women in the workplace, Canada ranks thirteenth in the world. The number one nation is Norway and the number two nation is the United States in providing equality of opportunity in the workplace. I do not think it is good enough for a nation like Canada to rank thirteenth in the world when it comes to opportunity for women in our workplace.

The next question dealt with equal pay for work of equal value for men and women. Where did Canada fall in that criterion? Canada was nineteenth out of 22 nations surveyed, OECD nations, western industrialized nations. On the issue of equality of opportunity, it was thirteenth out of 22 and nineteenth out of 22 on the issue of equality of pay.

We have a Government and a lot of members of the Liberal Party of Canada who serve in this Chamber who believe that their record when it comes to women's issue is a good record. Those 1984 statistics tell us that in the last 18 or 19 years in which that Party has been the federal Government of this country our progress is abysmal. We are going backwards, not forwards, when it comes to equality of opportunity for women.

If we simply look at figures coming out of the Department as they relate to the issue of departmentally-funded training, we get some startling answers. The preliminary data for the 1983-84 budget year show that for critical trade skills training—the flagship of the federal Government of Canada and its commitment to training for the future—96 per cent of the funding went to males and 4 per cent went to females. In the preceding year on clerical training, you get the converse, 92.2 per cent of training dollars going to females and 7.8 per cent to males. It is the clerical jobs that are being replaced by the computer.

We in this nation are busy pouring money into training programs for occupations that are disappearing. We are putting that money in the hands of the women of this nation. In the meantime, we are trying to put some money into occupations of the future, the higher-paying, longer-range occupations. Ninety six per cent of that money is being spent on males and 4 per cent on females. No member of this Chamber should feel very good about that kind of record. We have not only created the problem of lack of equality of opportunity, but we are perpetuating the problem into the future through the spending patterns of the Liberal Government.

When the Hon. Member for Fraser Valley West moved his motion today to condemn the Government for its failure over a four-year period to protect the health and safety of workers, to provide equality of opportunity for women and to move on the issue of technology, what the Hon. Member for Fraser Valley West is asserting is fact. Over this four-year period of time, at the very least, the Government has failed in all of those three critical areas. When our standard of living has fallen from second to fourteenth, it is in large part because the Government did not believe in and was not willing to invest in people. Thus we are not creating the kind of wealth we need to take care of the disadvantaged in this country.

• (1520)

[*Translation*]

Mr. Normand Lapointe (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I would like to speak to the motion before the House today, a motion that ignores the very tangible efforts and progress of this Government in the field of occupational health and safety.

As the House is aware, the Bill tabled by the Minister of Labour (Mr. Ouellet) on May 15 of this year, an Act to amend the Canada Labour Code and the Financial Administration Act, contains a number of major amendments that will affect the three parts of the Canada Labour Code, dealing with, occupational health and safety, labour standards and industrial relations.

Clearly, Mr. Speaker, protecting the health and safety of Canadian workers which is the purpose of the legislation before the House, is a major concern of this Government. The present provisions of Part IV have been in existence since 1968. However, although provisions are effective where they apply, many workers, especially those employed in connection with the operation of aircraft, ships and trains, do not receive the full protection afforded by Part IV. The Bill tabled by the Minister on May 15 of this year corrects that situation.

Mr. Speaker, the purpose of the proposed amendments on occupational health and safety contained in Bill C-34 is to cope effectively with the challenge of a constantly evolving social and technical environment for Canadian workers and employers. The new legislation is the result of numerous and intensive consultation sessions with employers and workers. Indeed, it was not drafted on the spur of the moment.

The proposed legislation clearly reflects its main purpose, which is prevention, in other words, prevention of accidents on the job and occupational diseases. The 1984 revision of the Act is aimed at increasing the participation and responsibilities of workers and employers, at every stage of the prevention process. It provides for more active participation by workers and employers and for the control and implementation of measures dealing with health and safety. It also provides for setting up more effective lines of communication in the work place, so that the "voice of concern" for health and safety can be heard and corrective action taken.

Mr. Speaker, the new provisions concerning health and safety representatives and labour management committees are only two examples of this increased participation and responsibility. The proposal to establish an Advisory Council on Occupational Safety and Health clearly indicates this government's commitment to guarantee not only that all parties will be heard, but that they will have a significant role in the overall process of developing policies, regulations and programs. In all work places employing more than 20 persons, labour and management will sit together on Safety and Health Committees. In small offices and workshops, workers will have an opportunity to be heard through an official representative.

Members of the National Advisory Council will be selected from labour and management. Their responsibility will be to advise the Minister of Labour. Essentially, the revised act emphasizes the fact that safety and health problems should be solved by the main people involved, namely the workers. The former general statements of employer and worker responsibilities have been replaced by a concise outline of specific responsibilities which have been added to those established in 21 different sets of safety and health regulations. Those consolidated statements of responsibilities will focus on the legal obligations of all persons now covered. They will be easier to understand, more uniform and clearer.

That change will also provide for the establishment of future regulations that will also be more readable, more succinct and more economical to produce. The amended enforcement sections clearly show that this government is seeking compliance through a practical and enlightened approach. The government is aware that the vast majority of employers and workers are ready and willing to meet their obligations to maintain occupational safety and health. On the other hand, Labour Canada is constantly striving to develop policies and programs to ensure that all people involved are aware of their legal obligations and the way they can meet requirements.

Mr. Speaker, in consultation with the Department of Justice, a policy of compliance with the amended Act has been developed. The main objective of that policy is to obtain a high percentage of voluntary compliance with the Act, through fair and equitable provisions. This in no way means the enforcement procedures in the Act, including the availability of stiffer and higher penalties, will not play an important role in the enforcement of the Act, but enforcement is only one way of securing compliance. In most cases, enforcement procedures will be used only when attempts at obtaining voluntary compliance have failed.

The amendments to the clauses of Bill C-34 dealing with compliance should reduce the field of government intervention in the regulation process and will induce a higher degree of voluntary compliance. The supervisory activities of the occupational health and safety committees and the involvement of the members of the Advisory Council in the drawing up of legislation should promote voluntary compliance and reduce occupational hazards.

The improvements in the compliance policy will provide various procedures to deal with offences. The safety officer may accept a written assurance of voluntary compliance for a minor offence but, if necessary, he will officially set in writing the corrective steps needed or he will try to obtain a court order to remove the conditions posing an immediate threat to occupational health or safety.

Mr. Speaker, as a general policy, legal proceedings will only he launched for offences which are effectively crimes or serious violations of the law.

In a general effort to decriminalize the Code and to provide for more appropriate penalties the amendments to sections on penalties have greatly reduced the number of offences liable to imprisonment. Under those amendments, an emprisonment penalty can only be imposed in the case of offences related to deliberately dangerous acts in contradiction with safety and health standards prescribed under the legislation.

Some steps have clearly been taken to standardize the enforcement of the Code, as shown by the amendment which will effectively provide the protection of the law to workers who up to now were neglected as a result of legislation "subject to any other Parliament legislation".

Amendments to the sections that specified which workers are covered by the Canada Labour Code, and to the Financial Administration Act will from now on protect, either directly or indirectly, members of the federal Public Service working in transportation or on offshore oilrigs, and who were not covered before. This means that Part IV of the Code will now apply to approximately 300,000 more workers than before. The provisions which protect those who must do dangerous work were amended to specify the rights and responsibilities of those involved and to guarantee that fatal hazard or chronic illness situations will not be excluded from the motives which the worker can invoke to request legal protection. Experience has shown that the use of the phrase "imminent danger" was imposing restrictions hindered protection afforded to workers. This is why the word "imminent" has been deleted and the definition of hazardous work and normal occupational danger clarified.

In 1978, when the right to refuse to do hazardous work was introduced for the first time, there was concern that workers might abuse this right and that the employer could be faced with work stoppages resulting from the irresponsible or malicious use of the protection afforded. Experience has shown that these fears were unfounded and that the workers have used this right quite responsibly.

It is in the light of this experience that changes were made to the right to refuse to do hazardous work. The concept of acceptable risk or occupational danger was maintained in the provisions, but the wording is now clearer.

Refusal to work when the life or the health of someone else may be jeopardized is forbidden and restrictions to the exercise of this right have been imposed in the case of certain workers in the area of transportation to protect public health.

It is essential to a healthy economy and the welfare of Canadian workers that we constantly strive to improve all areas of occupational safety and health.

All Canadian workers, their employers and government agencies that deal with safety and health must be given the tools to do the job. In this way they will be in a position to efficiently communicate, under proactive programs to safely keep up with this decade's rapid technological and social change.

Mr. Speaker, thinking of the horrendous frequency of labour accidents, it is clear that corrective measures are an absolute necessity. When we look at the number of accidents and illnesses suffered by Canadian workers, we realize that strong steps must be taken to lessen this suffering. When the other aspects are added, productivity losses and very expensive compensation, the need for such measures becomes more acute.

Needless to say, simply amending the Act will not satisfy that need. However, the changes proposed in Bill C-34 will greatly help employers and employees better understand, share and take their joint responsibilities in the area of occupational accident prevention.

Mr. Speaker, the proposed amendments to Part IV of the Code are both significant and timely. As I said at the beginning of my comments, they clearly show this government's commitment and innovative approach to resolve a major problem.

I hope that all members in this House will show wisdom and objectivity and see to it that those amendments are passed into law.

• (1530)

[*English*]

Mr. Deputy Speaker: Are there questions or comments? Debate. The Hon. Member for Winnipeg-Assiniboine (Mr. McKenzie).

Mr. Fulton: I rise on a point of order.

Mr. Deputy Speaker: Is the Hon. Member for Skeena (Mr. Fulton) rising on a point of order?

Mr. Fulton: Mr. Speaker, I move that the Hon. Member for Kootenay West (Mr. Kristiansen) be now heard.

Mr. Dick: We agree, Mr. Speaker.

Mr. Deputy Speaker: Well, the Chair should have the motion in writing, first of all. Order.

Mr. Fulton, seconded by Mr. Blackburn moves that the Hon. Member for Kootenay West be now heard. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Carried.

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, this is an interesting day. In speaking to the Opposition motion which is before us, and to refresh our minds, I will remind the House that there were two motions presented initially for consideration, one presented by the New Democratic Party and the other presented by the Progressive Conservative Party. The Speaker, in his wisdom, decided to put the motion to the Progressive Conservative Party. We have no disagreement with that, of course. We are always willing to co-operate in order to expedite the business of the House and there is no business on which we are prepared to be more willing to bend or to compromise than on a motion which attempts to advance the timetable for measures relating particularly to the occupational health and safety of Canadian workers, be they men or women. That is the purpose for which we were elected.

I do not believe that anyone in reading the record of this House of Commons over the period of the last four years could have any doubt as to the position that I myself and my colleagues in the New Democratic Party have taken. As far back as three and a half years ago we were putting questions to the Government and being assured, in the words of the former Minister of Labour—that is three Ministers of Labour back—that we would have these amendments to Parts III, IV and V placed on the Order Paper "in the near future". That was approximately three years ago. I believe the date was June 1, 1981, if I am not mistaken. Here we are in the "near future" by Liberal definition—a very Liberal definition—and we still have not begun to debate second reading on the motion. We in this Party have been prepared to adopt almost any course of action. In fact, my House Leader, just a few days ago, on May 31, moved a motion to which I referred in questioning an Hon. Member of the Conservative Party earlier today, that we in the New Democratic Party would be prepared to move and to support that the Standing Orders be amended by adding, immediately following Standing Order 79(1), the following:

> The purpose of this Standing Order is to provide for the orderly and timely consideration of Bill C-34, an Act to amend the Canada Labour Code, and to be finally disposed of no later than June 30th, 1984.
>
> (b) When the House is considering the said legislation for second reading at the end of one day's debate, all questions necessary to dispose of it shall be put;

(c) That the said legislation shall be deemed to be returned to the House for report stage and third reading no later than June 28, 1984.

The subject matter of the legislation before us is so important and so vital to the lives and livelihoods of millions of Canadians that there is little, if anything, that our Party would not do in order to expedite its movement through second reading to committee and through third reading, in the hopes that it could be proclaimed before this Parliament is prorogued.

Approximately 1,500 Canadian workers are killed on the job every year. Approximately 20,000 Canadian workers are disabled on the job every year. During the time in which we conduct our debate today there is a very good chance that more than one worker will die and a certainty that many will be disabled. We have already waited some three years—that is almost the gestation period of an elephant—for these amendments to Parts III, IV and V of the Canada Labour Code. We cannot perceive of any reasonable excuse which anyone could have for not wishing to expedite these matters.

I would like to make a few rather personal comments on the legislation before us and on the kind of problems we face, especially in the industrial work places of Canada. I am at least one Member of this House for which this is not an academic subject by any stretch of the imagination. I do not know how many other Hon. Members have had the dubious privilege of having to sweep their workmate's brain off the pavement, or how many other Hon. Members here have had to go on more than one occasion to visit a newly widowed woman to tell her that her husband and your friend has been killed just within the last few minutes. I am sure everyone here will understand that it is not a pleasant task.

I also think back to a story I heard a year ago here in the City of Ottawa, or perhaps it was across the river in Hull. The young son of a woman who works for an Hon. Member of this House, a member of the Conservative Party, was killed in an industrial accident in this area. He was a young boy who had been given absolutely no training for the task which he was required to do. He fell or slipped into a piece of grinding machinery used for grinding up garbage, and as an old German workmate of mine used to say in our sawmill at Kootenay Forest Products, "One day comes home the hamburger". It is not pretty. Anyone who has seen the remains of people we have known and loved being poured into a box will agree it is not the kind of experience that makes one very patient with the kind of political horse trading—some of it for very dubious purposes—which seems to be taking place around this piece of legislation.

● (1540)

I am certainly not suggesting that anyone here would knowingly want to continue a regime which has encouraged the continuation of practices in industry which lead to so many fatalities and injuries every year. I know better than that. No one here wants that to happen. But sometimes by doing nothing we contribute to that continuation. While I know that none of us individually want to be responsible or see ourselves as being responsible for that kind of situation, there is a vast difference in the attitudes of governments of different political stripes when it comes to the emphasis placed on matters relating to life and death in the workplace.

I want to take Members back to a situation that existed prior to 1972 in the Province of British Columbia because it is relevant to our personal and political scale of priorities in regard to this issue. Since the 1930s there was legislation in British Columbia called the Factories Act. Many of us, including those in leadership positions in the labour movement and even people who worked for the Department of Labour in that province, were not aware of the existence of that legislation even though it had been on the books for almost 40 years. I and a few of my workmates found an old moth-eaten copy one day and we said, "Hey, this looks pretty good. It has some protective clauses here requiring lighting and ventilation in the workplace, the number of washrooms required per 100 employees and a whole host of things that could make many industrial workplaces much more civilized institutions." We asked some questions, but no one knew anything about it. We phoned the Department of Labour in Victoria, but no one had ever heard of it. Then, after the change from a Social Credit coalition government in early 1972 to an NDP administration we found that there were only two inspectors who were responsible for enforcing that legislation in the entire province. They must have been hiding in a closet somewhere for 35 years, but they were supposedly responsible. We immediately started hiring extra people to enforce the law, and we asked these two people how they ever accomplished their job. They were hired not only to inspect all existing industrial installations and factories in B.C., but to inspect every new work site before it went into operation. We asked how the two of them ever did that for the thousands and thousands of factories and workplaces throughout that province. They said, "Oh, we did telephone book inspections". The new NDP provincial Minister of Labour asked them, "Do you mean you just phoned the companies and asked them if they were obeying the law?" They said they did not have time for that. They just looked up the names of all the companies in the telephone book and transferred them to report forms.

That is the kind of farce that we will see again under people who continually call for smaller and smaller government and less and less regulation when it comes to the workplace. People who do that, whether it is by accident, design or ignorance, are guilty, Sir, of murder. They are guilty of murder, or at least manslaughter. Those of us who have gone through the excruciating pain of having to tell a woman that her husband was just murdered at the workplace by a regime which not only allows but encourages that neglect to take place do not have much patience with governments or politicians of any stripe who continue to allow that kind of ignorant action to take place.

We are now seeing the same thing again in the republic to the south of us, and the same things that used to prevail in British Columbia and is again happening under another government of a Conservative stripe calling itself Social Credit in

B.C. I find it interesting that the gentleman, who is now the labour critic for the Progressive Conservative Party in this House, was formerly a Social Credit MLA in British Columbia from 1966 to 1972, because we can look to that province to see what kind of provincial labour code changes we are now getting.

While even Members of the Government as well as Tories and New Democrats realize that the legislation in Bill C-34 before us could be improved, at least we know that it is moving in a more healthy direction to protect the lives of working people than the regime which exists today. It is poles apart from what exists now, but the legislation in British Columbia is moving in exactly the opposite way.

Mr. St. Germain: You are in Ottawa.

Mr. Kristiansen: I wish some of my Conservative friends, who are trying to remind me that I am in Ottawa, would remember that they also come from British Columbia, and that they would learn some lessons from it. I know where I come from. I know what kind of workplace I come from and I know what kind of province I come from. I know that I and hundreds of thousands of their voters as well as my voters are fed up and disgusted with the kind of regressive policies we are seeing followed right now by that coalition of Liberals, Tories and Socreds who call themselves a Social Credit Government in the Province of British Columbia. "Catch the Spirit" was their slogan in 1983. Catch the bloody spirit when you take a look at the things happening in workplaces paid for and managed by their friends every day.

So many investigations have been carried out by that conservative government to the south of us in the last little while that it has become evident that that government is also moving to the right in terms of occupational health and safety and away from any civilized conduct in labour relations. The kind of activity investigated by committees of Congress has been disgusting, and I would like to mention one example. In *The New York Times* of Monday, April 9, 1984, it said:

> Labour Department lawyers representing OSHA told the subcommittee staff at first that the documents were Mr. Vance's "personal property,"—

Mr. Vance was an officer of the Occupational Safety and Health Administration in the U.S. who was under investigation for some rather dubious deals between the OSHA and certain contractors who, members of Congress suspected were getting a rather easy ride from the government. It continues to read:

> —not subject to a request or a subpoena addressed to Mr. Auchter or his boss, secretary of labour Raymond J. Donovan. The Labour Department reconsidered and informed the subcommittee that the department's lawyers were withdrawing that defence.
>
> The requested documents still were not produced, and Mr. Vance subsequently told subcommittee investigators that he had stowed his office logs in the back of his pickup truck on a hunting trip and that his dog vomited on them. He said this had made the documents so 'disgusting' that he disposed of them in a rural Virginia dump.

That is also the disgusting nature of the apologists for that government in British Columbia, which tolerated manslaughter or murder in the workplace in past years and which is now engaged in moving toward a regime of industrial relations that will again welcome those kinds of practices.

I am sure some Members will suggest later on in this debate that I am being wild in my accusations. I do not make personal accusations because it is not individual acts that we are talking about. That problem is often a curse in the area of industrial health and safety. It is not an individual problem. The fact that some people feel that we must learn to live with and tolerate industrial death and injury is the problem. There is a collective perception that this is something which just happens along the way to earning a living, and if people do not like it they can quit. This is the same type of philosophy espoused by some of the people from the Fraser Institute in relation to prostitutes being beaten up by their pimps. The Fraser Institute is the outfit that advises the Government of British Columbia. They say that if prostitutes do not like being beaten up, they can always quit. That is management's right. Those are his words taken from his recent book. That is the kind of philosophy which prevails there, in spite of the fact that we have made great advances as a civilization.

• (1550)

Earlier in this debate I heard a Conservative Member saying that the Leader of the Opposition (Mr. Mulroney) understands the problem because he has respect for a lunch bucket, or whatever the rest of that garbage was. There is a difference between someone who has worked for wages in industry for a little while to work his way through school, and someone who is destined to work in heavy blue collar industry for the balance of his or her working life. It is the same as the difference between someone doing a weekend sentence for impaired driving and someone who is serving a life term in prison. Your attitude toward the institution is different. If you realize that you are there for life you take the problems which exist there a little more seriously. You learn very early that the idealistic conceptions of the law being fair are hogwash. The spirit of the law in North America or Europe was never designed to protect the lives or rights of working people in their workplaces. Initially, they were set up under the Magna Carta so that the barons would have a few more rights and the king would have a few less. It has not really changed that much.

I hope that some of the changes in Bill C-34 will provide for a regime which is a little more civilized, so that people who go to work and their spouses together will have a better chance of seeing their families at the end of the day. The toll is still too high. There are 1,500 people a year who are killed on the job in Canada and 20,000 a year who are disabled. That is more than we have lost in most combat situations in which the Canadian Armed Forces have been engaged. It is time to end it. Anything we can do to promote an end to that kind of regime and to get this welcome but limited legislation passed will be done. We will do all we can to co-operate with it.

Mr. Deputy Speaker: Are there questions or comments? The Hon. Member for Fraser Valley West (Mr. Wenman) on a question.

Mr. Wenman: The reality is that we could have three or four days of full debate in the House of Commons when everyone could talk about the problems of workers in Canada. We could have 10 days of debate in committee. The Canadian Labour Congress, the Canadian Federation of Labour, business and other workers' groups could appear before us. We could come back and have two or three more days of debate here and probably wind up this debate. Would the Hon. Member agree that the problem is one of the political will of the Government, which has 16 more government days? It is a matter of how the Government wants to use them. If the Government wants to use them for a good debate on the problems of the workers of Canada, it can do that. Does the Hon. Member agree with that?

Mr. Kristiansen: Mr. Speaker, I thank the Hon. Member for Fraser Valley West for his question. I agree that that is the prime responsibility. About two weeks ago in the House, prior to first reading of the Bill introduced by the Minister of Labour (Mr. Ouelllet), I asked him why it had taken three years up to that point to bring forth the legislation. After four years of acting as if they were Conservatives they start talking like Liberals in the last few months before an election. That is typical of that bunch over there. While this legislation is welcome, I do not think that lets the Government off the hook. I agree with my Conservative friend that the Government is ultimately responsible for the delay which has now got the House into a bind.

It is easy for road-blocks to be put in the way, either on purpose or by chance. The Government is responsible for leaving it to the last minute of the eleventh hour. In recognition of that responsibility, I hope that the Government will say to my Party and to the Official Opposition that one day of debate, if that, is enough on second reading. We in the NDP would agree to one speaker from each Party. We would agree to move quickly through committee with a time deadline in order to ensure that we could have a one-day debate, or a debate with one speaker from each Party at third reading, on the understanding that the Government will accept its responsibility and undertake that this legislation will go to the Governor General and be proclaimed before this House is dissolved. We do not want to spend another four or five years before deciding whether Canadian workers should stop being injured and killed in the numbers to which Canada has regrettably become accustomed during the past generations.

Mr. Wenman: Mr. Speaker, would the Hon. Member also agree that if we were to have a debate in the House of Commons and move the Bill to committee to hear representations from the CLC, the Canadian Federation of Business and other groups, we could improve this legislation? If not, why not?

Mr. Kristiansen: Mr. Speaker, it is always possible to improve. I can assure the Member that after two or three years our NDP task force has all kinds of suggestions for improvements. But we also recognize that, whether by accident or design, we are facing deadlines. We think that lives are more important than politics. We are quite willing to settle for half a loaf and put aside hearings, if necessary, in order that less people will be injured and die. The Government is to blame for leaving it so late. We are angry about that. Damn it, let us get on with the job because people's lives are at stake.

Mr. Deputy Speaker: Are there further questions? The Hon. Member for Beaches (Mr. Young).

Mr. Young: Mr. Speaker, it is my understanding that labour movements such as the Canadian Labour Congress and its affiliates have lobbied quite extensively for this legislation. Consultations between the Congress and the Government would indicate that extensive hearings before a committee would not be required. Even though they may not be satisfied with the total Bill, it is acceptable to them in its present form. Would the Member clarify that?

Mr. Kristiansen: Mr. Speaker, the answer is, yes, that is my understanding. Many representatives of unions across Canada as well as the officers and staff of the Canadian Labour Congress have been in close consultation with the Government. I know there have been consultations with my own colleagues in the New Democratic Party. I suspect as well that there have been some consultations with members of the Progressive Conservative caucus. They have expressed their willingness to forgo the opportunity to appear as witnesses, even though they would very much like to do so. They consider it urgent that this legislation, limited though it is, pass as quickly as possible. They are willing to surrender perfection for the sake of saving lives.

Mr. Deputy Speaker: The House will now proceed to debate. The Hon. Member for Winnipeg-Assiniboine (Mr. McKenzie).

• (1600)

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, I want to congratulate my colleague, the Hon. Member for Fraser Valley West (Mr. Wenman), for his excellent motion today regarding safety in the workplace, and especially for addressing the concerns of women in the workplace and for pointing out that the Government is addressing the issue of technological change inadequately.

Let me also take this opportunity to congratulate the Ontario Construction Association for its television advertisements on construction safety. These messages appear on television regularly and give a very vivid message which shows that many workers are not adhering to safety rules and regulations, which in turn causes many accidents. Being a former foreman of the Manitoba Telephone System for many years, I was involved in safety training and I found that it was a continuous job to train apprentices and even some of the old hands in using their safety glasses, hard hats and other equipment.

I think everyone has the responsibility to report any unsafe conditions in any industry. If the NDP knows of all of unsafe conditions in the workplace, wherever they may occur, there is

a responsibility to report it to the Government or to the Workmen's Compensation Board.

I have been reviewing the material prepared by my colleague, the Hon. Member for Fraser Valley West in the summary of the proposed amendments to the Canada Labour Code. I believe we have a reincarnation of the Hon. Michael Starr who was the Labour Minister in the Diefenbaker Government and Canada's most successful Labour Minister, who brought co-operation and harmony to labour and government.

Let me comment on some of the items in his document. He points out that the proposed changes in the Bill to amend the Canada Labour Code are the result of two years of extensive consultations with labour organizations and employers' associations and are intended to ensure that the Canada Labour Code continues to meet the rapidly changing realities of today's workplace. I am sure that we all agree with that, especially with respect to safety, which is the subject we are debating today.

Furthermore, on April 16 of this year, my colleague from Fraser Valley West presented a motion in the House under the Business of Supply on an allotted day in regard to technological change and the Government's delay in dealing with that issue. Therefore, our Party does not have to apologize to anyone for not being interested in labour problems or dealing with advances in the future. We are all labour. Before coming here we have all had to work in different occupations. Regardless of whether one is in the Conservative Party or the New Democratic Party, we are still all of us labour.

There is another area I would like to discuss with regard to a Private Members' Bill of mine with respect to an amendment to the Canada Labour Code. I would suggest to the Government that it give serious consideration perhaps to introducing a government Bill dealing with the issue I will raise in a moment. It would certainly be much faster than having to wait for my Private Members' Bill to be dealt with. It is in regard to injury to personal feelings and the different manner in which some industries and Crown corporations treat their employees. There is a double standard in their dealings with their employees.

I would like to read the explanatory note of this Bill into the record. It states:

> This amendment to the Canada Labour Code would ensure that the administration of a collective agreement would not have a discriminatory or detrimental effect on the employees covered by that agreement in comparison to other employees not covered by the agreement.

Let me give some examples of how this affects people in Air Canada. It concerns Air Canada's golden handshake policy in which it applies a double standard when rewarding its management for long and faithful service. For instance, in 1977, 356 management people took advantage of this benefit. At the time, the union raised a grievance at the headquarter's level, contesting the fact that the early retirement program only applied to management personnel and not to employees covered by the IAM collective agreement. That is clearly a double standard that is causing great concern among many of the machinists at Air Canada. The grievance was denied by the company on the basis that no surplus situation existed with respect to people covered by the IAM collective agreement.

Since that time, the membership of District Lodge 148 IAM-AW has been concerned with this discriminatory policy. As a result of a resolution passed by members who were present at the 1981 convention, District Lodge 148 executive board set up a one-man committee to look at all aspects of Air Canada's golden handshake program. It provided early retirement for many senior officials in Air Canada. Twenty-one million dollars was set aside in the golden handshake program. Instead of using some of that money to keep machinists on at that particular time, they were being laid off.

Further meetings between the company and the union on this issue took place in 1982. At a meeting in September of that year, the company talked about a VSP for IAM members, but it would be substantially less than one being offered to management. That is why I presented my Bill, which would call for the same compensation for employees at retirement or lay-off, whether he be a white collar worker or a blue collar worker.

I do not want to hold up passage of the Bill. I think there has been excellent debate. We are all in agreement that the Government must take immediate action before we adjourn at the end of June. I understand that my colleague, the Hon. Member for Mission-Port Moody (Mr. St. Germain) wishes to enter the debate, and I want to give him that opportunity. I am sure he can discuss the British Columbia question in an excellent manner.

Mr. Deputy Speaker: Are there questions or comments? The House will now proceed to debate.

[*Translation*]

Mr. Jean Lapierre (Shefford): Mr. Speaker, in my response to the Opposition motion concerning Bill C-34, I would like to stress a very important point. The major changes to the Canada Labour Code cover not only occupational health and safety but also labour relations and labour standards. I would like to speak more specifically to the latter today, since it is a subject that was not necessarily discussed by our colleagues opposite.

Although all the amendments proposed are important, two of the changes which relate to labour standards are fundamental: the guarantee of a work place free of sexual harassment and the availability of leave of absence for child care to fathers and adopting parents. These innovative provisions are meant to cope with serious social problems. Before presenting the proposed amendments, the Government asked for the opinions of all parties that would be concerned by the legislation.

In December 1979, Mr. Speaker, the Government submitted all amendments to the parties concerned. Consultations went on until last March, and the result is a series of carefully balanced amendments which reflect the concern of the principal groups involved.

At this point, Mr. Speaker, I would like to draw your attention to what I consider to be the major changes proposed in Part III, and I am referring to those that cover the leave of absence for child care and sexual harassment in the work place.

Over the last thirty years, a very substantial shift has occurred in the labour force in Canada. From 1951 to 1980, the proportion of women in the labour force rose from 22.2 per cent to 40.1 per cent. In 1980, Canada broke through a critical barrier when the women's participation rate went over 50 per cent. In other words, the percentage of women actively engaged in the country's economy simply doubled in barely 20 years. From a social standpoint, this massive influx of women in Canadian plants and offices has to be one of the most lasting and notable changes in this day and age. It has forced all Canadians to reassess their personal views based on tradition and compelled Governments to redesign and redraft their public policies.

● (1610)

Some 15 or 20 years ago, there was no need to account for an employee's family responsibilities when drafting employment policies. Once married, most women would quit working and devote themselves to their home and the education of their children. Husbands were supposed to give all their attention to their own career to ensure the financial security of their families. The reasons behind the disappearance of work distribution on the basis of sex are many and varied, and they are due to economic, educational, demographic and psychological considerations on which I would like to comment briefly.

From an economic viewpoint, it is obvious that two salaries were needed by the many families that wanted to raise their standard of living. Unfortunately, it is equally obvious that, in a good many families, the husband's take-home pay is hardly enough to maintain the family income above the poverty level. Indeed, a recent study revealed that the number of families living in poverty would increase by 51 per cent if women did not have any income. Another factor which did contribute to boost female representation on the labour market is that the educational standards of men and women at all levels have been rising.

Statistical data and plain common sense indicate that there is a genuine and solid link between the level of education of women and their rate of participation in the labour force. With respect to demography, higher divorce rates, fewer marriages and the upward trend in the average age of newlyweds are all factors which had an influence on the economic activities of women. In that respect, it should be noted that, even though the participation rate of women of all age groups has increased considerably, that increase has been even more striking in the 25-to-34 age bracket. In 1981, almost two thirds of women of child-bearing age were on the labour market.

Finally, let us not forget that psychological factors are just as significant as all other factors combined. Many women like the independence which comes with gainful employment. Whether we like it or not, independence spells respect in industrialized democracies and a regular pay cheque is the guarantee of that independence. In addition, it would seem that women exert more influence in the family decision-making process simply because they can get a job and earn a salary. As women are more and more present on the labour market, they quite naturally demand equal pay for work of equal value. Along with many others, the federal government launched a number of programs to advance the status of women. Unfortunately, as was admitted by Kathleen Newland, of the Worldwatch Institute, progress toward a new and fair distribution of jobs in the area of paid work force is hindered by the persistence of the former and unequal distribution of household tasks. In other words, even though men no longer exert a domination over paid jobs, women have found themselves, quite against their will, with a real monopoly over non-paid household tasks.

The results are obvious. As long as men do not assume a larger share of the work within the household, women will be unable to benefit from attractive work opportunities on the labour market. Also, according to Ms. Newland, employers will continue to treat women without any consideration as long as they presume, and rightly so, that women will be the ones who will quit their jobs, even temporarily, in order to look after their young children, take time off in order to nurse a sick child, refuse to work overtime because of their domestic responsibilities and follow their husband when he is transferred.

As a great number of women workers know too well, the interruptions in their career caused by pregnancies and child rearing have a tendency to reduce their seniority, to have a negative influence on their promotion opportunities and to hinder their eligibility for fringe benefits.

All these considerations are powerful arguments for the reforms to Part III that are included in Bill C-34. In short, these amendments are the result of considerable effort on the part of the federal Government to help workers covered by the Canada Labour Code to reconcile their domestic and professional responsibilities. For example, at the present time, women employees must have been employed for 12 months in order to be eligible for maternity leave. It is proposed to reduce this eligibility period to three months, reflecting the far reaching changes which have dramatically modified the structure of the activity rate. As we are all aware, the birth rate in Canada has been plummeting ever since 1960. In fact, since 1972, it has been below the population replacement rate. In other words, as long as women continue to show a deep commitment to their career, it will no longer be necessary to require of them a long eligibility period. Under the current legislation, only pregnant employees are entitled to this type of

leave. Natural fathers and adoptive parents cannot be granted leave of absence for child care responsibilities. In order to encourage the sharing of domestic chores and break the unappreciated "monopoly" which I referred to earlier, the Government is providing for a 24-week long leave without pay for child care responsibilities for both natural and adoptive parents. In a major amendment, the Government has provided that no employer shall require a pregnant employee to take a leave of absence, unless she is unable to perform an essential function of her job and no appropriate alternative job is available for her.

The Government is moving this amendment because the courts have ruled that no provision in the Labour Code could stop an employer from requiring a pregnant employee to take a leave of absence from her employment. They felt that it only precluded the employer from refusing a leave of absence. It was therefore necessary to define more accurately the intent of the legislator to ensure that no employer could unduly require a pregnant employee to take a leave of absence without pay.

As to the reinstatement of an employee, the purpose of the new clauses is to remove certain discretionary powers which the employer has now by requiring him to reinstate the employee in the position that employee occupied before the leave of absence commenced. Whenever possible, the employer must reinstate the employee in a comparable position with the same wages and fringe benefits and in the same location.

The government intends also to reinforce the fringe benefits protection scheme under the Canada Labour Code by demanding the uninterrupted accumulation of retirement, sickness, disability and seniority benefits while an employee is on leave of absence.

There is also a provision concerning the right to notice of employment opportunities. Many employees are aware that lost opportunities during a leave of absence for family responsibilities are often tremendous and hard to make up for. It is therefore imperative to legally prevent the dire consequences of an employment stoppage for child care purposes on one's opportunities for promotion. Under the new provisions, every employee must be informed in writing of every employment, promotion or training opportunity that arises while on leave of absence. The employee will then be in a position to decide what is to be done during that leave of absence and to keep in contact with his or her place of work.

In my opinion, the last three amendments concerning reinstatement, accumulation of benefits and notice of employment opportunities are of utmost importance, for they demonstrate at last to women employees that they will no longer be penalized for assuming as mothers, their indispensable role to society. It is clearly unfair that this role should affect so negatively nearly all aspects of their professional lives, including their revenues, fringe benefits, promotion opportunities and experience.

I am delighted that the Minister chose to include those provisions in the Labour Code and I hope that all parties will agree to have those amendments passed quickly by the House. I hope as well that the amendments pertaining to sexual harassment will gain wide acceptance. We Canadians have been tended to consider sexual harassment as strictly a human rights issue, and employees who were so victimized in the work place quite often just did not know how to react.

Until last year when the House adopted amendments to the Canadian Human Rights Act, the legislation did not contain any specific reference to sexual harassment and very few employees were aware that such behaviour could lead to legal action on grounds of sexual discrimination. Even though recent amendments to that Act leave no doubt as to that, there are persons who are often reluctant to use those means.

The investigation of a complaint under the Canadian Human Rights Act lasts more than a year, and its success depends on the ability to adduce evidence that will convince an ordinary court of law. Unfortunately, that kind of evidence is not always easy to gather in cases of sexual harassment. Even though a complaint may be settled by one of the Human Rights Courts, probably the settlement of one such complaint would not be a deterrent, since in order to reduce those cases, the shamefulness and unacceptability of such conduct would have to be publicly recognized. Therefore, with the current amendments, a definition of sexual harassment would be introduced in the Code to clarify what is meant by such a conduct. In my view, this will significantly help reinforce the fact that sexual harassment is a degrading behaviour, an insult to human dignity and an unacceptable conduct when a person's occupational life is affected. Further, after consulting the employees or their representatives, employers would have to develop a policy prohibiting sexual harassment and make each of their employees aware of its contents.

In order to put an end to such harassment, the active co-operation of employers is needed because they can not only increase the level of people's awareness, but also take immediate disciplinary action after a specific incident. They can control sexual harassment in the workplace just as they control hazardous behaviours.

Mr. Speaker, the reforms put forward in Bill C-34, involving as they do not only Part III, but also Parts IV and V, are progressive and timely. Further, the extensive and therefore stimulating consultations that were held with labour and management representatives proved they were both practical and workable. I am confident honourable members will support these major government initiatives, and they will do so as soon as possible.

• (1620)

[*English*]

The Acting Speaker (Mr. Herbert): There follows a period of ten minutes for questions or comments.

Mr. Kristiansen: Mr. Speaker, could the Hon. Member for Shefford (Mr. Lapierre) tell the House why, in view of the fact that negotiations on Parts III, IV and V of the Canada Labour Code have been taking place for some three years since the time when the then Minister of Labour on June 1, 1981 said that they would be coming soon, it was only in the last few days that Bill C-34 was given first reading? Certainly we in this caucus were aware that negotiations were progressing along the road to completion some months ago. Why has the Government, for whatever reason, placed us in the House of Commons in the position of being required to expedite the hasty implementation and proclamation of major reforms to the Canada Labour Code in order to get results before the prorogation of Parliament? If it thinks that the objective is important, why is it placing us in the position of having to forgo some of the realistic opportunities for amendment and discussion which should be the right of Parliament and of the people of Canada?

Mr. Lapierre: Mr. Speaker, I want to tell the Hon. Member that those dispositions are before the House now. If we had had the collaboration of his caucus earlier and free time in the House, I am sure we could have come forth with those modifications sooner. The consultation was a long process. We wanted to ensure that the proposed amendments would result in a consensus. It appears that is so. Most Hon. Members seem to agree with the amendments. I think it is sooner than soon. In a way the Hon. Member has to realize that there is always an end to a session. Whether it is this Bill or any other one, Bills are always proposed at the end of a session. We are hoping that the consultations beforehand were sufficient to obtain support. All of us would have liked to have had this legislation before now, but maybe it was not ready then or the spirit was not there. Now we have the political will we will be happy to pass the legislation right away.

[*Translation*]

The Acting Speaker (Mr. Herbert): Other questions, comments? Debate.

[*English*]

Mr. Gerry St. Germain (Mission-Port Moody): Mr. Speaker, it took the Government four years to bring this forward. Who does the NDP criticize? It criticizes the provincial Government of British Columbia. I find that to be totally irresponsible. Members of that Party want to adjourn the debate. They are being obstructive in the House for political expedience on a matter affecting the working man whom they profess to protect. The working man would be in a lot of trouble if it were up to the NDP.

We are entering an age of new technology and labour relations. We must be as sure as possible that we have the correct labour code to deal with the problems at hand. We on this side of the House are not trying to delay the Bill. We are trying to bring forward the best legislation for the working men and women of the country. Labour and labour-management relations have been a big part of my life. I was a union president and had to sit across the table from management. I was told that there was everything but safety and wage increases for my membership. Later, as a contractor I remembered the lessons of my union days. I had respect, consideration and a good sound communication with the men who worked in my organization.

Fairness should be the hallmark of all labour-management relations. That must be the thrust of labour-management relations and, if I may say so, we require a new labour-management code to establish a new standard of behaviour for both sides. A civilized labour atmosphere is indicative of an advanced civilization.

The Hon. Member for Fraser Valley West (Mr. Wenman) moved a motion concerning the health and safety of Canadian workers, women in the workplace and technological change. Initially I should like to address the area of technological change, its impact upon the youth of the country and the unemployment which has resulted because it was not addressed by the Government opposite. The primary concern of all of us should be the 1.5 million to 2 million unemployed Canadians. The biggest issue facing Canadian today is that of jobs. That should be the concern of every Bill which comes before the House.

We cannot be sure of the real numbers of unemployed, but there are many out there. Unemployment affects nearly every household. It affects my household. I have trained, educated unemployed youth in my home. Canadian workers are out of work not because they do not work hard, not because consumers do not want to purchase the goods and services produced, but because of the disastrous management of the economy by the present Government, the growing national debt and high interest rates. All these factors have diverted attention away from attacking the real problems at hand. Our technology has not advanced with the rest of the world.

• (1630)

Earlier this year I had the privilege of attending the OECD Conference in Paris. Countries with the most civilized labour relations have the least problems. They have addressed the question of technological change. Japan has addressed the problem. It has a labour code and code of ethics which attacks the problems at hand. This Government has done nothing to mitigate the crisis of unemployment. Although the Government denies it is a crisis, especially for the young, there are between 600,000 and 1,000,000 million youth unemployed. If we really check the figures, it would probably be closer to 1.5 million. Because of this despair and frustration, some youth have totally given up looking for jobs.

The Labour Code has not done anything with regard to technological change. The Government has seen fit to shirk its responsibility. Our youth are totally ill-prepared. The Government does not adequately address the issue in Bill C-34. It

would be nice if it did. Our Party will not delay Bill C-34 because it does not deal adequately with this issue, but Canadians have the right to know the inadequacy of that Bill. That is why normal debate should take place.

We cannot make the point often enough that even though we have high unemployment, 40 per cent of Canadian firms report difficulty locating workers with necessary skills. That is hard to believe. A lack of foresight and planning and proper labour legislation has brought about this situation.

Has the Government notified Canadians of technological change? Has it prepared for the over 30 per cent of Canadians who are considered functionally illiterate? There are sources that have done studies such as the one entitled, "Global Stakes, the future of high-tech in America". It lists the number of professionals per ten thousand people. In North America there are 40 trained accountants, in Japan there are three. There are 20 lawyers in North America compared to one in Japan. However, there are 25 engineers in North America and 35 in Japan. They do not have low unemployment and are not meeting technological change because they do not know what they are doing. They know what they are doing. They are training and giving the guidance that is required of government.

Government training and educational programs in this country are totally inadequate. Because of its inadequacy, the Government has been forced into programs that do not necessarily apply to the problems. This has resulted in a band-aid and make-shift situation that is costing billions of dollars and is not attacking the problem the way it should. Programs are consolidated and then splintered. All the while the problems continue to stare us in the face. The priorities are missed. Our apprenticeship programs in this country are far behind those of other countries. We have the lowest apprenticeship enrolment in the western world.

Co-operative education and literacy training receive the smallest financial support. Co-op education is one area that has a direct effect on solving the problems. There the technology is taught in direct relationship to the needs of business. Co-op education is working on the job part-time and attending classes for the remainder of the day.

I said before that 30 per cent of our population is functionally illiterate. With education as necessary as it now is, what does the Government do? It introduces Bill C-12, which has the net effect of reducing funding for post-secondary training. We in the Opposition have put forward amendments. We oppose the Bill in its present form. It should have more social direction and aim. We want money to go to the technological institutes and the training schools. What does the Government do? It ignores us.

Bill C-34 should address the problem of training, phasing our youth into the labour market without jeopardizing trade unions or the viability of business. Bill C-34 and our Labour Code should lead the way, setting the precedent for all other labour Bills.

In Canada we run and hide from technology. We are a trading nation. Over 30 per cent of our GNP is tied to foreign trade. Incredibly, 1968 we traded more than Japan. Today their trade is more than double ours. We must face up to technology and ensure that the transition is fair. The worker on the job must be given ample time for change. Why was the Labour Code not brought forward sooner? Does it contain those provisions? No. We must address the jobs of the future if we are going to have a productive society and a reduction of unemployment levels.

Before an election and just before the end of a session, we see a labour code. The Member on the Government side pointed out that some Bill had to be brought down before the end of a session. I agree. However, why such an important Bill? It is a basic right to have good, sound working conditions. Why jeopardize that by bringing in the Bill so close to the end?

Earlier this year the Hon. Member for Perth (Mr. Jarvis) said that something should be done about this. He asked where this legislation was. The Government has shirked its responsibility. It is using a labour situation as a political football to try to embarrass the Opposition and to blame someone else for its shortcomings. The Hon. Member for Kootenay West (Mr. Kristiansen) spoke about safety. He made it sound as though his Party were the only Party concerned about safety. He wanted us to believe that he is the only one who has ever worked in the trenches. A lot of people in the Official Opposition have worked in the trenches, and I am one of them.

Mr. Kristiansen: On your way through.

Mr. St. Germain: Not on our way through, not for one minute. My entire family have been involved in construction for all of their lives. I know what safety is. I have been head of a labour union whereas most of you guys in the NDP have never even had a job.

• (1640)

Mr. Kristiansen: Most of which guys?

Mr. St. Germain: You fellows in the NDP.

Mr. Kristiansen: That is a lie.

Mr. St. Germain: The Labour Code covers only 10 per cent of the workforce. But as there were 82,000 workers injured and 18 workers killed in 1981, as the Hon. Member for Fraser Valley West pointed out, this area deserves careful attention. Why so late? Again it is a political Bill and the NDP would like to make it a larger political football than it is already.

Mr. Kristiansen: We just want to pass it.

Mr. St. Germain: This is a legal precedent-setting piece of legislation. It is not worthy of this Government to wait so long to introduce it. The Government is slipping it in just before an election.

If you were a worker, Mr. Speaker, affected by the Labour Code and apprehensive about technology and displacement,

would you be reassured by the Government opposite? I am sure, Mr. Speaker, that you would not be. Would you be happy with the Government for ignoring your concerns for so long and now rushing the legislation through? I cannot overemphasize that fact. The Government has not weighed carefully all the planning or all the contingencies, and it has been especially negligent in the past in anticipating technology. It has not anticipated technology to the slightest degree. The Government has not recognized nor has it rectified safety and health hazards. This is a very, very serious area that we as an entire House should address together. As the Hon. Member for Fraser Valley West has pointed out, he is prepared to expedite this particular piece of legislation.

I would like to comment briefly on the labour and management relations and the lead role that the Bill should play in that area. The mishandling of the Labour Code by the Government is part of a bigger problem—its attitude toward labour and its poor handling of those relations. The Government in Ottawa must take the blame for much of what is wrong between labour and management today. Not once has it come up with a reasonable idea or given great consultation to labour and management in working together. It has consistently dodged and ignored the basic requirements. It is of absolute necessity that we establish and start working toward good, sound labour-management relationships. This area should be included in the federal Labour Code.

We must start looking at work sharing. However, here again work sharing can only be achieved with a sound economy. I have had discussions with the Hon. Member for Hamilton Mountain (Mr. Deans) regarding youth unemployment. I pointed out that work sharing is inevitable. However, we must have a responsible and sound economy if we are going to enter into this particular area. We must improve technology and distribute profits equitably. If we do not improve our technology, we will not be able to compete in the world of tomorrow. That will compound the unemployment problems which we now have. If we are going to move toward work sharing and a more equitable distribution of wealth, it can only be achieved if we maintain a high level of technology.

I would like to speak very briefly about women in the workplace. With the rising rates of divorce and the rising rates of unemployment, there are substantial numbers of women who are being told that their jobs have been terminated. However, their responsibilities for the needs and support of their children have increased. The average income of a man is approximately $35,000, whereas for women it is about half that figure, that is, $17,000. The Hon. Member for Kingston and the Islands (Miss MacDonald) will be speaking today on this subject. However, I wanted to mention the fact that I am concerned about the plight of women. I think that all governments should be concerned. As well, I think that the Labour Code should address this very, very important item as well as those of technology and safety.

The Acting Speaker (Mr. Herbert): There follows a period of ten minutes for questions and comments. For a question, the Hon. Member for Winnipeg North (Mr. Orlikow).

Mr. Orlikow: Mr. Speaker, I would like to address a couple of questions to the Hon. Member who just spoke. He talked about the fact that 30 per cent of Canadians are functionally illiterate. That is true. He criticized the federal Government for not dealing with this very important defect in our education system. That criticism is one which has been made by many other Members on both sides of the House. He also talked about the fact that we have one of the lowest numbers of apprentices of any of the modern technological societies and that our technical education is deficient. All of that is true. For all that, the federal Government must share a very large part of the responsibility. But I would like to ask the Hon. Member: Does he not realize that under the Constitution and the provisions of the British North America Act, education is the responsibility of the provinces?

What has happened is not just that present and past federal governments have failed to deal with the problems. If I could digress for a moment, I would like to say that in the Diefenbaker years great strides were made in the setting up—because the federal Government helped fund them—of technical schools which later became community colleges. The fact is that not only has the federal Government failed to do what it should have done, but virtually every provincial government has failed. What we have seen in the last few years, particularly during the last few years of the recession, is that not only has the federal Government cut back on what it should be spending on this kind of education, but almost every provincial government has cut back also. No province has been more ruthless and more determined to make the cutbacks and to put those cutbacks into effect than the Hon. Member's own Province of British Columbia with its Social Credit Government. I would like the Member to comment on that point.

Mr. St. Germain: Mr. Speaker, I thank the Hon. Member for his question. I understand the problems of the federal-provincial agreements on education. However, I honestly feel that the lead role must come from this Government. If the Hon. Member has been watching, traditionally the Government opposite has not been able to work with the provinces. If the leadership is not to come from here, and the other ten children are faltering along the way, I think that it is our responsibility as a senior government to provide the leadership which is required. Inevitably we will be footing the bill. We pay for UI and we share a major cost of welfare. I am fully aware of what the Hon. Member is saying. I am not here to protect any province or any provincial Party. I am here to represent people at the federal level as I was elected to do. That leadership is our responsibility. We will not gain anything by throwing bric-a-brac at the provinces. The only way in which we will achieve anything is by working together with the provinces and showing them, if they have shortcomings, where those shortcomings are. Criticism is fine as long as it is constructive.

Mr. Kristiansen: Mr. Speaker, I listened with interest to the comments made by the Hon. Member for Mission-Port Moody (Mr. St. Germain). He wondered aloud why the New Democratic Party, and I think myself in particular, should have

spent equal time—although he suggested that it was all the time—attacking the provincial Government of British Columbia instead of attacking the federal Government for its irresponsibility in delaying the introduction of this legislation. I thought I had done that, Mr. Speaker, not only today in commenting on the miserable record of the Government in the last four years in this regard, but certainly I did so in the House of Commons a few days ago when I believe I used the phrase of CLC President Dennis McDermott, "sleazy Liberals", referring to these people in the Government who act like Tories for four years and then sound like Liberals for a couple of months. And after saying that this legislation would be brought forward "in the near future", the Government delayed it for three years, and we have finally received it in the last minute of the eleventh hour.

• (1650)

The Hon. Member was wondering, however, why I spent some time talking about the Conservative Government of British Columbia, and I would point out that it is composed of Socreds, Liberals and Tories. All one needs to do is to look at the signs which my Conservative opponent in Kootenay West had up on his lawn during the last election. They were Socred signs. They go to each other's nominating conventions. They are the same people. There is an old phrase with which I am sure the Hon. Member for Mission-Port Moody (Mr. St. Germain) is familiar, that is, "If it acts like a duck, walks like a duck and quacks like a duck, chances are it is a duck".

I ask the Hon. Member for Mission-Port Moody this: In view of what has been happening in the current Labour Code amendments before the Legislature of the Province of British Columbia, in view of the number of right-to-work amendments to the Labour Code introduced by members of his own caucus in the House of Commons, and in view of what the Conservative administration of the United States has done in order to destroy individual workers' rights and attack the U.S. occupational safety and health administration, why should workers in Canada not say, "A bird in the hand is worth two in the bush, and regardless of the debate on C-34, regardless of the fact it could be better, let us get this legislation passed now so that fewer of us will die or be injured in the future"? Why should they not say that? I am used to cutting cards with the devil, but I will not hand the deck of cards over to him to do with what he wants. Who knows what the next election will bring.

Mr. St. Germain: Mr. Speaker, I am sure that as much as the Hon. Member will not recognize it, there were some people who were traditionally NDP, and perhaps still are, who voted for me, otherwise I would not have been able to win the election.

With respect to the Hon. Member's question, there is no doubt that if we cannot get amendments in a fairly short period of time, without delaying this particular Bill, our Party will accept what is there, as much as we would like to see many more amendments to the particular Bill. However, the fact remains that there is still one very big problem we are facing. I believe that the safety of the workers is the most important aspect of this Bill, but I believe also, with respect to technological change, that we are getting very close to the point where we are not going to have any workers because there are not going to be any jobs. This is why we in this Party feel we should be addressing this particular aspect, as well as the matter of women in the workplace who are playing a more predominant role, and rightly so. I believe we must act when we have the chance, and the chance only comes once in every four years, and perhaps less frequently than that, and who knows who is going to be elected next. I am sure that we in our Party are going to be elected, and if we are, there will not be any problem. The Hon. Member can rest assured of that. We will look after all these things in a proper manner for the benefit of the working man. However, I can assure the Hon. Member that we will be expediting this Bill. We will not delay it unnecessarily.

The Acting Speaker (Mr. Herbert): There is time for a short question.

Mr. Fulton: Yes, I have a very short question, Mr. Speaker. I would like to know whether or not it is in fact the position of the Hon. Member for Mission-Port Moody that he and his Party would not support this Bill going through in one day?

Mr. St. Germain: The three House Leaders, Mr. Speaker, to my understanding, have been in negotiation with respect to this.

Mr. Fulton: But where do you stand?

Mr. St. Germain: Where do I stand? I will be working to improve the Bill as much as we possibly can within a reasonable period of time and we will try to have it passed before June 30.

The Acting Speaker (Mr. Herbert): That is the end of the ten-minute period for questions and comments. We will continue debate.

Mr. George Baker (Gander-Twillingate): Mr. Speaker, I will not be very long in my remarks because I would like to listen to the Hon. Member for Kingston and the Islands (Miss MacDonald) for at least 20 minutes or 25 minutes on a subject in which she has always been interested. My colleagues have addressed mainly the contents of the Bill which was introduced by the Minister of Labour (Mr. Ouellet) on May 15. This legislation proposes to amend Parts III and IV of the Canada Labour Code. In addition, a number of the clauses contained in Bill C-34, an Act to amend the Canada Labour Code and Financial Administration Act, would amend Part V of the Code, the provision governing the conduct of industrial relations in federal jurisdictions. Like the other parts of Bill C-34, Mr. Speaker, these amendments are the product of lengthy and complex consultations with unions and employers under this legislation, and that of provincial jurisdictions.

I would like to discuss for a few moments the proposed changes to Part V of the Canada Labour Code, that is those changes dealing with industrial relations and the collective

bargaining process. Labour relations legislation establishes the rules and procedures for collective bargaining, unionization and certification of bargaining agents. It establishes the rules of conduct between labour and management by setting out their obligations and responsibilities. It is vital that labour relations legislation be balanced, workable and generally acceptable to the industrial partners. Much has been written about the adversarial nature of collective bargaining and it would be utopian to hope that full consensus could be reached between labour and management on labour relations legislation. However, it is essential to secure the greatest degree of consensus possible and to have the benefit of advice from industrial relations practitioners on this very complex subject. Such advice was sought from the Canadian Labour Congress and other labour centrals and every major federal employer in Canada.

In 1972, the Government introduced what I would call radical amendments to the Code governing the introduction of technological change during the term of a collective agreement and more changes are needed to make that completely fair. Prior to 1972, under the management's rights theory, employers could sign a collective agreement with a union for two or three years and then immediately introduce technological changes which could drastically affect the working conditions and livelihood of the employees, thus radically changing the terms under which the bargain had been made. Such tactics resulted in considerable labour unrest and, indeed, a major wildcat strike on Canadian National Railways, which brought that entire transportation system to a halt.

The technological change provisions of the Canada Labour Code introduced in 1972, prohibited employers from introducing any technological change adversely affecting a significant number of employees during the term of the agreement, unless proper notice was served on the bargaining agent and negotiations took place. The legislation put the onus on the parties, through collective bargaining, to incorporate procedures and provisions in their collective agreements to deal with technological change. Failing this, a union could apply to the Canada Labour Relations Board for authority to reopen the agreement where technological change was introduced without notice and negotiations. As I mentioned, Mr. Speaker, this was considered by some people to be very radical legislation at the time, and even today it has only been copied by three provincial jurisdictions. In the Bill recently introduced, the Government is further strengthening the technological change provisions by calling for 120 days advance notice of technological change. That is more than is done by any other jurisdiction in Canada.

There are other technical improvements to these sections, with the objective of further encouraging the parties to deal with technological change through collective bargaining. Whether we like it or not, our society—indeed, all western societies—will continue to change, and change rapidly. Developments in technology, which are occurring at a breathtaking pace, virtually guarantee us that. But as I see it, our job as policy makers and legislators remains basically the same, that is, to ensure that everyone, always and everywhere, receives equitable treatment. I believe that one of the ways we can do this is by preserving the basic integrity of the collective bargaining process.

As Members know, collective bargaining is the principal method by which workers and employers determine wages and working conditions. In my view, it is one of the most important social inventions of our time, and one which has served this country well. But despite its social utility, collective bargaining has been under sustained attack. As the Minister of Labour pointed out in his speech, governments of all stripes concerned about rising prices and costs and disruptions to the economy have intervened, perhaps too often, in the collective bargaining process. The long-term effect of such interventions has not really been fully considered. For my part, I am hopeful that the need to intervene in the process will diminish as governments, unions and employers come to realize more strongly what is at stake. We are not simply talking about a dispute resolution technique; we are talking about our faith in the capacity of democratic decision-making to work effectively.

• (1700)

I would like now to turn to other amendments contained in Bill C-34, which I believe contribute to the smooth functioning of this process. They have been drafted in response to suggestions made by those who actually negotiate under the provisions of the code. With respect to the Canada Labour Relations Board, the Government proposes to make a number of administrative changes, the purpose of which is, as they say, to unclog the system and thereby remove some of the frustrations felt by those who must deal with the board.

As Members probably know very well, there is nothing so irritating as dealing with an overworked bureaucracy which is further encumbered by its own regulations and red tape. I am pleased that the Government is proposing changes to the fair representation clause of the Code. At present this clause requires that unions fairly represent all bargaining unit members. This is not an unreasonable obligation considering that individual members and minorities within larger groups always require protection. However, there is a need to balance the right of the individual with the rights of the union. In recent years, grievance arbitration systems have become obstructed. To remedy this, the amendment proposes to adopt the proscriptive language used in other jurisdictions, which simply stipulates that unions must not act in a manner that is arbitrary, discriminatory or in bad faith in the representation of the employees. In addition, the amendment will apply only to administration of the collective agreement, not to the negotiating process.

The Government also proposes to make compulsory the so-called Rand formula. Employees in a defined bargaining unit are not required to join the union as a condition of continuing employment. However, because non-union members obtain the benefits of union activity, they are required to pay the union an amount equal to union dues. At present the code permits the parties to negotiate the union security and

dues check-off regime that will apply. This permissive approach has been a cause of conflict during many negotiations over first collective agreements.

I want to end my remarks today by commending the Government on both the content of its labour reform package and the process by which it put the package together, albeit it took an incredibly long time. In my opinion, the amendments are fair, progressive and in line with the economic and social realities of the 1980s. This should not be entirely surprising considering that the Minister and his officials met with some 40 labour organizations and employer's associations representing all sectors under the jurisdiction of the Code. I am extremely pleased with the reactions to the amendments. Generally they have been quite positive. Members will know, for instance, that the CLC expressed approval. The Public Service Alliance has termed the Bill a firm step in the right direction. However, the business community has not been as supportive as some of us on this side of the House, but I believe it will come to realize the social necessity for the reforms and adapt accordingly. As I suggested earlier, it is in the employer's own interest to have a collective bargaining system that functions smoothly and a workforce that feels its legitimate needs are being met. It is my sincere hope that all Parties will agree to speedy passage of these amendments through this House.

I just wanted to refer to a remark made by a previous speaker concerning the Hon. Member for Kootenay West (Mr. Kristiansen). I want to assure the House that for many years this particular Member of the NDP was one of the forerunners in organizing unions in the forestry sector throughout Atlantic Canada.

Mr. Kristiansen: Mr. Speaker, would the Hon. Member or his Government be prepared to agree to a proposition that there be one speaker from each Party or one day of debate on second reading of this Bill, and set a timetable for the Bill in committee with an assurance that we would have it reported back with an agreement for either one day of debate on third reading or one speaker from each Party? Immediately following passage in the House it could be proclaimed before Parliament recesses. He may not be able to do that, of course, and the Government may not be able to make the decision because a new Prime Minister may have to make it. But we would like some assurance that in any negotiations which take place later today or tomorrow, no other conditions tied to any other legislation will be forthcoming from the Government. Obstacles will not come from this Party, certainly at this point, and I would like that assurance from some Member on the other side. What the Conservatives will do, God only knows, but the Government has our assurance, and I would like an assurance from over there.

Mr. Baker: Mr. Speaker, all I can say is that I know for a fact that the Minister responsible for this legislation wants it through at the earliest possible moment. However, I think there is going to be somewhat of a problem at committee stage. There are various interest groups in Canada which will want to make representations concerning this legislation. I do not think that in this particular case it is the unions which will want to do so because they have supported the legislation as a step in the right direction. I think the problem Members will encounter will be that the business interests will want to be heard publicly.

Mr. Deputy Speaker: There being no further questions or comments, the House will proceed to debate.

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, I listened to what the Hon. Member for Gander-Twillingate (Mr. Baker) had to say and I commend him for his interest in these amendments, as well as those others who have spoken on this very important Opposition Day debate. I want to commend as well the Hon. Member for Fraser Valley West (Mr. Wenman) for having brought the motion forward, because it is important that we debate these amendments to the Canada Labour Code.

The Hon. Member who just finished speaking mentioned that it had taken a very long time to bring these changes forward. That is true. I was thinking of this when I was looking at the record going back over the times in committee when we raised this question again and again. It was struck by just how long these amendments had been in seeing the light of day. I looked at my records and I discovered that this issue has been raised for the first time in the Standing Committee on Labour, Manpower and Immigration on May 21, 1981, over three years ago. It was raised at that time by my colleague from Don Valley West who was then the Conservative Party's critic on labour matters. In responding to his question as to when the new amendments might be expected, the then Minister of Labour, who is the present Minister of International Trade (Mr. Regan), said the following, as reported in issue No. 5 of the committee report:

• (1710)

This review, which in my opinion has been painstaking and comprehensive, will shortly emerge as a package of amendments to the code and will substantially involve employment safety, conditions of employment, improving matters of specific concern to women and minority groups, and dispute settlement.

He went on to say:

At this particular stage, I would seek the indulgence of the honourable members if I do not go into the exact details of the package. The appropriate place for this, of course, will be its introduction in the House which I hope will be in the near future.

That was the then Minister of Labour speaking in May, 1981 in response to questions and entreaties from the Hon. Member for Don Valley West (Mr. Bosley), a Conservative Member of Parliament. I went through more of the records of that committee because I sat on it at that time and had been involved in discussions. I recall the numerous times the Hon. Member for Rosedale (Mr. Crombie) raised the question of when these amendments could be expected to be brought forward. In the House earlier this year and in committee last year the Hon. Member for Perth (Mr. Jarvis) raised the question of when these amendments would be introduced in the House. I mention the number of times this issue has been

raised on an ongoing basis by Conservative Members in committee and in the House of Commons to indicate our very real and irrefutable interest in having these amendments to the Canada Labour Code brought before the House, debated, examined and passed within this Parliament.

All one must do to determine the long and irrefutable quest of the Conservative Party in this issue is to look at the official records to see how often it has been raised by Members of this side. I recommend this exercise to Members of the New Democratic Party as well so that they can see the number of times this issue has been raised by Members of this Party at times when often their Members were not in attendance.

Mr. Fulton: Tell us about it.

Miss MacDonald: It should come as no surprise that it was a Member of the Progressive Conservative Party who moved this motion on this Opposition Day condemning the Government for acting so slowly to protect employees under federal jurisdiction. That proposal has been cited on a number of occasions today. I stress the point that the amendments which are proposed in Bill C-34, which we have yet to debate at second reading stage, apply to only 10 per cent of the labour force. They apply only to those employees who come under federal jurisdiction and the Public Service. It is an area in which the Government could move. It could provide leadership. The demonstration of that leadership by the Government could lead to improved labour conditions throughout the country. No doubt, it could at least help to avoid unnecessary management labour problems.

One really must castigate the Government for its failure to exercise the leadership in this field which it should have been showing three years ago when the then Minister of Labour promised to produce these amendments in the House in very short order. The Conservative Party supports the provisions of Bill C-34, the amendments to the Canada Labour Code, despite its late introduction and its obvious imperfections.

We are supporting no area more strongly than the changes affecting women in the federally regulated workforce. I would like to concentrate a few remarks on that subject. The number of women in the paid labour force has risen dramatically in recent years. Women now constitute approximately 40 per cent of the labour force. It is estimated that six out of every 10 new entrants into the labour force in the next decade will be women. This increasing number of female employees makes it essential that they be more adequately protected from sexual harassment, particularly since women are moving into areas which have been considered non traditional employment for women. At least for a period of time they will be overwhelmed numerically in these areas by their male counterparts.

The proposed amendments to the Canada Labour Code will remove any doubt that may exist that harassment is a form of discrimination. The amendments will emphasize that any complaints of harassment under the Code can be referred to the Human Rights Commission and can be dealt with under the Human Rights Act. The importance of this action cannot be underestimated. There is no doubt in my mind that harassment is a totally inexcusable affront to a person's dignity. It could impede a person's performance and progress in the workplace.

The passage of this Bill and the improvement to it would provide a definition of sexual harassment. That has been one of the problems up to the present time. There has been a lot of confusion as to what that term meant. Just as important as the definition which will be introduced is the fact that employers will be required to develop policies and programs within their places of business to combat sexual harassment on the job. Employers are in a position to recognize problems at work and to take immediate corrective steps to control harassment. Therefore, their participation is essential.

That in itself is not suddenly going to resolve the problem in this field once and for all. It must be recognized that the amendments do not present a magic solution to the problems with regard to harassment. They are a step in the right direction, but only a step. They must be accompanied by a change in attitude. That cannot be legislated and cannot be brought about overnight. It must be done through education and example. That will take time. If these amendments had been introduced, passed and in place four years ago, that would have been a good step toward eliminating the sexual harassment which still exists. That was four years that was wasted when we might have had them in place.

• (1720)

Another amendment that is included in the proposed Bill and which is of great significance to women, is the improvement of child care leave provisions. The present requirement of 12 months continual employment prior to being eligible for maternity leave has been reduced to three months. In addition, there is a proposal for a further 24-week period of unpaid leave so that employees, whether female or male, have an opportunity to assume the responsibility of caring for the child, whether natural or adopted, during that 24-week period. When an employee is away on leave, during that period, his or her pension, health and disability benefits as well as seniority continues if the employee so desires. I think that is a very positive step in the right direction.

Finally, child care leave would be at the discretion of the employee. No employer could dismiss, suspend, lay off or demote an employee due to pregnancy or child care leave. There can be little doubt that these amendments relating to child care and maternity leave are progressive and would greatly benefit both women and men.

I think it is important that we have this debate and get the Bill before us and into committee so that we can also try to do something about its shortcomings. There is one aspect of the Bill which I believe has not really come to grips with the problems in our workplace, that is with regard to the propsed amendments relating to part-time workers. There are about 2.6 million part-time workers in Canada today, almost two million of whom are women. They are currently ineligible for benefits, such as pensions, medical plans, disability insurance. On average, they receive approximately three-quarters of the

wage of full time employees. Furthermore, in most cases they are not protected by unions.

Despite this situation, the only mention of part-time workers in Bill C-34, this present legislation which the Government has introduced, is to eliminate an anomaly which precludes some part-time workers from qualifying for general holiday pay. That is all that the Government thought to say about part-time workers, almost two million of whom are women without benefits of any kind.

If these amendments to the Canada Labour Code had been introduced sooner so they could have gone to committee for the necessary study and so that we could have heard representations to try to get the Government to change its mind about part-time workers, I believe that these two million people whom I am talking about could have anticipated better treatment in the workplace.

As the report of the Commission of Inquiry on Part-Time Work—better known as the Wallace Commission—illustrates, the field of part-time work is an incredibly complex one. I mention this because I feel certain that we will need time to study amendments in this field. We want to see improvements made.

More important, we need to work out a definition of what a permanent part-time worker is. That is not included in the amendments and has not been dealt with. Therefore, there is no way of working toward the prorating of wage rates and benefits until we have some such definition.

No one in this Chamber is unaware of how important committee study of legislation can be. That is why I say that I am sorry that the Government has waited so long to bring this legislation forward. I do not think it can be given the adequate time and attention it should have in committee in order to improve the working conditions and the way in which part-time workers are treated.

The National Action Committee on the Status of Women stated in a letter to the Minister of Labour (Mr. Ouellet) on April 27 of this year:

> The National Committee is concerned with establishing compulsory standards in the Canadian Labour Code which will ensure that all women exposed to V.D.T.s and working in sectors under federal jurisdiction are guaranteed decent working conditions.

This is another area we could have studied in detail in the committee if we had the time. I do not believe that we will have the time now.

The problem that arises is that women will be worse off because the Governmet did not allocate that time or make provisions for it by bringing in all of these amendments earlier. This comes back to the way in which we see so many matters of this nature treated, always being done at the last moment and always being done so that some group is deprived of adequate and fair treatment. All too often, that group of people are women.

In the few minutes that remain to me, I would like to raise briefly the matter of technological change in the workplace. It has been said over and over again that in the next decade technological change could bring about the displacement of almost one million women from their present jobs. It is a horrendous possibility to even think about.

The proposed amendments will attempt to strengthen the existing provisions with respect to technological change by increasing advance notice of changes from 90 to 120 days, by increasing information available to employees and by providing means of redress against employers who do not follow the first two requirements.

While this may be considered a positive step, it is really unfortunate that these proposals have not been complemented by programs under the jurisdiction of other Ministers, particularly under the jurisdiction of the Minister of Employment and Immigration. Notice of technological change does not mean that job loss will not occur. It simply means that people will have 30 days longer to think about it. Unless more comprehensive and more easily accessible training programs are made available, women will end up paying the heaviest price for technological change. That is a subject that has not been addressed by the Government except in a very meagre way. It is a tremendous challenge that is before us. The particular amendments that have been introduced in Bill C-34 only touched the surface. They do not go to the heart of the matter at all.

Once again, we see that women, whether the part time paid labour force or those who are affected by technological change, will be the ones who suffer the most, because there is not a sufficient and comprehensive look at the way in which change in the labour force will affect us in the years ahead. There is no doubt in my mind that had the amendments to this Bill been brought in three years ago when the then Minister of Labour promised them, we could have moved much more quickly to improve the lot of women in the future. As our Party has said, the amendments will be supported when they come before the House, but it is really an inexcusable treatment by the Government that it should wait until the dying days of Parliament to introduce measures as important as these to change the Canada Labour Code.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments.

Mr. Turner: Mr. Speaker, I wish to ask the hon. lady a question. Where was the Conservative Party and the New Democratic Party in 1959 when the Brotherhood of Locomotive Firemen and Engineers took on the huge national corporation, namely, Canadian Pacific Railway? The issue was technological change. There were no Conservatives or New Democrats on the picket line. I was on the picket line. Where were your members?

• (1730)

Miss MacDonald: Mr. Speaker, the Hon. Member has a longer memory than I.

Mr. Turner: I was there.

Miss MacDonald: He may well have been there in 1959, Mr. Speaker. I congratulate him if he was. But what has the Hon. Member been doing in the last 10 or 15 years while his Government has been in office?

Mr. Turner: Where were you?

Miss MacDonald: There have been no changes brought to the Canada Labour Code in that period of time.

Mr. Turner: There were no Conservative Party members, Mr. Speaker. I was on the picket line. I was in Sudbury, Toronto, and Windsor. I operated part of the strike on the CPR. There were no Conservatives nor New Democrats there. Where were they then? They are talking about the issue now.

Miss MacDonald: Mr. Speaker, I am delighted to see the Hon. Member for London East (Mr. Turner) getting into the debate. I have no great argument with him. In a sense, he is one of the House officers. He is perhaps the one who can best tell us why it was that the then Minister of Labour in May 1981 said that these Canada Labour Code amendments would be before the House in short order. He did not bring them forward at that time, and here we are having wasted three years when these amendments might have been in effect.

Mr. Kristiansen: Mr. Speaker, may I answer the question of the Liberal Whip who just asked us, New Democrats and Conservatives, where were we in 1959. I do not know where other Members were, but I was busily engaged in 1959 helping to raise money and organize protest rallies—

The Acting Speaker (Mr. Herbert): Order, please. I must insist that the questions be directed to the Hon. Member who just delivered a speech.

Mr. Kristiansen: Comments or questions, I believe, Mr. Speaker?

The Acting Speaker (Mr. Herbert): I am sorry to advise the Hon. Member but comments are supposed to refer to the speech delivered by the Hon. Member for Kingston and the Islands (Miss MacDonald).

Mr. Kristiansen: Mr. Speaker, in listening to the comments of the Hon. Member for Kingston and the Islands (Miss MacDonald) I could not help but reflect upon the attitude of Conservative and Liberal members over the years. For instance, in 1959 I was busily engaged in organizing protest rallies and raising money trying to protect the rights of woodworkers in the Province of Newfoundland who were facing legislation that, for the first time in Canadian history and almost the only time in international history in the free world, outlawed an entire union from the Province of Newfoundland. That, Mr. Speaker, was done by a Liberal Government. We had never in the history of the United States, Canada, or western Europe, to my knowledge, other than for Adolf Hitler and perhaps for Il Duce in Italy, seen the kind of legislation that totally banished an entire free organization from any political jurisdiction in North America or anywhere in Europe. A Liberal Government imposed that on us. For the Liberal Party to try now to play hero when it is responsible for the most vicious anti-labour legislation that ever existed in North America, sounds a little hollow—

The Acting Speaker (Mr. Herbert): Order, please, I must again draw to the attention of the Hon. Member that he is supposed to be directing his remarks to the Hon. Member who has just spoken. The Hon. Member for Kingston and the Islands (Miss MacDonald).

Miss MacDonald: Mr. Speaker, I truly do appreciate the great interest of members of the Liberal Party and of the New Democratic Party in the past. I understand they are rooted in 1959.

What I was trying to do in my comments, Sir, was to direct the attention of the House to the very real problems that will be faced by Canadians in an advancing technological age in the next decade, to look forward and to see how it is we can introduce good amendments that will make it possible for people to have more beneficial working situations in the years that lie ahead, not look back to 1959.

The Acting Speaker (Mr. Herbert): Are there any more questions?

Mr. Wenman: Mr. Speaker, I believe that if the floor is not asked for, as the proponent of the motion I may conclude the debate. Is that right?

The Acting Speaker (Mr. Herbert): At this stage the Hon. Member can ask a question, if he so wishes, of the Hon. Member for Kingston and the Islands.

Mr. Wenman: No, Sir. I was rising to debate.

The Acting Speaker (Mr. Herbert): I see the Hon. Member for Bow River (Mr. Taylor) rising.

Mr. Taylor: Mr. Speaker, I would like to pursue the question of technological change with the Hon. Member for Kingston and the Islands (Miss MacDonald). She mentioned that this change is very definite. The change has been going on gradually. The Government's program has met some of the retraining needs but not all. The difficulty with the Government's program is that there are not enough slots for training. In my riding, young people particularly, men and women, go to the employment office and are told that there are no slots, no places. This is pretty frustrating. The Government sets up a program and it is not set up big enough to include the majority of those who want to retrain. I would like to have the comments of the Hon. Member for Kingston and the Islands on this.

Just before I sit down, Mr. Speaker, I would like to ask where the Liberals were in 1918 when the UMWA and I were fighting the OBU.

Mr. Ellis: Where were you, Charlie?

Miss MacDonald: Mr. Speaker, the Hon. Member for Bow River (Mr. Taylor) has raised one of the major problems that we face. We must all take it very seriously. Adequate consideration has not been given to the training and retraining of persons either entering the workforce or presently in the workforce to allow them the opportunity to enter into new types of work, and take new kinds of advancement. I mention that, Sir, because I had said during my remarks that what the Canada Labour Code needed was complementary legislation from other Ministers, particularly from the Minister of Employment and Immigration (Mr. Roberts), so we could deal with this question of more adequate training programs throughout the country. What he does not seem to realize is that not only do we have great numbers of young people coming out of school and universities going into the workplace, but we have the possibility of something between 3 million and 4 million people in the workforce who will require retraining in order to take advantage of the technological age. That is a massive job of organization. The Government has not really begun to turn its mind to what has to be the biggest challenge of mobilization which the country has ever faced. I compliment the Hon. Member from Bow River for raising this question and for saying that the Government must get on with giving higher priority to it, and we all must do so as Members of Parliament.

The Acting Speaker (Mr. Herbert): That concludes the ten-minute period for questions and comments. Continuing with debate, the Hon. Member for Témiscamingue (Mr. Tousignant).

● (1740)

[*Translation*]

Mr. Henri Tousignant (Témiscamingue): Mr. Speaker, I am very pleased to be taking part in the debate on amendements to the Canada Labour Code, in other words, Bill C-34. I must admit that after what I just heard, I feel a bit uneasy. Someone shouted across the House, a little earlier: "Where were you in 1954?" Later, the Hon. Member for Bow River (Mr. Taylor) said: "Where were you in 1917?" Well... As far as I am concerned, I am afraid I am a little too young to react to these comments.

Nevertheless, I think we should look to the future instead of looking back. I also listened, of course, to the Hon. Member for Kingston and the Islands (Miss MacDonald) who made some excellent suggestions, some very laudable ones, and her intentions were laudable as well, and I am thinking of her suggestion that the Bill should have included Canada's two million part-time workers... And of course, employees who spend the whole day in front of a video display terminal... There is some concern about the impact this could have on their health. There is also technological change, which will mean, inevitably, that many people will have to be laid off or recycled in some way or another. As I said before, these are all excellent suggestions made by the Hon. Member who usually has good suggestions about Bills the Government is introducing.

However, it is clear that if we wanted to examine draft legislation very thoroughly, we would never see the end of it. If we want to make Bills perfect in every respect, we would have to examine them for a very long time. I think the Government has decided to act, while keeping the option of amending these Bills again later on. I think that if we consider the statements made by a number of labour and management leaders, it is high time the Canadian Government took action.

I would like to refer here to a statement by Mrs. Shirley Carr, Executive Vice-President of the Canadian Labour Congress, who said during an interview on the CBC—she was still Vice-President at the time—that the amendments could not have been tabled many months ago because they did not contain everything they asked for. It is also interesting to note that on the same occasion, a representative of the Canadian Union of Public Employees, Mr. Gil Levine, stated that "The labour movement in Canada is pushing for adoption of the amendments proposed by Mr. Ouellet, despite their limitations, because we believe that with a new Government, Liberal or Conservative, and especially under a Conservative Government—Mr. Speaker, I am still quoting Mr. Levine—it will be years before these improvements are felt."

Mr. Speaker, it is clear to me and probably to most Members of this House that the amendments were tabled at the right time and that they are more than welcome. This proves that the Government has not neglected its responsibility in the area of labour legislation.

As the Minister of Labour (Mr. Ouellet) has already indicated, these legislative proposals have resulted from the excellent co-operation shown by the many labour organizations and employer associations during the extensive consultations which led to this Bill.

I believe that these amendments will emphasize the fact that the Canada Labour Code has always paved the way for further labour legislation and has often been used as a model by the authorities concerned.

I also believe, Mr. Speaker, that the amendments meet the new requirements of the eighties and are a step forward in the evolution of labour legislation in Canada.

As you know, the Canada Labour Code is the body of rules which regulate work standards, occupational safety and health, as well as the general framework for labour relations in the areas under federal jurisdiction, which employ something like 600,000 workers in Canada. These industries include those which, by their very nature, extend beyond national and provincial boundaries, for instance in the areas of transportation and communications, some 40 Crown agencies and corporations, as well as the banks and industries which Parliament has stated to be of national interest. This includes, for

instance, the uranium mines and the Western grain handling industry.

With respect to the amendments to Part III, I would like to remind this House that these deal mostly with workers whose responsibilities are related to child care and with the problem of sexual harassment in the workplace in Canada, while the amendments to Part V are designed to promote a greater commitment on the part of workers and employers to matters of occupational safety and health.

Finally, various sections in Part V have been amended to reinforce the provisions of the Code which deal with collective bargaining. Mr. Speaker, could you tell me whether my time has expired?

The Acting Speaker (Mr. Herbert): Order, please. It being 5.45 p.m., it is my duty, pursuant to Standing Order 62(10), to interrupt the proceedings and to put every question necessary to dispose of the business of supply. In consequence, the first question is the following:

* * *

SUPPLY

MOTION FOR CONCURRENCE IN VOTE 1, DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS

Hon. André Ouellet (for the President of the Treasury Board) moved:

That Vote 1, in the amount of $125,773,000 under the Department of Consumer and Corporate Affairs—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 1985 (less the amount voted in Interim Supply), be concurred in.

The Acting Speaker (Mr. Herbert): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed to the motion will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion, the yeas have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Call in the Members.

The House divided on the motion (Mr. Gray) which was agreed to on the following division:

● (1750)

(*Division No. 47*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan
Yanakis—129.

NAYS

Messrs.

Althouse
Andre
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Darling
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Jarvis
Jelinek
Jewett (Ms.)
Kempling
Kilgour
Knowles
Korchinski
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
Malone
Mayer
Mazankowski
McCain
McCuish

Messrs.

McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McGrath
McKenzie
McKinnon
McKnight
McMillan
Miller
Mitges
Mulroney
Neil
Nielsen
Ogle
Orlikow
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Roche
St. Germain
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Skelly
Stevens
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—98.

● (1810)

[*English*]

Mr. Speaker: I declare the motion carried.

Mr. Hnatyshyn: Mr. Speaker, I believe there have been consultations between the Parties and there is an inclination to have the vote as recorded on Motion No. 1 apply also to Motions Nos. 2 and 3. If we have unanimous consent for that proposition we can then move on to Motion No. 4 and Motion No. 5, to be voted on separately by separate votes.

Mr. Speaker: Are there any Hon. Members who did not vote previously who wish to be recorded as voting on this occasion? There are none.

By unanimous agreement, the vote which applied to Motion No. 1 will also apply to Motion No. 2 and Motion No. 3.

MOTION FOR CONCURRENCE IN VOTE 5, DEPARTMENT OF ECONOMIC AND REGIONAL DEVELOPMENT

Hon. André Ouellet (for the President of the Treasury Board) moved:

That Vote 5, in the amount of $3,488,000 under the Ministry of State for Economic and Regional Development—Northern Pipeline Agency, in the Main Estimates for the fiscal year ending March 31, 1985 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 48*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan
Yanakis—129.

NAYS

Messrs.

Althouse
Andre
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosbie
(St. John's West)
Crosby
(Halifax West)
Crouse
Darling
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Jarvis
Jelinek
Jewett (Ms.)
Kempling
Kilgour
Knowles
Korchinski
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands
Malone
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McGrath
McKenzie
McKinnon
McKnight
McMillan
Miller
Mitges
Mulroney
Neil
Nielsen
Ogle
Orlikow
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Roche
St. Germain
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Skelly
Stevens
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—98.

MOTION FOR CONCURRENCE IN VOTE 10, DEPARTMENT OF JUSTICE

Hon. André Ouellet (for the President of the Treasury Board) moved:

That Vote 10, in the amount of $16,117,000 under the Department of Justice—Canadian Unity Information Office, in the Main Estimates for the fiscal year ending March 31, 1985 (less the amount voted in Interim Supply), be concurred in.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 49*)

YEAS

Messrs.

Allmand
Appolloni (Mrs.)
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gimaïel
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Irwin
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Lalonde
Lang
Laniel
Lapierre
Lapointe (Charlevoix)
Lapointe (Beauce)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tobin
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan
Yanakis—129.

NAYS

Messrs.

Althouse
Andre
Beatty
Benjamin
Blackburn
Blaikie
Blenkarn
Bosley
Bradley
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Darling
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Jarvis
Jelinek
Jewett (Ms.)
Kempling
Kilgour
Knowles
Korchinski
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
Malone
Mayer
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McGrath
McKenzie
McKinnon
McKnight
McMillan
Miller
Mitges
Mulroney
Neil
Nielsen
Ogle
Orlikow
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Roche
St. Germain
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stevens
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—98.

MOTION FOR CONCURRENCE IN VOTE 15, DEPARTMENT OF LABOUR

Hon. André Ouellet (for the President of the Treasury Board) moved:

That Vote 15, in the amount of $170,000,000 under the Department of Labour—Payments to Canada Post Corporation, in the Main Estimates for the fiscal year ending March 31, 1985 (less the amount voted in Interim Supply), be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion, the yeas have it.

And more than five Members having risen:

Mr. Speaker: Shall we dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 50*)

YEAS

Messrs.

Allmand
Althouse
Appolloni (Mrs.)
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Benjamin
Berger
Blackburn
Blaikie
Blais
Blaker
Bloomfield
Bossy
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Dubois
Duclos
Dupont
Dupras

Messrs.

Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Fulton
Garant
Gauthier
Gendron
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Guilbault
Harquail
Heap
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hovdebo
Hudecki
Irwin
Isabelle
Ittinuar
Jewett (Ms.)
Joyal
Kaplan
Kelly
Killens (Mrs.)
Knowles
Kristiansen
Lachance
Lajoie
Lalonde
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Lefebvre
Lewycky
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McDonald (Ms.)
(Broadview-Greenwood)
McRae
Miller
Nicholson (Miss)
Ogle
Olivier
Orlikow
Ostiguy
Ouellet
Parent
Pelletier
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid
(Kenora-Rainy River)
Riis
Robinson
(Burnaby)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Skelly
Smith
Tardif
Tessier
Tobin
Tousignant
Turner
Veillette
Waddell
Watson
Weatherhead
Whelan
Yanakis
Young—149.

NAYS

Messrs.

Andre
Beatty
Blenkarn
Bosley
Bradley
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Coates
Cook
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosbie
(St. John's West)
Crosby
(Halifax West)
Crouse
Darling
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Gamble
Gass
Greenaway
Gurbin
Gustafson
Halliday
Hawkes
Hnatyshyn
Howie
Jarvis
Jelinek
Kempling
Kilgour
Korchinski
Lambert
La Salle
Lawrence
Lewis
MacDonald (Miss)
(Kingston and the Islands)
Malone
Mayer
Mazankowski
McCain
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McMillan
Mitges
Mulroney
Neil
Nielsen
Reid
(St. Catharines)
Roche
St. Germain
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Stevens
Stewart
Taylor
Thacker
Towers
Vankoughnet
Wenman
Wilson
Wise—78.

● (1820)

Mr. Speaker: I declare the motion carried.

[*Translation*]

MOTION FOR CONCURRENCE IN VOTE 1, DEPARTMENT OF THE SOLICITOR GENERAL

Mr. Speaker: The next question is as follows:

Hon. André Ouellet (for the President of the Treasury Board) seconded by Mr. Pinard, moved:

That Vote 1, in the amount of $18,995,000 under the Department of the Solicitor General—Administration, in the Main Estimates for the fiscal year ending March 31, 1985 (less the amount voted in Interim Supply), be concurred in.

[*English*]

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed to the motion will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the yeas have it.

And more than five Members having risen:

Mr. Speaker: Shall we dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 51*)

YEAS

Messrs.

Allmand
Andre
Appolloni (Mrs.)
Bachand
Baker
Beatty
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Blenkarn
Bloomfield
Bosley
Bossy
Bradley
Breau
Bujold
Burghardt
Bussières
Caccia
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Clarke
(Vancouver Quadra)
Coates
Collenette
Comtois
Cook
Cooper
Corbett
Corbin
Corriveau
Cosgrove
Cossitt (Mrs.)
Côté (Mrs.)
Cousineau
Crombie
Crosbie
(St. John's West)
Crosby
(Halifax West)
Crouse
Cullen
Cyr
Darling
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dick
Dingwall
Dion
Dionne
(Chicoutimi)
Dionne
(Northumberland-
Miramichi)
Domm
Dubois
Duclos
Dupont
Dupras
Duquet
Ellis
Elzinga
Epp
Erola (Mrs.)
Ethier
Evans
Fennell
Ferguson
Fisher
Fleming
Flis
Forrestall
Foster
Fox
Fraser
Fretz
Friesen
Frith
Gamble
Garant
Gass
Gauthier
Gendron
Gimaïel
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Harquail
Hawkes
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hnatyshyn
Hopkins
Howie
Hudecki
Irwin
Isabelle
Ittinuar
Jarvis
Jelinek
Joyal

Messrs.

Kaplan
Kelly
Kempling
Kilgour
Killens (Mrs.)
Korchinski
Lachance
Lajoie
Lalonde
Lambert
Lang
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
La Salle
Lawrence
LeBlanc
Leduc
Lefebvre
Lewis
Lumley
MacBain
MacDonald (Miss)
(Kingston and the Islands)
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Malone
Maltais
Marceau
Massé
Masters
Mayer
Mazankowski
McCain
McCauley
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McMillan
McRae
Mitges
Mulroney
Neil
Nicholson (Miss)
Nielsen
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Pepin
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid
(St. Catharines)
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Roche
Rompkey
Rossi
Roy
St. Germain
Savard
Schellenberger
Schroder
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Simmons
Smith
Stevens
Stewart
Tardif
Taylor
Tessier
Thacker
Tobin
Tousignant
Towers
Turner
Vankoughnet
Veillette
Watson
Weatherhead
Wenman
Whelan
Wilson
Wise
Yanakis—207.

NAYS

Messrs.

Althouse
Benjamin
Blackburn
Blaikie
Fulton
Heap
Hovdebo
Jewett (Ms.)
Knowles
Kristiansen
Lewycky
McDonald (Ms.)
(Broadview-Greenwood)
Miller
Ogle
Orlikow
Riis
Robinson
(Burnaby)
Skelly
Waddell
Young—20.

• (1830)

MOTION FOR CONCURRENCE IN MAIN ESTIMATES, 1984-85

Hon. André Ouellet (for the President of the Treasury Board) moved:

That the Main Estimates for the fiscal year ending March 31, 1985, laid upon the Table, Tuesday, February 21, 1984, except the items disposed of earlier this day and less the amounts voted in Interim Supply, be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: On division.

Mr. Speaker: I declare the motion carried on division.

Motion agreed to.

[*Translation*]

MOTION FOR CONCURRENCE IN SUPPLEMENTARY ESTIMATES (A)

Hon. André Ouellet (for the President of the Treasury Board) moved:

That the Supplementary Estimates (A) for the fiscal year ending March 31, 1985, laid upon the Table, Thursday, May 17, 1984, be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: On division.

Motion agreed to.

[*English*]

Mr. Ouellet (for the President of the Treasury Board) thereupon moved that Bill C-45, an Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending March 31, 1985, be read the first time and be printed.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Mr. Speaker: I declare the motion carried.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Ouellet (for the President of the Treasury Board) thereupon moved that Bill C-45, an Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending March 31, 1985, be read the second time and referred to the Committee of the Whole.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: On division.

Mr. Speaker: I declare the motion carried on division.

Motion agreed to, Bill read the second time and the House went into Committee thereon, Mr. Corbin in the Chair.

The Chairman: House in Committee of the whole on Bill C-45.

Clauses 2 to 6 inclusive agreed to.

The Chairman: Shall Schedule A carry?

Some Hon. Members: On division.

Schedule A agreed to.

Schedule B agreed to.

Clause 1 agreed to.

Preamble agreed to.

Title agreed to.

Mr. Chairman: Shall I rise and report the Bill?

Some Hon. Members: Agreed.

Bill reported.

Mr. Ouellet (for the President of the Treasury Board) moved that the Bill be read the third time and do pass.

Motion agreed to and Bill read the third time and passed.

Mr. Speaker: It being 6.37 p.m., this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 2(1).

The House adjourned at 6.37 p.m.

HOUSE OF COMMONS

Wednesday, June 6, 1984

The House met at 2 p.m.

• (1405)

FORTIETH ANNIVERSARY OF ALLIED LANDINGS IN NORMANDY

[*Translation*]

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, forty years ago today, at dawn, about 14,000 young Canadians landed on the beaches of Normandy with their British, American and French allies, as part of the most impressive amphibious operation in history. They came from all parts of this country. Many belonged to military units with such evocative names as: The North Nova Scotia Highlanders, the Régiment de la Chaudière, The Fort Garry Horse, The Regina Rifle Regiment... Canadians at home celebrated their victory and, at the same time, mourned the fallen. On the first day, 1,000 soldiers were killed in combat.

The success of D-Day paved the way for the celebrated campaign in Northwestern Europe which, less than a year later, would make it possible for the Allies to meet Soviet troops in Germany. It is then that one of the most violent periods in history finally ended. But at what price! During the war, the Canadian Forces lost 48,000 troops, of whom 12,500 lost their lives in this campaign.

Today, when commemorating D-Day, we can look back with satisfaction on what has been achieved during the last forty years. The sacrifice made by those young Canadians gave our country the right to make itself heard in the councils for peace that shaped the postwar world, as well as in councils which today discuss the same vital issues, those of world peace and security. In Western Europe, the conquerors and the conquered have come to terms and are now working together within the European Economic Community, for instance, and, another example, with their North American allies in the North Atlantic Treaty Organization. After being the scene of two horrendous armed conflicts in this century, Western Europe has known nearly forty years of peace, an unprecedented phenomenon.

[*English*]

Any tendency towards self congratulation must, however, be muted. Around the world today, four million people, we are informed, are engaged in 42 wars, rebellions, or civil uprisings. Horrifying as these figures are, they are dwarfed by the hundreds of millions who are suffering from hunger or who are being denied basic human rights, inequities which themselves can give rise to war.

Bitterest irony of all, the relations between the two major architects of the Second World War victory, the United States and the Soviet Union, are as bleak as they have ever been. East and West have arsenals sufficient not only to devastate one another, but, as a well-known American scientist reminded us this week, potentially to destroy the human race itself in a catastrophic "nuclear winter". Yet there are no serious nuclear arms negotiations going on at this time, and little progress is being made in other forums such as the Stockholm Conference or the Mutual and Balanced Force Reduction talks in Vienna.

The differences between East and West are, unfortunately, real, and require us to take part in a strong defensive alliance for our own security. But we must constantly look beyond defence. The search for peace must be a constant preoccupation of our Government and of each one of us singly. We have to explore constantly how East and West can work together in the pursuit of common goals, to avoid war, contain crises, to increase mutual confidence, to achieve balanced disarmament and arms control, to prevent the spread of nuclear weapons and to promote the prosperity not only of our own country but of the Third World which looks to us for help.

Today leaders of allied countries, Members of this House, and Canadian veterans have returned to the beaches of Normandy. They have done so to commemorate the valour which young people displayed there 40 years ago. It is fitting, Mr. Speaker, that we in this House, and Canadians across the land, pause for a moment to recall their sacrifices and to rededicate ourselves to their legacy, the legacy of peace and freedom.

Hon. Erik Nielsen (Yukon): Mr. Speaker, this is a day unique. Forty years ago today I never thought for a moment that I would be standing here in this place and participating in the way in which I am about to, in commemorating the 40th anniversary of D-Day. Other Members are absent, notably the Hon. Member for Medicine Hat (Mr. Hargrave), who is in Normandy today where he was on the beaches 40 years ago today.

Some Hon. Members: Hear, hear!

Mr. Nielsen: The Hon. Member for Swift Current-Maple Creek (Mr. Hamilton), who is there today, was flying over the beaches on that day.

Some Hon. Members: Hear, hear!

Mr. Nielsen: The Hon. Member for Edmonton West (Mr. Lambert) was languishing in a German prisoner of war camp.

How his heart must have sung when he received the news of the landings.

Some Hon. Members: Hear, hear!

Mr. Nielsen: There are others here today who participated in that march to freedom, but because the Acting Prime Minister has put on the record four of the notable regiments that took part, I think it is only fitting that the entire 11 regiments which participated that day so long ago be part of the permanent record of this commemorative day. In the Seventh Brigade were the Royal Winnipeg Rifles, the Regina Rifle Regiment, and the Canadian Scottish Regiment. In the Eighth Brigade were the Queen's Own Rifles of Canada, the Regiment de la Chaudière, and the North Shore (New Brunswick) Regiment. In the Ninth Brigade were the Highland Light Infantry, the Stormont-Dundas-Glengarry-Highlanders, and the North Nova Scotia Highlanders. In support were the Cameron Highlanders of Ottawa, a machine gun regiment, and finally, the First Canadian Parachute Battalion.

• (1410)

I, like the Member for Swift Current-Maple Creek (Mr. Hamilton), was in the air. There were others at sea crammed into between 5,000 and 6,000 ships. From our vantage point it appeared that we could have walked across the Channel without getting a foot wet.

No words can underline the impact of the events which took place on this day 40 years ago. Referring to the Battle of Britain, Churchill said: "Never . . . has so much been owed by so many to so few." Similar words could be used to define the dynamics of the D-Day landing in Normandy. All the world knows that it was one of the largest and most complex combined operations ever seen, the like of which we had not seen before and hope never to see again.

It brought to bear the power and versatility of the air, combined with the dogged effectiveness of a mighty naval screen, and the mobile punch of armour, infantry, and heavy artillery. It showed the world something of the organizing genius, the mobilizing capacity, and terrible fire-power of freedom. D-Day was the opener for the Normandy campaign against a well-armed, highly skilled, determined, and versatile enemy. But nothing could withstand the power and resolution of the mighty Allied forces motivated by the restoration of freedom.

There is more than a memory of war, or the clash of mighty armies, or the nostalgia of times forgotten to justify keeping alive the memory of the generation which took its stand on the Normandy beaches. As a member of that generation who fought in that company, as did other Members, I can say that we shall not see their like again. I had just passed my twentieth birthday and was in an RAF Lancaster bomber squadron which provided an air umbrella for the protection of Canadians and all Allied forces participating in the landing on 40 to 45 miles of beach.

Young men and women took their part together. Women performed a silent but dedicated role on every front. There were no back seats in 1944. The young men of that generation ranged the skies in search of an enemy whose power had been crippled and broken in the preceding months. They manned ships, tanks, and guns. They stormed the bloody beaches and bore in to grip the enemy in the lanes and hedgerows of the Norman countryside. They drove the enemy house by house through the inferno that was Caen—which lasted for 31 days.

This was a mighty gesture by a free people, worthy of a few moments' remembrance in the House of Commons so that future generations will not forget what they did there—

Some Hon. Members: Hear, hear!

• (1415)

Mr. Nielsen: —and above all, so they will not forget the goals for which they fought and died, the motivation that led young Canadians to contribute in the way that they did, many to the ultimate sacrifice. As young as most of us were, we knew our goal, and that goal was the restoration of freedom—the retention of freedom—that, if not achieved might have seen the Swastika flying over Canadian soil.

D-Day reopened freedom's door for Western Europe. It marked the end to the long incarceration of their hopes, their freedom, and of their dignity. Canada's part in that great drama was a worthy one, a proud one, and Canadians were well aware that the welcome they received was meant to underscore the rebirth of freedom for people who had learned its true meaning through its loss.

The bitter and hard fought Normandy fight has meaning today because it reasserted the rights of western freedom. Regrettably, there are vast sections of Europe where human rights, dignity, and freedoms are not respected.

As we join with free peoples everywhere in paying tribute to the generation which gave its youth and its hopes in order that freedom should live, let us not forget the obligation imposed upon us by their commitment and their sacrifice. Our first obligation is to keep faith with them by remaining alert to defend the goals for which they died. Do not let anyone say "It cannot happen here". It will not happen here only if we are constantly vigilant and continually at work against the prospect in whatever form it appears.

Perhaps equally important, we must work and strain so that the conditions which made their sacrifice necessary will not again exist, and moderate and reasoned measures will so prevail that the bright wings of peace will never again be tarnished by the rumour of war.

I would have liked, Mr. Speaker, to have said those things that came from my heart, in our other official language, French. I, like many of my colleagues, fought alongside Canadians of all stripes from all parts of our country. If I could do it fluently in French, I would do it in French.

Some Hon. Members: Hear, hear!

Mr. Nielsen: But as my colleagues from French Canada are aware, in emotional times such as these, the language of one's mother tongue expresses them more adequately.

Some Hon. Members: Hear, hear!

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, forty years ago this morning, what Field Marshall Rommel predicted would be the longest day of the Second World War began on the beaches of Normandy. The Allied invasion of Europe, otherwise known as D-Day, or Operation Overlord, had begun.

Today, not only on behalf of my caucus but also, may I say, on behalf of a generation yet unborn on the day of that invasion of the beaches, I would like to pay tribute to those Canadians who were there on that historic morning, and to those who followed them. Let us remember with gratitude and with praise the courage of all and the sacrifice of the many, and join our hearts with the families, friends and comrades of those who died, who were maimed, or who were captured. We will remember them.

It is important to remember. A society that cannot remember, that has no respect for history, that lives only in the present moment without concern for past or future, is a society doomed to shallowness and to destruction. But remembering must be a way into the future as well as into the past. Therefore, let us not be captive to images of war which our memory of that great invasion naturally brings to mind. For in the next war there will be no soldiers and sailors and airmen going off to war, some to die, some to return, all to be remembered for their sacrifice and bravery. There will only be the instantaneous destruction of hundreds of millions of human beings, men, women, and children, and the complete breakdown of civilization as we know it, not to mention of the planet itself, due to the heinous environmental damage that a nuclear war would cause.

• (1420)

Therefore, let us be captive instead to the images of individual courage, national planning, international co-operation and human community which all went into the success of the invasion and the war effort in general.

As individuals let us match the courage and self sacrifice which we so rightly honour today with a willingness to sacrifice our own lives for the cause of peace and human future. For war is not the only opportunity to fight for peace. We can fight for peace in peacetime, each in our own way, by being true to our deepest insights about the tragedy and futility of war, and acting on them.

As a nation let us put our hearts and minds together once again as we did at that time, and build a purposeful economy designed to serve the common good and the hopes for the future which so many who served had when they came back, and which so many young people today have for themselves and their families.

As a member of the international community let us recall what nations are capable of when they work together for a common goal, and never cease in our efforts to get the world to redirect the vast resources, both material and human, now sinfully directed to mutual overkill, from death to life, in a common struggle against poverty, disease, pollution, and the roots of war.

Finally, let us all remember that beyond our identity as Canadians we have an identity as human beings, all members of the same human family, with a common home, the planet earth. Let our loyalty not only be to Canada but also to all our fellow creatures and creation itself. Let us long for and work for the day when we shall all truly beat our swords into ploughshares, our spears into pruning hooks, when nation shall not rise against nation, nor shall we learn war any more.

Some Hon. Members: Hear, hear!

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, I want to join briefly with my colleagues and thank them for the testimony they have given on this most memorable day. All over Canada sentiments will be advanced much like the sentiments that were expressed by the Minister for External Relations (Mr. Pepin), by the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie), and by the Hon. Member for Yukon (Mr. Nielsen). People will recall this most dramatic day in their lives, and they will remember the events of 40 years ago when they were young, tough, and courageous. They will remember D-Day.

Soldiers, airmen, and sailors will all have memories of that crucial day when Canada and its allies stormed ashore to secure a foothold on fortress Europe.

[*Translation*]

Mr. Speaker, our soldiers, our airmen and our sailors will all have vivid memories of that crucial day when Canada and her allies stormed ashore for a foothold on fortress Europe.

[*English*]

The sailors of the destroyers *Algonquin* and *Sioux* will see in their mind's eye their guns firing on the Juno Beach defences. The airmen of the RCAF will see again the cratering of German gun positions, or the fighter sweeps to keep the Luftwaffe at bay. And soldiers from a dozen regiments, English and French, properly identified in the House this afternoon, will perhaps live again the tension before battle, and call to mind friends who did not make it as they slugged through the German defences.

[*Translation*]

But June 6 does bring to mind more than the anniversary of the most important landing in history, a landing in which 15,000 Canadians took part, Mr. Speaker. It was as well the day when was launched what was later to be called the war of liberation, the rescue—by singularly dedicated troops—of the European civilization which the Nazi invaders were on the verge of obliterating, the beginning of the end of the human disaster that was World War II.

• (1425)

[*English*]

I am sure Hon. Members will join with those who have spoken this afternoon in a vote of thanks to all those young men who risked their lives to expunge the evil from Europe. I would ask all Hon. Members to remember as well the women who worked to make the battle a success, and the women who lost sons, brothers, and husbands. For them too, D-Day is a traumatic memory.

For all of us, D-Day will long live in its full glory as an epic day which epitomizes the sacrifices that democratic peoples are willing to make to preserve the values of civilized society. I particularly draw attention to the remarks of the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie), because those sacrifices were made for generations to come. I cannot bring before the House the sort of testimony which the Hon. Member for Yukon (Mr. Nielsen) can bring. I was but four years old at the time. However, I can say that we have lived upon the bounty which has resulted from that level of human sacrifice.

Some Hon. Members: Hear, hear!

Mr. Speaker: Perhaps we might observe a minute's silence in memory of those who fell.

[*Whereupon the House stood in silence for one minute.*]

Mr. Speaker: Order, please. Would there be unanimous consent to extend the Question Period until thirteen minutes past three?

Some Hon. Members: Agreed.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

EXCHANGE VALUE OF DOLLAR—INTEREST RATE LEVELS

Hon. John C. Crosbie (St. John's West): Mr. Speaker, because of the importance of this question yesterday I would like to direct it to the Acting Prime Minister. He will know that yesterday the Canadian dollar fell to its lowest value in history in terms of the U.S. dollar, to 76.79 cents. The previous low was on June 29, 1982, when it fell to a value of 76.80 cents. At that time the Government had to raise Canadian interest rates five percentage points higher than the U.S. rate to stem the flow of funds to U.S. dollars. That is what had to be done to stop the devaluation of the dollar.

Today our prime rate is 12 per cent and the U.S. rate is 12.5 per cent. The Minister of Finance said that he was not spending his nights worrying that the dollar was 81 cents in March. Is the Government worrying now that the dollar is under 77 cents? Would the Acting Prime Minister tell us whether the Government will act to protect the dollar? If so, how? Will the Government put interest rates up past the present 12 per cent?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, I think the Hon. Member opposite knows very well that it is not our practice to speculate on interest rates or indeed on the fluctuating value of currencies.

• (1430)

The Hon. Member also knows very well that during the past few days the value of the United States dollar has strengthened not only against the Canadian dollar but against most other major currencies. At the same time, however, I would note for the Hon. Member that the Canadian dollar has also strengthened against most other major currencies. In fact, if the Member wants to engage in his almost minute by minute speculation about the Canadian dollar's value, today it has strengthened again. The basic consideration is the strength of the Canadian economy, which has meant that Canadian interest rates during the past year and one-half have been very close to and in a few cases less than those in the United States. That is a development in our economy that I am sure the Hon. Member opposite would want to join with us in welcoming.

OUTFLOW OF CAPITAL

Hon. John C. Crosbie (St. John's West): Mr. Speaker, it is useless to expect a frank and clear answer from the junior Minister of Finance or from anybody on the government side. We cannot get any firm declaration of the Government's economic policy with respect to the dollar and what it is going to do.

In the first quarter of this year we had a huge capital outflow. Direct investment of $500 million left this country. Unidentified outflow was $1 billion. That is added to the $34.8 billion in capital that left this country in the last three years, 1981, 1982, and 1983. Does the Minister agree that the real reason the dollar is sinking is because of these huge capital outflows? If he does not agree, what does he say is causing this constant devaluation of the Canadian dollar? How does the minister propose to stop these outflows and this devaluation which has reached the lowest point ever in our history? Even the 1930s did not match it.

How does the Minister propose to stop these outflows and get the economy back on track again other than by the resignation of the Government? We know they will not contemplate that.

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member asks about government policy with regard to the value of the Canadian dollar. He knows that on many occasions in the past we have indicated in the House that the value of the Canadian dollar is related to interest rate movements in the United States. If interest rate pressures in the United States are upwards, Canadian dollars will flow from Canada into the United States seeking short-term higher

returns. That in turn means that Canadians buy U.S. dollars, driving down the value of the Canadian dollar. It is perfectly straightforward. The Hon. Member knows that. What the Bank of Canada does, and the Hon. Member knows this as well, is to moderate such movements. The Bank of Canada will continue to moderate such movements.

Instead of raising all sorts of dark forebodings, as the Hon. Member so often indulges in, he should recall that it is the basic strength of our economic recovery which has enabled the Bank of Canada to moderate the fluctuations in the Canadian dollar exchange rate and the Canadian interest rate. It is also that basic strength which has enabled Canada to have interest rates that, in many cases, do not exceed and in some instances are lower than those in the United States. The fundamental proposition the Member should bear in mind is that the Canadian economy is strong and the recovery is strong.

GOVERNMENT POLICY

Hon. John C. Crosbie (St. John's West): Mr. Speaker, I have asked two serious questions which affect the future of this country and everyone who lives here, and have had nothing but specious quacks from the Minister of State for Finance. There is no strong recovery under way. The dollar is sinking. This country and its economy are in danger.

I will direct one final supplementary to the Minister, and let him try to answer without giving the recorded broadcast which they have about U.S. interest rates. Our cash reserves today are minuscule. We have a foreign debt of about $130 billion. Our foreign exchange reserves, with all the money we borrowed, are $3.67 billion. The capital base of this country is eroding. The Government has caused these problems. It has been in office for the four years while they accelerated. What is it going to do about the problem? What program is going to be brought in to stop this rot before it goes any further and no one can stop it?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member seems to be getting more and more excited with his own rhetoric. The fact is that we have an economic recovery of substantial proportions in Canada today. The Member will know that in the final quarter of 1983 economic growth was continuing at a pace of about 7 per cent. It has, as we fully expected, and as we have stated on a number of occasions, moderated during the first two quarters of this year. That was to be expected. It is a more sustainable rate of growth, as the Hon. Member knows.

With regard to the question of interest rates in Canada, the Member knows perfectly well that those interest rates are largely influenced by developments south of the border, not here in Canada. When the Hon. Member describes the Canadian economy as being in some sort of perilous condition which has given rise to higher interest rates, he is talking through his hat. He is talking nonsense, and he knows it.

The fact is that interest rates in Canada are to a substantial degree a function of interest rates in the United States. Nevertheless, with the economic recovery in which all Canadians have shared, with our success in bringing down inflation, Canada is now in a more productive and competitive position. One result of that is not only has our export trade reached record levels, but we have been able to maintain interest rates which are comparable to and in some instances lower than those in the United States.

LEVEL OF UNEMPLOYMENT

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, I have a supplementary question for the same Minister. I want to refer to the latest Statistics Canada report which, in reporting that the recovery is slow, states, and I quote:

—the upturn in business investment in plant and equipment that usually appears in the second year of growth is not evident in the preliminary forecast of the survey of public and private investment in Canada.

Strong business investment automatically creates new jobs. Since the United States is experiencing a record investment boom, as is clearly demonstrated in the fact that its unemployment rate is 7.8 per cent compared to our rate of 11.4 per cent, can the Minister give any substantive reason in the face of these recent high interest rates why this poor unemployment record in Canada will not deteriorate further in the future?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member knows perfectly well that the level of unemployment in Canada is in part determined by the additional workers joining our labour force. The labour force in Canada has grown over a number of years at a faster rate than in the United States and, indeed, than in most industrialized countries. We have created more jobs in Canada, and at a faster rate, than most other industrialized countries. Yet the fact remains that there are larger numbers of people joining the workforce.

With regard to the private sector, the Hon. Member should know that corporate profits have increased substantially during the past year. The liquidity position of corporations has improved enormously. We see capacity utilization continuing to increase. I do not doubt that we shall see the benefits of increased investment in plant capacity during the course of this year, which will bring benefits in terms of employment as well.

Mr. Wilson: Mr. Speaker, that is another example of the Ministers talking with their rose-coloured glasses on, and not dealing with reality.

INDUSTRIAL AND REGIONAL DEVELOPMENT PROGRAM

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, I will direct my supplementary question to the Minister of Regional Industrial Expansion. I am sure he is aware that the Minister responsible for the co-ordination of economic policy for the Government, the Minister of State for Economic and

Regional Development, said recently in his leadership campaign that the Industrial and Regional Development Program simply is not working in creating jobs. Does the Minister agree with that statement? Does he agree that this program should be changed and that it should be replaced in all or in part with tax reductions or tax incentives that are clearly designed to create that new employment we desperately need when there are 1.5 million people out of a job today?

• (1440)

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, I will follow the lead of our respected Prime Minister and his response to one of the Hon. Member's colleague who asked the same question, and indicate that I will be tolerant as well. Also, when my colleague, the Minister of State for Economic and Regional Development was asked that question, he indicated that perhaps Hon. Members would be wise to read the entire speech and not take what was said out of context.

* * *

GOVERNMENT RESTRAINT PROGRAM

REMUNERATION OF DOME PETROLEUM CHAIRMAN

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, my question is directed to the Acting Prime Minister. Earlier today as various Members paid tribute to those who served on D-Day, we heard of the sacrifices that were made for Canada and for freedom. For the last three or four years the Minister of Finance and government Members have been asking Canadians to make sacrifices in the name of rebuilding the economy. It seems that one group of Canadians is not a part of this equation.

It was reported the other day that in 1983 the Chairman of Dome Petroleum earned $7,600 a day. That is the amount of money that the average UIC recipient would receive in an entire year. Does the Government plan to ask people like Jack Gallagher to make sacrifices so that we may build up the Canadian economy, as it has asked the average working Canadian?

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I also read this article and my memory of it is that the particularly high salary that that particular gentleman received on that particular day was due to particular circumstances. In other words, if I recall correctly, he was leaving the company and that led to a settlement, which explains at least in part the high salary that he was receiving.

It seems to me that my hon. friend should bear in mind special circumstances when he is passing judgment on matters of this kind. The tax system in Canada provides for higher and higher payments as the income of an individual gets higher and higher. It is a progressive system. Consequently, everyone gets to contribute to the development of the country as a whole, according to his capacity.

Mr. Riis: Mr. Speaker, one could make some comments about the progressive tax system and how upper income earners are making their contributions. I will leave that for another day.

SALARY INCREASES FOR CORPORATE EXECUTIVES

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I agree that the case of Mr. Gallagher was only one case. However, I would like to remind the Acting Prime Minister that in the past year the average wage settlement for the average Canadian was below 5 per cent, which is the rate of inflation. However, we found that the 1983 salary increases for top corporate executives in Canada were in excess of 12 per cent. That is double the rate of inflation. These are the same people who are asking their employees to take salary and wage cuts, or to keep their increases below the rate of inflation. How long is the Government of Canada prepared to accept this type of hypocrisy? What does the Government plan to do about it?

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, in the answer to the previous question I tried to indicate to my hon. friend that he must not introduce his questions in this particular way. Quite often there are valid explanations for particular cases. The Hon. Member did not apologize for his question because he is too proud for that, but he seemed to recognize that his question was not well posed and was not one from which conclusions could be extracted.

A similar thing applies with respect to different categories of people and their improved compensations. As a former Chairman of the Anti-Inflation Board, I have a bit of experience with these matters. I did learn that it is unwise, to say the least, to judge the income increases of groups of people on the basis of one year. One must look into the situation of a number of years past and study the factors which might have influenced the compensation given to a group of people over a period of time. That is the kind of advice I would like to give to my hon. friend.

GOVERNMENT POSITION

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I would point out to the Acting Prime Minister that we are speaking of the corporate elite of Canada. We are speaking of the executives of the major corporations of Canada who received across-the-board salary increases of an average of 12 per cent while their own employees were asked to take wage and salary cuts, or to keep their increases to an absolute minimum. Many of these individuals were earning salaries in excess of $500,000 to begin with.

Because the Acting Prime Minister understands the role of the Anti-Inflation Board, a Board on which he was a member some years ago, and because he recognizes the role of corporate leadership, does he think that this is the kind of leadership we can expect when people are being asked to be more realistic about their demands? Is this the kind of position that the Government supports? If not, what is it going to do about it?

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I was just trying to indicate to my friend that the question as posed was not a fair one. He must not judge a person's improvement in income on the basis of a single year. It may be that a group of people will receive an increase of 12 per cent this year but received increases of only 3 per cent, 4 per cent, or 5 per cent in past years. It may very well be, and I believe it is the case, that a group of people will receive a 5 per cent increase this year but received increases of 7 per cent, 9 per cent, 12 per cent, or even 20 per cent in previous years. In order to judge the fairness of income increases given to different categories of people in Canada, one must study the situation in some depth. That was the kind of advice I was trying to give to the Hon. Member.

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PENITENTIARIES

ESCAPE OF EDMONTON PRISON INMATE WHEN ON UNESCORTED TEMPORARY ABSENCE

Hon. John A. Fraser (Vancouver South): Mr. Speaker, my question is directed to the Solicitor General and is in regard to one Balentine Leschenko who, a few days ago, disappeared from the third unescorted temporary absence which was given to this man who was an inmate of the Edmonton maximum security prison. Mr. Leschenko was serving time for robbery and armed robbery. As recently as August, 1983, the Parole Board denied him an unescorted temporary absence on the basis of a need for further demonstration of good behaviour. In view of the fact that this particular prisoner has escaped or attempted to escape on two or three occasions, can the Solicitor General tell us exactly why that prisoner was out on an unescorted temporary absence, keeping in mind the fact that he will not be eligible for mandatory supervision until February 26, 1991?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, this is one of those cases that falls under the jurisdiction of the National Parole Board. The individual concerned had served some 12 years in penitentiary. He was eligible for parole some five years ago. For five years the Parole Board had been reviewing his case and finally came to the conclusion that, in its judgment, he should be allowed out on unescorted temporary absences. He took two such absences without incident. On the third absence, he violated the rules. I cannot say that the Parole Board did not act within its discretion. When considering the criteria that were presented, it decided to allow this inmate to begin a process of resocialization after spending 12 years behind bars.

ROLE OF NATIONAL PAROLE BOARD

Hon. John A. Fraser (Vancouver South): Mr. Speaker, perhaps the Solicitor General could first let the House know whether or not Lechenko has been apprehended. As well, the House would be interested to know what experience the particular members of the Parole Board had who decided that it was all right to let this prisoner out on an unescorted temporary absence. What does the Solicitor General have in mind to do about the fact that, at the very least, it seems to be a strange exercise of judgment, given the fact that this man is only 33, his offences include armed robbery, and his past record is one of attempted escape and escape?

• (1450)

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, as to the success record of the National Parole Board in granting unescorted—

Mr. Fraser: I am talking about these parole officials.

Mr. Kaplan: I do not know the particular parole officials who sat on this case. The National Parole Board hears nearly 45,000 cases a year. I will look into the matter. However, I can tell the Hon. Member, and it is a matter of public record, that members of the National Parole Board are drawn from a very broad cross section of people, including former policemen, people with experience in the correctional service, educators, people with journalistic experience, and some former Members of Parliament. So far as their success goes in deciding on the granting of unescorted temporary absences, I can tell the Hon. Member that in 1981 they had a 98.99 per cent success rate on temporary absences granted. In 1982 they had a 99.36 per cent success rate. There were only 13 failures out of over 2,000 cases. In 1983, out of 2,761 unescorted temporary absences, the success rate was 99.49 per cent, so I thank the Hon. Member for his supplementary question.

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WESTERN GRAIN STABILIZATION ACT

ABSENCE OF GOVERNMENT MEMBERS FROM COMMITTEE MEETING

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, my question is directed to the Parliamentary Secretary to the Minister of Agriculture, the latter not being in the House at this time. The Standing Committee on Agriculture met last Thursday. Five members of our Party were there along with one member of the New Democratic Party, the Hon. Member for Humboldt-Lake Centre. Only one government Member showed up. We had to adjourn and could not pass the amendments to the agriculture stabilization act out of committee. Would the Parliamentary Secretary tell the House whether he is prepared to ensure that more than one government Member will attend the committee meetings so that if we in our Party show up and Hon. Members of the New Democratic Party show up, we can pass the Bill out of committee? Could we have a commitment that when the committee meets we can pass the Bill through, clause by clause, in order to get it back to the House as quickly as possible so we can get some money into the hands of the western farmers?

[*Translation*]

Mr. André Bachand (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I can assure the Hon. Member that at the next meeting there will be enough committee members present for clause-by-clause adoption of the Bill.

[*English*]

Mr. Mayer: Mr. Speaker, for the information of the Parliamentary Secretary, my office was informed by telephone that we are going to meet tomorrow afternoon. I will tell him when the meeting is, and I hope he will show up.

REQUEST FOR EARLY PASSAGE OF LEGISLATION

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, my supplementary question is directed to the Minister of Transport. I believe he has responsibility for amendments to the Western Grain Stabilization Act. When the Bill comes out of committee, and hopefully we can do that tomorrow, will the Minister use the influence of his good office and suggest to his House Leader that we get this Bill passed next week? The Minister of State for Finance stands and talks about all the things we cannot do. Here is one thing the Government can do in terms of putting some money into the pockets of western farmers.

Mr. Hnatyshyn: Their own money!

Mr. Mayer: Can we have a commitment that the Minister will do what he can to get that Bill on the Order Paper so that we can pass it through all stages in this House by the end of next week?

Hon. Lloyd Axworthy (Minister of Transport): Yes, Mr. Speaker.

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VETERANS AFFAIRS

DENIAL OF PENSIONS TO VETERANS REMAINING OVERSEAS

Mr. Neil Young (Beaches): Mr. Speaker, my question is directed to the Acting Prime Minister. As the Acting Prime Minister knows, Mr. Speaker, Canadian veterans of the last war who elected to live overseas following discharge from the service are now being denied war veterans allowance pensions because they refuse to return and reside in Canada for one year. Would the Acting Prime Minister tell the House why a Canadian who fought for his country in the last war, who is a veteran in every sense of the word, is being denied a benefit which every other veteran receives, simply because he refuses to return to Canada and live here for one year? Why is that the case? And why does the Government not correct that kind of injustice?

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I am really not familiar with the particular aspects of this question. I have found in my some 20 years in politics that 93 per cent of the time there is a good explanation for these situations. I will try to find it, and my friend and I can then pass judgment on the adequacy of the reason.

RESIDENCY REQUIREMENT

Mr. Neil Young (Beaches): Mr. Speaker, my supplementary question is directed to the same Minister. According to a press report yesterday, the executive director to the Minister of Veterans Affairs said: "The only reason those veterans must return to Canada for one year is so that the Department of Veterans Affairs can get to know them". That is the most illogical argument I have ever heard in my life. It seems to me that if that is the key argument used by the Government to refuse to pay those pensions, it is one which seriously requires re-examination. I would ask the Acting Prime Minister to use his good offices to do that.

Hon. Jean-Luc Pepin (Minister for External Relations): I will, Mr. Speaker.

* * *

VIA RAIL

RESTORATION OF EDMONTON-VANCOUVER SERVICE

Hon. Don Mazankowski (Vegreville): Mr. Speaker, I would like to direct a question to the Minister of Transport. My question arises out of his promise this past weekend to restore the Edmonton-Vancouver VIA Rail passenger service partially. In April of this year the Minister said that the only way this service could be restored would be through a cost sharing arrangement involving the federal Government, the provinces, and the municipalities. Can the Minister assure the House that this condition is not attached to his commitment to restore this service by the fall of 1985?

Could he also tell the House why the President of VIA Rail, when he appeared before the committee last week, completely contradicted the Minister of Transport when he stated that there was no commitment to restore this service? Does the Minister have a breakdown in communications with the President of VIA Rail, or are we to assume that the President of VIA Rail was less than frank with the committee?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, with respect to the first question, let me explain that I have never said there must be a cost-sharing. I said we were trying to recruit the involvement of the provinces and the municipalities, that we would provide the rail service and we would want them to complement that by investing in promotion, market development, tourism development and other parts of the economic side of that package. We have received very useful co-operation from the municipalities. I am still waiting for an equal commitment from the provinces.

Because of the major economic importance to the Province of Alberta and British Columbia, to say nothing of the entire country, in encouraging the development of new tourist traffic,

we have gone ahead to reintroduce that line. The task force which was established under the leadership of Mayor Decore and Mayor Harcourt will continue to develop the role and responsibility of the municipalities and provinces. We have, therefore, been able to generate that kind of local level responsibility and commitment, and I am hoping the provinces will also show signs of being good partners in this kind of arrangement.

As far as the statement made by Mr. Franche in front of the committee is concerned, he, of course, was not in a position to make that kind of commitment in front of the committee because, Mr. Speaker, it is the Minister of Transport who makes policy on VIA Rail.

TIMING OF ANNOUNCEMENT OF DECISION

Hon. Don Mazankowski (Vegreville): Mr. Speaker, I am pleased that the Minister mentioned the task force. May I then ask him why he pre-empted his own task force in making his decision before the task force brought down its report, particularly in light of the fact that I understand his own task force was recommending that the reinstatement take place in the spring of 1985? And why is the Minister delaying the restoration of that service until the fall of 1985? May I ask the Minister also whether any similar consideration is being given to the restoration of the VIA Atlantic service which was dismantled in the same fashion as the western transcontinental service?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, once again, I thank the Hon. Member for the opportunity to clarify the situation which he has tried to put forward. The fact of the matter is that we have been working very closely with the task force, and the reintroduction of the Edmonton-Jasper-Kamloops-Vancouver line is in total accord with its recommendation that it be initially a three-day service. We have fully conformed to the kind of proposals the task force has made.

With respect to the question of timing, we have given ourselves until the fall of 1985 because there are some variables which we cannot control, such as the deliberations by the Canadian Transport Commission. It would certainly be my intention to try to have the service in place by the spring of 1985. We are working towards that, and if we can get full co-operation of the CTC and others, I am quite confident we will have it in operation by that time.

• (1500)

As to the third part of the question, we have had a number of discussions with Members from the Atlantic area concerning the economic justification for improvements in service. As the Hon. Member knows, we have reintroduced the Moncton-Edmundston line as a demonstration of our interest in serving that part of the region. We will maintain and continue that same kind of innovative approach in consulting with communities and enlisting their co-operation.

TORONTO-PETERBOROUGH—REQUEST THAT MINISTER REVIEW ABANDONMENT OF SERVICE

Hon. Allan Lawrence (Durham-Northumberland): Mr. Speaker, well over six months ago the Minister of Transport and his personal staff promised the people of my constituency and the local councils that if they got together, co-ordinated their efforts, the Minister would meet with them and serious consideration would be given to reinstituting the Toronto-Peterborough VIA Rail passenger service which was so stupidly cut off by the Minister's predecessor. Just last week the Minister's departmental officials admitted in the Committee on Transport that absolutely no consideration has been or is being given to the reinstitution of that line which could be economically sound and for which there is a good demand. Why will the Minister not meet with them and at least review that silly decision?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I wish the Hon. Member would speak up a little bit so we could hear him on this side of the House.

There have been consultations and discussions. We have looked at the proposition, and I suggest he go back and talk to his friends in the Ontario Government to get an answer on why there has been no reconsideration of that line.

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VETERANS AFFAIRS

DIEPPE VETERANS' REQUEST FOR PENSION INCREASE

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, my question is for the Acting Prime Minister. Yesterday we witnessed the fact that veterans, in this case Dieppe veterans, felt that so little attention was being paid to their case that they had to march on Parliament Hill. Although no government Members showed up, they did this to call the attention of the Government to the fact that they have a special case for having their pension classification increased from 20 per cent to 40 per cent. In recalling D-Day of 40 years ago, we know that the Dieppe raid had a lot to do with the success of D-Day. I call on the Acting Prime Minister to use today as a golden opportunity to announce that the Government is going to meet the request of the Dieppe veterans and increase their pensions.

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I am surprised that my hon. friend uses this day to ask questions which the Minister of Veterans Affairs, who is in Normandy today, would have been in a position to answer on those days when he was here. I will bring it to his attention and I am sure he will want to provide an answer when he gets back.

Mr. Blaikie: This is not exactly a new item. It has been before committees of the House of Commons and the Senate. All Members of Parliament have received communications on this, including the Acting Prime Minister, and I am surprised that he just wants to duck the question and not indicate where he stands on this issue.

DELAY IN DEPARTMENTAL APPEAL PROCEDURES

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, while the Minister is talking to the Minister of Veterans Affairs maybe he could also make some representations on behalf of the many veterans who get an incredible run-around from the Department of Veterans Affairs. It takes years and years to have an appeal heard. There is often an automatic rejection, and then another four years go by in appeals. It often seems that it is the Government's bureaucratic policy to wait for veterans to die off so it will not have to pay the pensions coming to them. Perhaps he could make that representation also so that justice can finally be done and these delays can be stopped.

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, on matters of this kind I have had an opinion about my hon. friend's Party for a long time. That opinion is simply that whatever the Government does for any group of people, veterans, or married women, or unmarried women, and what not, they always come back and suggest a lot better. Their intellectual contribution in the last number of years to the development of social services in Canada has simply been to add another ten when there was 100, or another 20, or another 30. That has been their intellectual contribution to the social services of Canada. Consequently I am not surprised by today's request because it comes every day from that Party.

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VIA RAIL

TORONTO-PETERBOROUGH—STATUS OF DISCUSSIONS

Mr. Bill Domm (Peterborough): Mr. Speaker, I have here the current householder of the Minister of Transport in which he says:

> My job as an MP is to listen and serve your interests. That is not "porkbarreling". This is just good, honest representation.

How does the Minister justify reinstating a VIA Rail line in his own riding while at the same time standing up in this House and telling the Hon. Member for Durham-Northumberland that he has met with the heads of municipalities in the Peterborough area? That is simply not the case. Would the Minister stand in his place and retract that statement? His own office said there was a letter in transit; the letter has never been received. There was a commitment to hold a meeting, and the meeting has never been held. This is the third time the Minister has unintentionally misled this House.

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I am glad to note that the Hon. Member has substantially improved the quality of his reading material recently. I hope that practice will continue, because he may learn a lot more about the qualities of a good MP. I would be glad to send him past copies so he can have a full library.

The fact of the matter is that there have been a series of meetings held, and discussions have been ongoing. As I explained to the Hon. Member previously, the reasons have to do with the kind of discussions we have had with the provincial government.

Mr. Speaker: The Hon. Member for Peterborough on a supplementary. Would the Hon. Member bear in mind that there are many Members on his side seeking to be recognized?

Mr. Domm: Thank you very much for the supplementary, Mr. Speaker.

NEWSPAPER REPORT

Mr. Bill Domm (Peterborough): Mr. Speaker, it was the Minister's office that advised the Peterborough *Examiner* on May 11 that a letter had been sent outlining the Minister's position. As of today that letter has not been received. Therefore, would the Minister advise this House why he is not only, intentionally or otherwise, misleading this House, but at the same time misleading all the heads of all the municipalities in the region of Durham-Northumberland, Peterborough, and Peterborough-Hastings?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I should point out that I am responsible for VIA Rail, not for the Canada Post Corporation, so I cannot give him a full explanation for the delay. At the same time I will check and make sure that we have a more rapid delivery.

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MARINE TRANSPORT

ATLANTIC CONTAINER EXPRESS SUBSIDY

Mr. Howard Crosby (Halifax West): Mr. Speaker, my question is for the same Minister, concerning the $7.3 million subsidy the federal Government has agreed to pay to Atlantic Container Express to carry cargo from the Port of Montreal. In February of 1982 the Government paid a similar subsidy to a related company, Newfoundland Steamships, at a cost to the taxpayers of $5.9 million. How can the Minister justify an expenditure of $13 million in public funds for a transportation service that the former Minister of Transport said did not require a subsidy? There were two carriers performing the service without a subsidy.

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I would refer the Hon. Member to the possibility of holding some discussions with his two colleagues who represent the St. John's area. They have felt, as have many people in that area, that this is important to the development of the marine shipping program and service to that area. It is part of the review we are doing, and if his colleagues from that area are prepared to say that they want to see the elimination of that service and a reduction of some 40 per cent of the potential work in that port, then I would be quite glad to have those representations from the two Hon. Members from St. John's.

Mr. Crosby: Mr. Speaker, if he does not know, I can tell the Minister that there were no representations from St. John's,

Newfoundland, to continue this service, because there is no benefit to Newfoundlanders in subsidizing freight from the Port of Montreal when there is a perfectly adequate railway service through the ports of Nova Scotia, including North Sydney.

REASON FOR SUBSIDY

Mr. Howard Crosby (Halifax West): Mr. Speaker, will the Minister not admit to Parliament that the reason for the subsidy is because Terra Transport is providing services at below cost? The Government had to provide this subsidy to equalize the subsidization. We are getting into one big subsidization which is really intended to benefit friends of the Government.

● (1510)

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I am sure it is going to come as a wonderful piece of news to the people of St. John's, Newfoundland, that their two Members of Parliament are not interested in any kind of program which would keep some 40 per cent of the port activity going on in St. John's. I am sure that will make front page news in St. John's tomorrow.

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FISHERIES

PRINCE EDWARD ISLAND CRAB FISHERY

Mr. Mel Gass (Malpeque): Mr. Speaker, my question is for the Minister of Fisheries and Oceans. I see him on this side of the House. He is getting a little practice, because this is where he will be after the next election. My question is with regard to the crab fishery and the absence of licences for P.E.I. fishermen for the crab fishery. I have discussed this in committee. I have raised it in the House. I have mentioned it to the Minister and have written to him. Is there any assurance coming from the Government that P.E.I. fishermen will indeed be awarded crab licences for the crab fishery on P.E.I.?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, if the resources will ever allow for an incremental fishing effort in the Gulf, the first priority will be for P.E.I. fishermen.

REQUEST THAT MINISTER ANNOUNCE ISSUANCE OF LICENCES

Mr. Mel Gass (Malpeque): Mr. Speaker, I understand that there may be some licences forthcoming for the fishermen of P.E.I. I was hoping that the Minister would announce that now, rather than waiting to announce it during the election campaign. Would the Minister announce today that there are indeed licences going to be issued to Island fishermen in the crab fishery?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, I am shocked by the way the Hon. Member treats that topic. As he knows, we have a consultative committee in which all the participants in the fishery do participate. There is a consensus that as soon as there is a positive scientific report by the biologists which would allow for increased fishing efforts—which report is widely distributed to all participants—the priority will be given to P.E.I. fishermen. I hope the Hon. Member realizes and understands that fishing allocation is done by rational and fair criteria.

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FOREIGN INVESTMENT REVIEW AGENCY

RENAULT AND AMERICAN MOTORS AMALGAMATION APPLICATION

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, my question is for the Minister of Regional Industrial Expansion. For a number of years there has been an application before the Foreign Investment Review Agency with regard to the amalgamation of Renault automobile manufacturers and American Motors which have a plant in my constituency. This application has been before FIRA for many years. Can the Minister give us any indication when there might be a decision on that application?

Hon. Ed Lumley (Minister of Regional Economic Expansion): Soon, Mr. Speaker.

POSSIBLE IMPACT ON EMPLOYMENT

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, this has been going on for a number of years. I have had that answer for a number of years from those who have held that portfolio. Can the Minister assure the House that, when that decision comes down, the jobs of the workers in the Brampton plant will be protected and that there will not be any decrease in employment because of the decision which the Foreign Investment Review Agency makes? Can we have that decision soon? The workers are concerned about what is going on there at the present time.

Hon. Ed Lumley (Minister of Regional Economic Expansion): Mr. Speaker, it seems to me that all I have heard for four and one-half years from the Conservative Party on the other side is about the free market. I am very surprised to hear someone on the other side talk about protection. If the Hon. Member has some patience, I think he may have some good news in the future with respect to that application.

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CANADA PENSION PLAN

FISCAL VIABILITY—IMPACT ON PREMIUMS

Hon. Jake Epp (Provencher): Mr. Speaker, my question is for the Minister of Health and Welfare. In their discussions

regarding pensions yesterday in Toronto, the provincial Ministers of Health agreed in principle on a number of points and on the general broad outline of pension reform. We welcome that. On the same day that the provincial Ministers were meeting, there was a report tabled in the House regarding the Canada Pension Plan. There has obviously been some disquiet about the fiscal ability or soundness of CPP. Does the Minister agree with the authors of the report that, in order to keep CPP viable, increases on premiums would have to be in the order of 11 per cent of salary?

Hon. Monique Bégin (Minister of National Health and Welfare): No, Mr. Speaker, unless the Member is talking about a period of over 50 years or something like that. I do not have my dossier with me. I think he knows very well that it was not the Health Ministers who met yesterday in Toronto. It was officials and people from other Departments in charge of the funding of pensions, mainly from Finance.

Everyone in Canada knows that the rate of contribution will have to be increased because we kept it very low for 16 or 17 years. That is valid for la Régie des rentes du Québec as well. The increase will not be of the amount the Member mentioned, and it will not be all at once. People are talking of a fraction of a percentage or one or two points at a time over the years.

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THE MONARCHY

QUEEN'S SUMMER VISIT

Mr. Derek Blackburn (Brant): Mr. Speaker, my question is for the Acting Prime Minister, if I can get his attention. My question is with regard to the proposed Royal visit to Canada this summer. Her Majesty the Queen will be visiting New Brunswick, Ontario, and Manitoba. Will the Acting Prime Minister assure the House that, if there is a general election this summer, under no circumstances will the Government of Canada request that Her Majesty not come to Canada?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, I think we have enough real problems without trying to resolve, in anticipation, the hypothetical ones.

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PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Tuesday, June 5, 1984, meet the requirements of the Standing Orders as to form.

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Mr. Crosbie: Question of privilege, Mr. Speaker.

Mr. Speaker: The Hon. Member for St. John's West on a question of privilege.

Mr. Crosbie: Mr. Speaker, in his reply to a question asked of him this afternoon, the Minister of Transport suggested that there had been a representation from Members from St. John's with respect to a subsidy given to Atlantic Container Express Limited. That is completely untrue and incorrect. I have never made any representation to the Minister. He has never explained the purposes of this subsidy to me. I am opposed to it with the present information—

Mr. Speaker: Order please. The Hon. Member has made his point, I believe. It is not a question of privilege, but he has made his point.

Mr. Crosbie: The Minister is acting duplicitously, Mr. Speaker, and I protest.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. MITGES—ACTION AGAINST PORNOGRAPHY

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, I am pleased to present a petition from many citizens from my riding of Grey-Simcoe who are deeply concerned about the extensiveness of pornography in our country as portrayed in magazines, movies, and videos. They are also concerned about the moral ethics of people in our country which allow room for depictions of violence and degradation and the exposure of children to degradation, violence and pornography. The petitioners would like to see concrete changes made to the Criminal Code to eliminate once and for all these examples of abominations from our country.

MR. MALONE—PREFERENCE FOR PRAIRIE CABLE TELEVISION IN HANNA, ALBERTA

Mr. Arnold Malone (Crowfoot): Mr. Speaker, I have the honour and duty to present a petition on behalf of some 600 signatories from the community of Hanna in the constituency of Crowfoot, Alberta. The signatories are asking that preference be given to Prairie Cable Television in their community which would give them the option of a service which is local, retain a business within their community, and allow for a broadcasting system that is sensitive to the needs and aspirations of the community. These signatories hope that the Minister of Communications will lend particular attention to their call due to the fact that it is an almost unanimous petition from the whole community.

MR. LEWYCKY—RIGHTS OF THE UNBORN

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, I have the honour to present a petition from some 152 people in my constituency who express concern for the rights of the unborn. The petitioners point out that annually there are over 60,000 abortions and that living aborted babies are being used for commercial experimentation. These petitioners from Dauphin, both the town and the rural area, from Winnipegosis, Grandview, and Gilbert Plains, urge the Government to pass legislation to recognize unborn babies to be truly living persons having the same rights as all citizens.

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[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 629 and 771.

[*Text*]

ARCTIC WATERS ADVISORY COMMITTEE

Question No. 629—**Mr. Mazankowski:**

1. Is there an Arctic Waters Advisory Committee and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Committee meet and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): 1. Yes, there is an Arctic Waters Advisory Committee (AWAC) chaired by a Yellowknife Regional official of the Northern Affairs Program (NAP), Indian and Northern Affairs Canada (INAC).

(a) Terms of Reference. While there are no formal structured terms of reference, the mandate of the Northern Affairs Program, INAC through the Arctic Waters Pollution Prevention Act (AWPPA) is to ensure that the natural resources of the Canadian Arctic are developed and exploited only in a manner that takes cognizance of Canada's responsibility for the welfare of the Inuit and other inhabitants of the Canadian Arctic and the preservation of the peculiar ecological balance.

AWAC provides interdepartmental, multidisciplinary advisory function to NAP, INAC on all project proposals and regulatory issues pertaining to the mandate of the Department. AWAC also provides a forum for review, discussion, and comments on project proposals and activities by the Territorial Governments and native organizations.

(b)(i) DEPARTMENTS	(ii) AREA OF EXPERTISE
Northern Affairs Program, Indian & Northern Affairs Canada (INAC)	
Water Resources	—impacts on water
Land Resources	—real estate, terrestrial impacts
Environment & Conservation	—environmental assessment
Minerals and Economic Analysis	—geology
Environment Canada	
Canadian Wildlife Service	—Ornithology & mammals
Atmospheric Environment Service	—Meteorology
Environmental Protection Service	—Technology transfer
Transport Canada	
Canadian Coast Guard	—Navigation —Pollution from ships
Department of Fisheries and Oceans Canada	
Fisheries & Marine Service	—Impact on Fisheries, marine mammals
Ocean Science & Surveys	—Oceanography, Hydrographics
Government of the Northwest Territories (GNWT)	
Department of Renewable Resources	—Territorial issues
Government of Yukon (YT)	
Departmental of Renewable Resources	—Territorial issues
Committee for Original Peoples Entitlement (COPE)	—Native issues
Baffin Region Inuit Association (BRIA)	—Native issues
Canada Oil and Gas Lands Administration (COGLA)	—Safety, oil and gas exploration

(iii) There is no term of appointment for the members.

(c) Special allotments are not provided by the NAP, INAC for salaries. Disbursements incurred while attending a Committee meeting are at the expense of the individual's department or organization.

(d) No other direct funding is provided; however, certain secretariat costs, such as office supplies, stationery, et cetera, are covered by Indian and Northern Affairs Canada (IANC).

2. (a) AWAC met six times in 1982-83.

(b) The normal incidence of meetings is bimonthly. However, more frequent meetings can be scheduled if issues warrant.

(c) Normal matters at AWAC meetings have included review, discussion, and assessment of offshore oil exploration and drilling programs, metal mining exploration, and assistance to other regulatory bodies where Arctic waters may be affected and any other projects related to the mandate of NAP, INAC and AWPPA.

(d) AWAC does not publish reports. However, recommendations assembled at Committee meetings are forwarded to NAP, INAC for inclusion in the final departmental position on environmental matters pertaining to the Arctic marine waters north of 60°.

Order Paper Questions

DVA—FUNDS AVAILABLE TO CHILDREN OF VETERANS

Question No. 771—**Mr. Towers:**

Does the Government make funds available to children of veterans who attend post-graduate schools, secondary schools, technical schools or universities and, if so, is there any plan to increase the available funds and, if so, in deciding on the level of increase was consideration given to the current cost of tuition fees and related expenses?

Hon. W. Bennett Campbell (Minister of Veterans Affairs): Yes, the Department of Veterans Affairs does make funds available to children, of certain deceased veteran disability pensioners, who attend post-secondary institutions, including post-graduate schools.

Benefits are provided under the Education Assistance Act for post-secondary students enrolled in universities in Canada and those in technical institutions which have as an admission requirement, completion of secondary school or equivalent.

Assistance is provided to the eligible student in the form of a maximum monthly living allowance of $380.19 and a maximum grant of $800 per academic year which is applied to tuition and other related costs. Monthly living allowances, in accordance with the regulations, are adjusted annually to the corresponding change in the Consumer Price Index.

The maximum grant level of $800 for tuition and related expenses is currently under review by the Department of Veterans Affairs.

[*Translation*]

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

Mr. Speaker: The questions enumerated by the Hon. Parliamentary Secretary have been answered. Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

* * *

● (1520)

[*English*]

MOTIONS FOR PAPERS

Mr. John Evans (Parliamentary Secretary to the President of the Privy Council): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

Mr. Speaker: Shall all notices of motions for the production of papers stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

NATIONAL HOUSING ACT

MEASURE TO AMEND

The House resumed from Wednesday, May 30, consideration of the motion of Mr. LeBlanc that Bill C-37, an Act to amend the National Housing Act, be read the second time and referred to the Standing Committee on National Resources and Public Works.

Mr. Derek Blackburn (Brant): Mr. Speaker, I had intended to speak at length this afternoon on Bill C-37. However, in view of the fact that the Order Paper is very crowded, in view of the fact that the Government is prevailing upon the Opposition to get the Bill passed as quickly as possible, and in view of the fact that we are also anxious to get Bill C-34 in for second reading, I am prepared to sit down and invite you to put the question.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

[*Translation*]

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): The question is as follows: Mr. LeBlanc, seconded by Mr. Caccia, moved that Bill C-37, an Act to amend the National Housing Act, be read the second time and referred to the Standing Committee on National Resources and Public Works.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): Carried?

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): No! All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion, the yeas have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Call in the Members.

The House divided on the motion (Mr. LeBlanc), which was agreed to on the following division:

[English]

● (1530)

(Division No. 52)

YEAS

Messrs.

Allmand
Andre
Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Berger
Blais
Blaker
Bloomfield
Bosley
Bossy
Breau
Bussières
Caccia
Campbell (Miss) (South West Nova)
Clark (Yellowhead)
Clark (Brandon-Souris)
Clarke (Vancouver Quadra)
Coates
Comtois
Cook
Corbin
Cossitt (Mrs.)
Côté (Mrs.)
Cousineau
Crombie
Crosbie (St. John's West)
Crosby (Halifax West)
Crouse
Cullen
Cyr
Dantzer
Darling
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne (Chicoutimi)
Dionne (Northumberland-Miramichi)
Domm
Dubois
Duclos
Dupont
Dupras
Duquet
Ellis
Epp
Evans
Fennell
Fisher
Fleming
Forrestall
Foster
Fox
Fraser
Friesen
Gamble
Gass
Gauthier
Gendron
Gimaïel
Gingras
Gourde (Lévis)
Gray
Greenaway
Guilbault
Gurbin
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Harquail
Hawkes
Henderson
Herbert
Hnatyshyn
Hopkins
Howie
Hudecki
Isabelle
Ittinuar
Jarvis
Johnston
Joyal
Kaplan
Kelly
Kempling
Killens (Mrs.)
Lachance
Lajoie
Lambert
Lang
Laniel
Lapierre
Lapointe (Beauce)
Lawrence
LeBlanc
Leduc
Lefebvre
Lewis
Lumley
Mackasey
MacLaren
MacLellan
Malépart
Malone
Maltais
Marceau
Massé
Mayer
Mazankowski
McCain
McCauley
McCuish
McDermid
McGrath
McKenzie
McKinnon
McKnight
McMillan
McRae
Nicholson (Miss)
Nickerson
Nielsen
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Pepin
Peterson
Pinard
Portelance
Prud'homme
Reid (St. Catharines)
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Roche
Rompkey
Roy
St. Germain
Savard
Schellenberger
Schroder
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Simmons
Smith
Speyer
Stewart
Tardif
Taylor
Tessier
Thacker
Tousignant
Turner
Vankoughnet
Veillette
Watson
Weatherhead
Wenman
Wilson
Wise
Wright
Yanakis—171.

NAYS

Messrs.

Althouse
Benjamin
Blackburn
Blaikie
Heap
Hovdebo
Knowles
Kristiansen
Lewycky
McDonald (Ms.) (Broadview-Greenwood)
Ogle
Orlikow
Riis
Waddell
Young—15.

● (1800)

Mr. Speaker: I declare the motion carried.

Motion agreed to, Bill read the second time and referred to the Standing Committee on National Resources and Public Works.

Mr. Speaker: It being 6.10 p.m., this House stands adjourned until tomorrow morning at 11 a.m. pursuant to Standing Order 2(1).

The House adjourned at 6.10 p.m.

HOUSE OF COMMONS

Thursday, June 7, 1984

The House met at 11 a.m.

• (1110)

ROUTINE PROCEEDINGS

[*English*]

FISHERIES AND FORESTRY

PRESENTATION OF SECOND REPORT OF STANDING COMMITTEE

Mr. George Baker (Gander-Twillingate): Mr. Speaker, if the House gives its consent, I intend to table the second report of the Standing Committee on Fisheries and Forestry.

Mr. Hnatyshyn: Mr. Speaker, there have been consultations with respect to the adjustment of our agenda for today for the purpose of tabling this report. We are, of course, agreed to that unanimous consent going forward.

Mr. Blackburn: Mr. Speaker, we give our consent as well to concur in the report.

Mr. Speaker: By unanimous consent, the Hon. Member has leave of the House to table the report.

Mr. Baker: Mr. Speaker, I have the honour to present the second report of the Standing Committee on Fisheries and Forestry, which is the first report of the Sub-Committee on Acid Rain.

[*Editor's Note: For above report, see today's Votes and Proceedings.*]

* * *

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing the House that the Senate has passed Bill S-14, an Act to implement a convention between Canada and the United States with respect to taxes on income and on capital, to which the concurrence of the House is desired.

GOVERNMENT ORDERS

[*English*]

INTEREST ACT

MEASURE TO AMEND

Hon. Roy MacLaren (Minister of State (Finance)) moved that Bill C-36, an Act to amend the Interest Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, Bill C-36, an Act to amend the Interest Act, arises from February's Budget. Members may recall that the Budget outlined a number of proposals to improve the security of home owners. In fact, two Bills now before the House are in response to that initiative. Bill C-37, which we approved in principle yesterday, amends the National Housing Act to provide for the introduction of the Mortgage Rate Protection Program while Bill C-36 proposes amendments to the Interest Act.

One of the key elements in the Government's housing initiatives is these proposed amendments to the Interest Act. Those amendments will, first, strengthen the rights of mortgage borrowers by providing consumers with better disclosure of the terms of their mortgages. The amendments will also establish a statutory right for borrowers to prepay their mortgages with maximum penalties that strike a balance between the needs of both borrowers and lenders. Second, the amendments will increase the flexibility of the mortgage market. Third, they will provide a broader choice of mortgage instruments by permitting the development of new mortgage instruments.

Canadians have experienced a period of high and volatile mortgage rates. Conventional mortgage rates rose from just over 13 per cent in early 1980 to a peak approaching 22 per cent in the latter half of 1981. Since then, rates have returned to more traditional levels. In adapting to that unusual environment, available evidence suggests that the majority of borrowers renewed their mortgages for terms of less than two years or chose to take variable rate mortgages. We hope, however, that those experiences are now well behind us.

The steep decline in interest rates led many borrowers who had renewed their mortgages at high rates for longer terms to seek assistance from the Government in having their interest rates reduced. The Minister of Finance (Mr. Lalonde) and the Minister of Consumer and Corporate Affairs (Mrs. Erola) have also received numerous complaints about the level of prepayment penalties that some lenders have demanded from consumers who wish to renegotiate or prepay existing high-

rate mortgages. Some lenders have shown an unwillingness to allow any prepayment.

The Government is sympathetic to the plight of those who have experienced difficulty in often trying circumstances. As Members know, the Government has demonstrated that it is prepared to take exceptional action in exceptional circumstances. It has introduced a number of measures to assist borrowers who are hardest hit and least able to cope. A joint government and industry task force was established to ensure the problems were identified as quickly as possible and dealt with in a flexible and responsive way. The co-operation of mortgage lenders in responding to problems in a flexible manner was essential and was forthcoming in most instances. Also the Canada Mortgage Renewal Plan has provided assistance to over 21,000 home owners.

• (1115)

The proposed amendments to the Interest Act now before us are one prong in the Government's efforts to improve home owner security. These proposals represent a comprehensive and balanced approach to this important problem and will minimize the risk of Canadians once again finding themselves in similar situations to those of recent years.

I should now like to discuss the proposed amendment contained in Bill C-36 in rather more detail. One comment that has been expressed on numerous occasions in letters and in other representations to the federal Government concerns the lack of information and understanding that borrowers had about the terms of the conditions of their mortgages. Bill C-36 proposes that mortgages be divided henceforth into two categories: first, mortgages over the prescribed amount of $150,000; second, mortgages equal to or less than $150,000. Mortgages in the second category, which encompass the vast majority of residential mortgages, will be subject to comprehensive disclosure requirements that will provide consumers with essential information on the terms and conditions of their mortgages, including prepayment rights and privileges. Lenders will have to fulfil these disclosure requirements when the mortgage is initiated and upon subsequent renewals. To permit "comparison shopping", lenders will be encouraged to disclose this information in advance.

The Interest Act requires that mortgage lenders disclose the rate of interest calculated yearly or half-yearly, not in advance. There is little disagreement among consumer groups, financial institutions and the public at large that most individuals do not understand this method of disclosing interest rates and cannot compare mortgage rates to other consumer loan rates. Lending institutions have suggested that the method of disclosing mortgage rates be modernized to reflect current lending techniques as practised in consumer and commercial lending. The lending institutions have suggested that mortgage rates be disclosed as an annual percentage, as is done in the United States.

The main reservations that have been expressed about adopting a new method of disclosing mortgage rates focus on the potential for a one-time disguised increase in mortgage rates that could result from incorrect rounding of interest rates. In particular, while the Consumer's Association of Canada is generally supportive of modernizing the method of disclosing interest rates, concerns have been expressed about the rounding problem. As a result I suggest that the method of disclosing mortgage rates be examined at the committee stage of this Bill.

The proposed amendment in the Bill now before us attempts to balance the various facets of the mortgage market to ensure its continuing flexibility and responsiveness to the needs of borrowers and lenders. In this regard, the adoption of simple solutions could do more harm than good, making matters worse.

At various times there have been calls on the Government to set the prepayment penalty for all mortgages equal to three months' interest. While this proposal would allow borrowers to be relieved of their high mortgage obligations at relatively low cost, it remains a simplistic solution to a complex issue and can indeed do harm to the total mortgage market.

• (1120)

The adoption of this type of penalty in the majority of cases does not provide an appropriate balance of risks between lenders and borrowers, as it would interfere with the ability of financial institutions to match their assets and liabilities. Especially during periods of volatile interest rates, distortions in the mortgage market will occur. It is expected that all borrowers would find themselves more exposed to volatile interest rates and with fewer options available. This could both increase their costs and reduce their security by precluding the ability to lock in mortgage payments for reasonably long periods.

In recent years there has been considerable confusion in the minds of consumers about their prepayment privileges under the Interest Act. While the public's perception at times has been that a three-month interest prepayment penalty for longer-term mortgages is available on all mortgages, in reality mortgage contracts have a variety of prepayment penalties. Some contracts are silent on the subject and in those circumstances penalties are at the lender's discretion.

As I have already noted, some borrowers have complained about the level of proposed prepayment penalties and their ability to prepay the mortgage under any circumstances. The amendments contained in Bill C-36 propose that for mortgages of $150,000 or less borrowers have the right to prepay their mortgages upon the payment of the principal outstanding, any accrued interest and the prepayment charge. The method of calculating the maximum prepayment charge that a lender can impose is set out in the legislation. However, borrowers will not be prevented from negotiating more favourable prepayment conditions. It should be noted that the value of the prepayment charges will depend on a number of variables, including the outstanding principal, the amortization period, the decline in interest rates and the time remaining to the end of the term of the mortgage.

The basic principles underlying the proposed prepayment formula are that it should be a reasonable balance of the

interest of both parties and that it should not interfere with the vitality of the mortgage market. When mortgages are prepaid, lenders must relinquish their claims on existing mortgages and replace them with other mortgages. If current mortgage rates are lower than the contract rates, then lenders could experience losses. Accordingly the prepayment formula provides compensation to lenders for the losses incurred due to the prepayment and will thereby ensure a continuing supply of funds to the mortgage market. The proposed maximum for the prepayment penalty will be the present value of the difference, over the balance of the mortgage term, between the interest stream at the rate provided for in the mortgage being repaid and the currently prevailing market interest rate for mortgages of the same term. For partial prepayments, the charge shall be proportional to the amount of principal being prepaid.

In the event that interest rates remain unchanged or increase, there would be no prepayment charge. Due to the wide ranging debate and until recently the unspecified nature of the maximum prepayment penalty, some lenders have been inserting clauses into their mortgages and renewal agreements that require the borrower to waive his or her rights to future prepayment privileges. Bill C-36 proposes that borrowers cannot waive their statutory rights to disclosure or prepayment privileges.

Section 10 of the Interest Act provides borrowers with the right to prepay mortgages which have been in effect more than five years upon the payment of a penalty equal to three months' interest. The existence of Section 10 has contributed to the disappearance of long-term mortgages because lenders view it as an unequal distribution of risks between borrowers and lenders. There have been periodic requests for government action to encourage the development of a long-term mortgage market, and, accordingly, the Government is proposing initiatives to this end. As one step, Section 10 will be repealed to eliminate this legislative barrier to the development of very long-term mortgages and to make uniform the prepayment penalties for residential mortgages. The repeal of Section 10 would not apply retroactively to existing mortgages. No existing mortgage borrowers will be adversely affected by this change.

• (1125)

The repeal of Section 10, combined with the proposed present value prepayment penalty rules, is necessary if the longer-term mortgage market is to be revived. The new prepayment formula will help to ensure that mortgage funds are available to meet the market demand, while the repeal of Section 10 will remove an important barrier to longer-term mortgages.

The flexibility of the mortgage market can be improved by increasing the number of alternative mortgage instruments that are available to consumers. Variable rate mortgages have been available for a number of years and naturally gained in popularity during the recent period of high and volatile mortgage rates. While variable rate mortgages are available, lenders have expressed some concerns about their legality with respect to the Interest Act. Bill C-36 proposes to clarify the legal status of variable rates in mortgages. Because the borrower, rather than the lender, bears the risk of interest rates changing, there would be no penalty for the prepayment of a variable rate mortgage.

Index-linked mortgages are another mortgage design that could add to the flexibility of the total mortgage market. While index-linked mortgages can be useful in certain circumstances, they are not appropriate for all borrowers. While not promoting this instrument, the Government is amending the Interest Act to permit their development if market forces dictate.

Bill C-36 proposes that the amendments apply to new mortgages on a date set by proclamation. The proposed amendments will not be applied retroactively to existing mortgages, but those mortgages will become subject to the amendments as they are renewed.

The February Budget asked lending institutions to adhere to the spirit of the proposed amendments. Many institutions have done so. We hope that they will continue to do so. Bill C-36 also contains some house-keeping amendments on judgment debts that were asked for by the provinces and will be proclaimed on a province by province basis.

At the time of the February Budget, it was announced that federal Officials would be consulting with provincial counterparts on the proposed Interest Act amendments. Consultations were also held with a committee of financial institutions and the Consumers' Association of Canada. I am pleased to report to the House that the general response to the proposed initiatives was decidedly positive. In particular, provincial consumers' affairs officials and the Consumers' Association have generally endorsed the proposals, noting that they go a long way towards improving consumer information and protection in the mortgage field.

In conclusion, Bill C-36 is a progressive piece of legislation that deals with real consumer problems caused by a lack of information and inflexibility in mortgage arrangements. The proposed amendments will improve the flexibility, vitality and functioning of the total mortgage market. The experiences of home owners during the past few years suggest that this legislation is urgently needed. I hope that this Bill can be debated quickly and sent to committee. The positive response that the proposed amendments have received from all interested parties would indicate widespread public support for Bill C-36. I trust the House will approve the Bill before the end of this current session.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, we have just heard a speech by the Minister of State for Finance (Mr. MacLaren) who knows absolutely, completely and totally nothing about the mortgage industry other than what he has been told by his friends is the big trust companies, the big insurance companies and the big banks. It reminds me of the fact that he has now set up a task force which is examining the powers of the big insurance companies, the big banks and the

big financial lenders. He does not want to consult with the public. He gets this information from the foxes and then designs a henhouse for the foxes. The people of the country will be hurt dramatically by this legislation.

● (1130)

May I point out, Sir, that Section 10 of the Interest Act provides that no mortgage held by an individual can be held for longer than five years and the individual can escape his obligations under the debt instrument upon payment of three months' interest by way of bonus. This particular Bill creates a situation that is absolutely disastrous to a personal borrower who is borrowing on a term that is in excess of five years.

In the Minister's press release he gives the illustration of a mortgage of $50,000 with an interest rate of 12 per cent amortized over 25 years. In the press release he has indicated that the interest rate has presumably dropped to 9 per cent and that the term of this particular mortgage has two years yet to go. He shows that the penalty to discharge that $50,000 mortgage would be $2,538.23. Three months' interest by way of bonus would be $1,500. That is his illustration.

I asked the Department of Finance to give me the true figures with respect to someone who was unfortunate enough to sign up for a mortgage at an interest rate of 18 per cent back in the days of the Government's high interest rates which are returning again. I asked what would happen if that unfortunate person wanted to pay off his mortgage because interest rates had dropped to 13 per cent. I suggest to you, Sir, that on a two-year term rather than a three-year term or a five-year term, the penalty would be excruciatingly higher than three months' interest by way of bonus; substantially higher than six months' interest by way of bonus; probably higher than one year's interest by way of bonus. This is the kind of help that the Government wants to give to home owners. Government Members ought to be ashamed of themselves. The Minister ought to be ashamed of himself. I do not know how he can come to the House and even suggest that this Bill is designed to help home owners.

Let us take a look at the Interest Act. From my preliminary investigation I have found that we have had an Interest Act dating back to at least 1840 which has contained virtually the same terms and conditions. This Bill is in almost exactly the same form as that Act. I would suggest that it is probably in the same form as that which has been in existence since July 1, 1880. The present Interest Act is at least 100 years old and is probably much older than that.

The concepts contained within the current legislation are concepts regarding dealings between parties, lenders and borrowers, on mortgages for real estate, concepts that are a part of the common law of the country. Those concepts are well understood by people throughout the country. They are not concepts that are new. They do not involve the horrendous nonsense of the present value of future payments of money. I do not know how anyone could explain to Aunt Mamie, who may be lending money on a mortgage, the present value of future payments when she is forced to discharge the mortgage in accordance with regulations yet unpublished, yet unthought of and yet undetermined.

It is true that a vast amount of the money in mortgages on real property or real estate in the country is money that has been put up under the auspices of financial intermediaries like the trust companies, the banks, the credit unions and the insurance companies. However, I would suggest that when dealing with the numbers of mortgage documents that exist, not necessarily in total dollar amounts, private mortgages and small trust mortgages represent more mortgage documents than the number of mortgage documents held by the large financial intermediaries. The law that is before us is a law of general application. It is a law that requires the concept that the lender is in business to lend money on mortgages for real estate not only today but 100 years from now. Aunt Mamie will be dead and buried and her estate will be long wound up by that time.

This country is a vast one. It is not made up of only Etobicoke North and Mississauga South. It is a country of small towns right across the land in which retired people, small groups of people and private merchants lend money to finance their neighbours' properties. We cannot change dramatically the terms under which interest is calculated and under which the bargain is struck without some long-term public input and without some real investigation. Such changes require a full debate and full consideration by the House.

This Bill is a bad Bill because it has been scrutinized only by the big banks, the big trust companies, the big insurance companies and the big credit unions. It has not had the scrutiny of the small town lawyers, the small town credit unions, the small finance companies, the local merchants and the people who put up money and make the country grow in the small towns and villages right across Canada. This Bill will make it virtually impossible for those people to understand the kinds of privileges that Parliament would like to see given to those who lend money on the security of real estate.

If, for example, this Bill indicated that if there were three years to go on the term of a mortgage, the bonus would be six months' interest and if there were less than three years to go on the term of a mortgage, it would be three months' interest, we could understand that and we could live with that. Even Aunt Mamie and her lawyer could understand that. However, the present value of futures in a money market somehow determined somewhere by regulations here in the ivory towers of Ottawa and presumably on the top floor of Place Bell tower is the kind of nonsense that has been spewed out by the Government for the last four and a half years and the reason why the people of the country will toss it right out.

Let us deal with the question of lending money on real estate. Somewhere along the line the Government quietly snuck in a change. The Interest Act spoke of lending money on the security of real estate. There is a great deal of difference between what is real estate and what is real property. They snuck it in with that change. Therefore, if the mortgage is a first mortgage against the title to real property, presumably the Interest Act applies. If the mortgage is a mortgage on

personalty or the equity in real property, or a mortgage against a mortgage, or a loan against a mortgage, or a loan against a mortgage on real property, it is a loan on personalty secured against real estate and the Bill will not apply. No longer will there be any protection against the hideous contracts that might be forced on the general public by the foxes that the Minister seems to support.

• (1140)

The Minister says that the Bill is to protect and help people. How did people get in trouble in the first place? I would refer the House to a document produced by Arthur Andersen and Company for Canada Mortgage and Housing Corporation respecting the objectives and overview of mortgage rate insurance. That was another disaster which the House dealt with yesterday. We will speak again on that when the Bill goes to committee. The document reads:

> Two characteristics of a mortgage are: (i) the length of the period upon which the monthly payments are based; and (ii) the period during which the mortgage interest rate is fixed. When mortgages were initially introduced, and for a long period thereafter, the interest rate on the loan was fixed over the life of the mortgage. The borrower was secure in that his monthly payments were known and fixed during the entire period. The lender had either been able to borrow funds for a period that matched the life of the mortgage or was fairly certain that any changes in funding costs would be nominal. In essence, as long as interest rates remained relatively constant, lenders were prepared to offer fixed rates for the life of the mortgage.

When was that? Arthur Andersen says that it was prior to the 1970s. It was only in the 1970s that it became difficult under the present Interest Act to get a mortgage that extended beyond five years. Why? Because the governments of the day operated the country so that interest rates were relatively level. There were no massive gyrations in interest rates. The country was managed sensibly, honestly and carefully.

We are now told that that condition cannot return. Somehow we will never be able to get to a point where lenders will lend for 10 years, 20 years or 25 years as they once did. We will have to put up with variable rate mortgages, or indexed mortgages or mortgages that somehow run for short periods of time.

This country does not need to put up with that kind of mismanagement. This country should have an election soon to allow Canadians to get a set of managers who will manage the country so that interest rates will not go the way interest rates have gone during the past decade.

What is the concern? It is that because financial intermediaries want to finance with short-term money. They want to protect themselves when they lend long term, they want to ensure that they can have matching in terms of their receipt of deposits and in terms of their payment out of interest to depositors. Those people want matching and they could have matching if we had a sense of stability in the country. But rather than attempt to create a sense of stability, we had yesterday a Bill to ensure high interest rates, and today a Bill to ensure that those who borrow from mortgage companies will pay, if they want to get out of their contract, the present value of future money. This is again to ensure high interest rates and to insure against the effect of instability. There is no need for that.

We are faced with what has often been referred to as Hardin's Law. It says that once there is a bad law, to correct the effects of that law, three more laws must be passed to correct that situation.

An Hon. Member: Which are equally as bad.

Mr. Blenkarn: As my friend says "equally as bad". Of course, it implies that we must have three times three more laws, nine bad laws to cover the three bad laws which were passed to clean up the first bad law.

Let us go back to basic principles. The Interest Act has been with us for well over 100 years. It represents the basic contract that has proven itself to be a sound contract on which those who lend money and those who borrow money know where they stand. Section 10 of the Interest Act is designed to prevent lenders from tying up borrowers for longer than five years. In other words, it would give borrowers an out at the end of five years upon three months' interest to pay off the lender's claim. There has been no problem with that. That did not prevent long-term loans. But it did prevent someone gouging, harming or injuring a borrower. It was and is a form of consumer protection which we understand, know, are used. There is no need for any change in that condition.

This Bill is before us today because of the situation which developed as a result of the Government's high interest rate policy and its national energy policy which attempted to Canadianize every oil company in the world. The lack of confidence which this Government has inspired throughout the world in our economy, through the NEP and through the crude application by the Government of the Foreign Investment Review Act caused the need to keep interest rates in Canada about 6 per cent higher than those in the United States, from August 1981 to June 1982.

We are now faced with the same type of problem. We are faced with a falling dollar. Because Canada is deemed not to be a sound risk and in order to ensure that people will lend to Canada, more interest has to be paid in Canada than anywhere else to get money into Canada. That was the condition then which led people to talk about finding some way of allowing borrowers to get off the hook on mortgages.

The problem of 18 per cent and 20 per cent mortgages when interest rates fall to 12 per cent and 13 per cent arises from the fall-out of the National Energy Program, the Budget of November, 1981, of FIRA and the inept management of the economy that led to the fleeing of capital from the country. That condition can and will be changed, but to change the basic lending laws because of a government is the wrong thing to do; we must change the government.

• (1150)

Throughout late 1982 and 1983 people were forced to take mortgages at 18 per cent and 20 per cent. They then found they could not sell their homes with these kinds of mortgages,

particularly when mortgage money was available at 12 per cent to 14 per cent, so they wanted to pay off these high mortgages and refinance at a lower rate. The mortgage company had borrowed the money at the higher rate, but they said: "If you will pay our costs, we will let you off." All this Bill does is to try and institutionalize that condition; it does nothing for anyone. The penalties authorized in this Bill are so horrendous that it makes the three months' or six months' interest penalty these people would probably have to pay look pretty cheap. What is offered here is ridiculously expensive and very hard on people.

It was not as if borrowers did not know what they signed for; they knew they were tied to their mortgage contract for five years. It was the penalties they had to pay to get out of their contract that created the problem the Government is trying to react to. But it is not reacting to the problem, it is only institutionalizing a settlement which many companies made, not a very fair settlement as far as their borrowers were concerned. Our view is that there should have been a broadening of Section 10 of the Interest Act to cover more people, and make sure that the existing three months' penalty applied in more situations.

Representations were made by some of the leading companies which are now the friends of the Minister. They suggested that borrowers at 18 per cent to 20 per cent could always get out of the mortgage, even though it was a closed mortgage, with a three months' interest penalty. "That is our policy," is what some officials of Canada Trust said. But rather than go after the trust companies and the banks, rather than put the heat on, as the Minister of Finance (Mr. Lalonde) could easily have done, and force them to comply with what they said they would do, the Government let the large institutions get away with those misrepresentations. Rather than insist that the companies comply with the representations they made and solve the problem, the Government has come in with this statute which is really designed to make sure that the large institutions can somehow reap their pound of flesh.

Mr. Malone: Forever.

Mr. Blenkarn: They will never be stuck again. That is a poor response to the problem.

I now want to deal with the portions of the Bill which attempt to deal with disclosure. In my province of Ontario, some 15 years ago we passed a Mortgage Brokers Arrangements Act and made the provision that mortgage brokers, lenders, had to make full and proper disclosure to the borrower. They had to be licensed, and if there were fees involved there was to be full disclosure. The disclosure form sets out the amount of money owing on the mortgage at maturity. I am told that is now the case in most provinces. Then, all of a sudden, the Ministry of Consumer and Corporate Affairs in Ottawa finds disclosure to be an important constituent matter. Well, it has always been an important constituent matter. The existing Act requires disclosure of the interest rate; it requires that the mortgage be calculated half yearly, not in advance, and there is all sorts of case law which indicates what that means. Indeed, the lenders have published tables which indicate how much principal and interest are included in a blended payment over a period of time, calculations going to the tenth decimal point. This matter of disclosure has been covered for a long time, and it is not necessary that we in this House legislate that kind of disclosure. It is already available and working well in the provinces.

What are we going to do, ask everyone who lends money on mortgages to fill out not only the provincial forms but federal forms as well? What kind of bureaucracy are we trying to create? There is absolutely no need for the disclosure provisions proposed by the Minister in the material sent out to Members of Parliament and members of the press. Indeed, the proposals set out are poor in comparison to the existing provisions in the Province of Ontario. Therefore, why create additional paper work? You must remember that when a lender has to comply with more and more red tape, he must be paid for doing so. In other words, all his costs are paid for by borrowers, not by the Government. The money does not come from the Minister's generosity, it comes out of the pockets of borrowers. To add unnecessary red tape to the lending of money implies greater payments for the borrowers of money. There is no justification whatsoever for these provisions in the Bill.

I spoke earlier about the future value of present money being the concept on which the discharge of a mortgage prior to its maturity would be worked out. I suggest that Clause 11.2(1)(a) is unconstitutional because it affects property and civil rights by implying that by regulation the Government is somehow allowed to reduce the principal amount of money on a mortgage. That is interesting. Aunt Mamie has lent you money on a mortgage. All of sudden, by regulation passed pursuant to the discharge of the mortgage, the regulation can provide that the principal money you owe can be reduced by regulation. I am afraid that will certainly be brought before the Supreme Court of Canada and will certainly be thrown out.

• (1200)

While the Government has power to deal with interest rates, it has no power to deal with the principal amount owing on a mortgage. The Interest Act, the Mortgages Act and all of the other statutes do provide that no interest may be chargeable or that interest may be reduced to 5 per cent under certain conditions. But nowhere in statute law has the federal Government the power to indicate that the principal amount of the debt may be reduced. On that basis this proposal should be referred by the law officers of the Crown to the courts before it is passed by the House.

This Bill essentially guts the entire Interest Act which has been in effect since at least 1880. The last Act my researchers and I looked at was 1840. It was not quite the same but very similar. This Bill eliminates and changes Sections 4, 6, 7, 8, 9, 10 and 11 of the present Interest Act. It also dramatically changes an anachronism which has been there for a long time dealing with interest charged on judgments in western Canada.

That shows how old this statute is. It has special provisions for the charging of interest on judgments in western Canada. They have been there since 1880. The Act has never been changed. Western Canada has since developed into provinces. It is a dramatic change in the statute.

Mr. Malone: Colonies.

Mr. Blenkarn: My friend from Crowfoot says colonies. It was a colonial piece of legislation. This Bill changes that. With reference to those provinces the Interest Act will be changed. That is probably good.

I am essentially saying that this Bill abolishes the provisions with respect to the calculation of interest on mortgages. That statute is now part of the common law of Canada. It is a statute which lawyers and people generally in the country understand. It has no reference to regulations made by Orders in Council. The statute is clear, readable, understandable and interpreted by courts. In place of that statute is being put a whole new raft of social engineering. The Government says it has consulted the banks, trust companies and so on. However, it must consult the House of Commons, the people of the country, before it makes massive changes to the common law of the country.

This Bill should not be passed in a hurry. It should be thoroughly understood by every Member of Parliament. The proposed regulations ought to be tabled in the House. The calculation system which is proposed with respect to the early discharge of a mortgage ought to be clearly understood. It should be simple and capable of being understood by the simplest country lawyer, myself for instance. I see the President of the Privy Council (Mr. Pinard) here. It should be capable of being understood by him too. We have before us a measure which changes the system; that vitally affects the lending of money on real estate and how the interest is to be charged. We should not pass this Bill. This Bill is poorly thought out. It does not do what it is supposed to do. It does not really solve any social problem. It imposes greater penalties on borrowers. It is not a good statute for the general application of mortgage interest in Canada.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I presume that the ostensible purpose of the provisions of this Bill is to try to overcome and obviate the difficulties experienced by many people who purchased homes in 1981, 1982 and 1983. When they got their mortgages they had to make arrangements to pay monthly interest rates of 18, 19, 20 and 21 per cent. A year later they found that interest rates had dropped by 6, 7 and 8 per cent. They were stuck. When they tried to do something to reduce the exorbitant monthly payments which they were finding extremely difficult to meet, they found that they could not get out without the payment of a penalty which they had never expected and, in fact, had never been led to believe they would have to pay when they discussed the situation with their bank or mortgage company.

We are going to oppose this Bill because we believe the Bill is overly complex. It is not clear from the Bill what the Government intends. The rhetoric of the Budget emphasized that more disclosure of mortgage interest information would be made available. We believe that the major benefits of the Bill which the Government is proposing will not be to the people who were caught in the situation where they had to agree to pay exorbitant interest rates to get their mortgage. The major beneficiaries of this Bill will be the banks and mortgage companies.

The prepayment rights and penalties sections of this Bill may sound good, but it is a nothing proposal. The Government wants to allow borrowers to have the right to prepay at any time. However, the penalty for doing so would be the full amount of interest due between the day one prepays and the day that the mortgage term expires. In other words, the person who has the mortgage would pay all the interest in any case. The Government would like to see that the borrower does not have to pay for the privilege of paying all of the interest sooner, but this represents no break to the borrower. For example, if one is locked into an 18.5 per cent mortgage of $50,000 for five years and has three years until the term expires but would like to renegotiate, the prepayment penalty would be $7,855 which represents 36 months of payments at 12.5 per cent rather than 18.5 per cent.

• (1210)

In the period between 1981 and 1983 I, as I suspect every other Member of Parliament, was receiving calls from constituents who found themselves in a situation where they had agreed to take a mortgage at a very high interest rate but a year later the interest rate on mortgages had come down very sharply. One could not blame them for wanting to renegotiate their mortgage so they could pay the much lower interest rate. When they went to the bank they discovered that the bank was imposing new rules and procedures. They then went to their Member of Parliament. We made representations to the banks and mortgage companies but were unsuccessful. We made representations to the Minister of Finance who told us that these matters could be cleared up by referring them to the appropriate Minister. He said he would look after it.

Some of us took all of those steps but with no results. Our constituents were stuck with these very high mortgage rates. Let me put on the record one illustration of what happened to one of my constituents. It is a good illustration because it is typical of what was happening right across the country. I will read a few sentences from the letter which was sent to me by this constituent explaining what happened. This occurred in 1982. This constituent says:

> I took the mortgage out as of July 1st, 1982, at 183/4 per cent—
>
> I asked (the manager) what would happen if the rate dropped considerably. He told me that I would be charged a three-month penalty, that they take my mortgage payments times three, and that would be the penalty to discharge my mortgage. He told me it would cost approximately $2,200—
>
> He also told me that I would be saving approximately $3,000 by doing this.

This is when the person wanted to renegotiate the mortgage because the interest rates had come down by 6 per cent or 7 per cent. This constituent went to her lawyer because she was not certain that she understood everything. Her lawyer spoke

to the branch manager who confirmed the situation, but when they tried to pay the three-month penalty so they could get a new mortgage at the much lower rate, they were suddenly told by the local branch manager that the instruction had come from the head office that the penalty would be almost $5,000. The poor bank could not afford to do it any cheaper.

In order to make certain that I had a clear understanding of what had happened, I got in touch with the local branch manager. He confirmed what my constituent had told me. I then wrote to the head of the Toronto-Dominion Bank and outlined the situation to him. I asked him to explain why this had happened. I suggested that the bank could really show some consideration for this constituent.

Eventually, I received a reply from the Vice-President of the Toronto-Dominion Bank, William Clarkson. I will read part of his letter into the record:

> The mortgage which Mr. and Mrs. Silvari contracted for in May 1982 is a standard C.M.H.C. mortgage which, in effect, provides for no prepayment other than 10 per cent of the original amount of the mortgage on each anniversary date, for the first three year term. After three years has elapsed, the mortgagor has the privilege of payment paying the full amount of the loan on payment of an amount equal to three months' interest at the contract rate.

Later he said:

> Because of the large number of mortgage customers involved, it is quite simply beyond our resources to cushion the impact of high interest rates for our borrowers, nor could we do it selectively as it would be impossible to set criteria that would be fair and equitable to all. We regret that, because of the circumstances outlined, we are unable at this time to modify the amount of the payment required to renegotiate the terms of the Silvaris' mortgage.

The banks are all the same. They made over $1 billion in profits last year on which they paid very little taxes because of the very generous way in which the Liberal Government of Canada treats the banks. These poor banks, which need so much assistance, are the most powerful business organizations in the country. Not only do they control the financial services but because of their interlocking directorships they control virtually all large businesses and corporations in this country. The poor banks could do nothing for my constituent or any of the other Canadians who were caught in this very tough squeeze.

I took the Minister of Finance (Mr. Lalonde) at his word when I and other Members on this side of the House, both NDP and Conservative, appealed to him publicly in the House to do something. We were assured by the Minister that he would and could do something about it. He inferred that in some way we had not done our jobs as we should have. I am sure that Liberal Members of Parliament were getting similar complaints from their constituents and were taking them up with the Minister of Finance not publicly but privately. I am sure they were getting the same kind of assurances.

I wrote to the Minister of Finance and took him at his word that these matters could be straightened out so that those who were caught in this squeeze could get better treatment and a small modicum of justice. I sent the Minister the particulars of the case which I have just illustrated, including the correspondence from my constituent and the replies I got from the Toronto-Dominion Bank. What did I get from the Minister of Finance? He explained that the banks, of course, had loaned people money for their mortgages and that they had reinvested the interest they received in fixed-term investments and were therefore stuck. In his letter to me, his offer of assistance to these people who were really caught in this unconsionable squeeze was as follows:

> In certain cases, if a homeowner is facing financial hardship as a result of renewing his or her mortgage at high interest rates, the federal government will grant up to $3,000 under the Canada Mortgage Renewal Plan. This plan falls within the jurisdiction of the Honourable Minister responsible for Housing. If you believe that your constituents might be able to benefit from the Canada Mortgage Renewal Plan, may I suggest that they contact the Canada Mortgage and Housing Corporation—

● (1220)

That, of course, was of no help to my constituents. This Bill drops the present requirement on prepayment of a mortgage of five years or longer of paying a penalty of up to three months' interest. Whom does that benefit, Mr. Speaker? It does not benefit the borrower; it benefits the banks and the mortgage companies who lend the money. Section 10 of the Interest Act provides that after five years mortgages can be repaid with an interest penalty of three months. This provision is now to be eliminated, presumably so that the long-term mortgage market can be revived. I do not believe we will ever see a long-term mortgage market again. The days are gone when one could get a mortgage for 20 or 25 years at a rate which would not change over that period.

This is an interesting proposal if only because both Opposition Parties, and I am sure privately some back-bench Liberal Members of Parliament, have been calling for the standardization of the three-month interest penalty. This change is being introduced "to ensure that mortgage funds are available to meet the demand".

The Government brought forward Bill C-36 with the suggestion that it will help people buy a home and take out a mortgage in order to finance the purchase of that home. This Bill helps not the person who is buying a house, who arranges to pay for the house by getting a mortgage from a bank or a trust company; if it helps anybody, this Bill helps precisely the institutions which have used the high and fluctuating interest rates on mortgages we have had in recent years as well to gouge the person who arranges a mortgage.

Because this Bill benefits those who have instead of those who have not, because this Bill benefits the lender rather than the borrower, because it is doing exactly the reverse of what it should be doing, we intend to oppose it.

Mr. Deputy Speaker: Order, please. The Hon. Member for Halifax West (Mr. Crosby) for debate.

Mr. Howard Crosby (Halifax West): Mr. Speaker, Bill C-36 which is before the House to amend the Interest Act has much broader ramifications than might have been indicated by the Minister of State for Finance (Mr. MacLaren) when he was presenting the Bill to the House of Commons.

Interest rates are at the heart of the housing problem both in terms of the home owner because of the problems of

mortgage interest rates which face a home owner, and the problems of providing an adequate supply of housing since construction of housing units is affected by interest rates, these are both aspects of the equation.

Let me review very briefly the history of mortgage rates in Canada. We went through a long period, 1951 to 1972, when interest rates were below double-digit figures; that is, they were below 10 per cent. On one or two occasions, however, mortgage interest rates did rise to 10 per cent during that time. But since 1972, almost 13 years, Canadians have been faced with double-digit mortgage interest rates and people seeking to finance a home have been forced to pay 10 per cent or more. Unfortunately, at certain periods within that time frame Canadians have paid interest rates like 21.46 per cent and 19.22 per cent, the latter in 1982. Now in April, May and June, 1984 Canadians are facing mortgage interest rates rising to 14.25 per cent. There is no indication that those rates will not rise over the next six months. Hopefully they will not rise to the high which occurred in September, 1981 of 21.46 per cent.

High mortgage interest rates are the problem, Mr. Speaker. How do they affect Canadians? They affect them in very specific terms. The cost of a $90,000 mortgage at 18 per cent is $1,346 a month. Contrast that with a more reasonable mortgage interest rate of 10 per cent. On that same $90,000 mortgage, the payment would be $847 a month. This means almost $500 a month more to the person who happens to be unfortunate enough to face a mortgage rate of 18 per cent when he should be entitled to a mortgage rate more in the area of 10 per cent.

Let us now look at a mortgage of $50,000. At 18 per cent the monthly payment would be $747. That same $50,000 mortgage at 10 per cent costs $476 a month. A person pays $271 a month more at 18 per cent. Now, whether you enjoy a home carrying a $70,000 mortgage or a home carrying a $50,000 mortgage, in proportionate terms you have the same problem. A mortgage payment on a $90,000 mortgage is increased by $500 at 18 per cent and on a mortgage of $50,000 is increased by $271 at 18 per cent. You can see, Mr. Speaker, how that difference in mortgage payments at the higher level dramatically affects the budget of a Canadian family. How many Canadians are in that position? In 1983 there were approximately 5.3 million home owners in Canada, the great majority of whom had mortgages on their homes. We are talking about a tremendous number of people who are affected by this problem of mortgage rates.

It is with those people in mind that we have to approach a Bill like, Bill C-36 and examine it in that context. I want to direct my remarks in response to the Minister. The Minister mentioned as a highlight of this Bill the matter of full disclosure. That is a deception of serious proportions. Bill C-36 with respect to disclosure of mortgage provisions adds nothing to the existing law that will benefit any Canadian. In 1966 the Province of Nova Scotia enacted the first Consumer Protection Act in Canada. Other provinces followed very quickly thereafter. The thrust of those provisions in legislation like the Consumer Protection Act was to require mortgagees and other lenders to disclose in exact terms the rate of interest charged and other conditions of the loan. Canadians have enjoyed the advantage of that kind of protective legislation for almost 20 years. When the Minister boasts that he is introducing in the House of Commons legislative provisions intended to protect Canadians in terms of the conditions of mortgage loans, he and his Government add nothing to the protection already provided to them under provincial legislation.

• (1230)

The Hon. Member for Mississauga South (Mr. Blenkarn) pointed out that the Interest Act is ancient legislation. While consumer protection legislation does not have the same antiquity, it has certainly been in force for a sufficient length of time to have established that in consumer loan transactions, including mortgage transactions, lenders are at present required to disclose in a very careful way the terms and conditions of mortgages.

I want to point out the downside of the new provisions. There may even be a disadvantage to the additional provisions which the Government proposes in Bill C-36. As has already been pointed out by the Hon. Member for Mississauga South, there is a price for these disclosure provisions and that price is paid by consumers. It can be set up any way, but the ultimate cost of all goods and services provided in Canada are paid for by Canadian consumers. Although it may appear on the surface that the lender is bearing some of the costs of the disclosure provisions, we can rest assured that those costs will be paid in the long run by consumers.

If the Minister's additional protective provisions add to the cost of the mortgage transaction by increasing the paperwork and increasing administrative services required to conform to the new law, then it will be an additional cost burden which will eventually be paid for by consumers. I caution the Minister to review that aspect of Bill C-36 and ensure that, in carrying out the pretence of additional protections and benefits for Canadian consumers in the mortgage market, the Government is not simply adding to the costs which consumers eventually will have to bear.

A second remark made by the Minister in his introductory comments was that Bill C-36 was urgently needed. I do not think anyone would argue about the seriousness of the mortgage problem in Canada in respect of Canadian home owners and those seeking to acquire homes. However, I want to point out that the Minister and his colleagues in government have a very strange attitude toward the urgency. On December 8, 1983, in the Speech from the Throne, the Government proposed a package of mortgage protection for Canadians. Again in the Budget Speech of February 15, 1984 reference was made to a package of protection for Canadian home owners faced with mortgage problems. It is only now in June, 1984 that we have come to deal with the legislation intended to implement this promise made to Canadians in December, 1983.

I ask the Minister how he views this as responding to an urgent need. It took over six months to fulfil the promise made in the Speech from the Throne in December, 1983. If the Government did not know what kind of legislation it contemplated in its protective package, why did it make that promise in the Speech from the Throne? Why did it not simply say that it would consider some protective measures and bring them forward at a later date? Instead, Canadians were led to believe that they would receive immediate protection. I remind Government Members that many Canadians who are faced with mortgage renewals would look very carefully at promises of assistance and watch longingly and with a great deal of concern for these legislative remedies to be presented to Parliament. I am sure those Canadians will not be very pleased with the Government's version of immediate action in response to what it admits is an urgent situation.

Also in his remarks the Minister mentioned an industrial task force to deal with mortgage interest rates and solutions to the problems created by the Interest Act. While I agree with consultation between government and those involved in the industry, this decision on the matter of mortgage interest rates and what is a fair price for cancelling a mortgage transaction is a decision which has to be made by the Government of Canada in the interests of all Canadians. It may well be important to consult with loan companies or companies engaged in the mortgage business, but the Government has to take into account the welfare of Canadians in making that decision. It cannot rely upon representations and discussions with institutions in the mortgage industry which have, after all, a vested interest. They must put forward the interests of their own clientele and investors.

However, I remind Government Members that housing is one of the most important needs of Canadians. The availability of mortgage funds to provide housing is part and parcel of the response to that need. The Government cannot simply come up with a formula which is satisfactory to lenders and put it forward as the proper solution to the problem. The Government must consider what Canadians need in the way of housing and in the way of assistance to provide themselves with adequate housing, and make the decision on that basis. While consultation with industry is important, it does not forgive the Government for making a decision which may be consistent with the advice it receives from those in industry but is not consistent with the welfare of Canadians who are seeking to maintain their homes or those who are seeking to acquire homes. That is the test which must be applied to this legislation. Does it help Canadians in maintaining their homes? Does it assist Canadians who are seeking to acquire homes?

In that respect one must conclude that the legislation fails. Why does it fail? It fails because it introduces a complex formula or method of dealing with a very simple problem—what is the proper and fair way to discharge an existing mortgage when the debtor under the mortgage has to make the difficult decision that he or she can no longer afford to carry the mortgage and must cancel it? They are either forced to sell their homes or to move to another place and acquire new homes.

The Hon. Member for Mississauga South has very graphically and clearly discussed this aspect of the problem. However, I want to make the plea on my own behalf that the proper method to deal with the problem of the cancellation of mortgages is a simple formula, one which is fair to the lender and fair to the mortgagor but which at the same time reflects the vital need of all Canadians for adequate housing. If there are to be errors made in the construction of that simple formula, then they have to be made on the side of home owners.

Along with the Hon. Member for Mississauga South, I propose that there be a simple penalty based upon monthly interest payments. Whatever may be selected, from one month to six months, it should be the basis for the amount charged when a mortgage debtor seeks to cancel a mortgage transaction. A fair level would be three months; that is to say, a mortgage debtor who seeks to cancel a mortgage would pay a three months' penalty. It is difficult to know whether that figure should be six or one, but three appears to be reasonable. If there is going to be any error, it should be on the side of the home owner who has no method of recovery for losses as opposed to the mortgage lender who has other methods to recoup any losses that may be suffered.

● (1240)

If that sounds too arbitrary and unfair, let me explain it. With mortgage penalties for cancellation of mortgage transactions, as in all other transactions involving consumers, what we have to attempt to achieve through legislation is a balance of rights. We have to balance the rights between lenders and borrowers in a fair way. As I have said, if there are going to be errors made, they should be made in favour of the borrowers rather than lenders, because in the long run that is in the interest of all Canadians. In seeking to balance those rights, the Government has the obligation to make the decision. It cannot slough off that legislation obligation on a committee composed of government, consumer and industrial representatives. It is a decision that has to be made by the Government.

It is clear in Bill C-36 that the Government has avoided taking its responsibility. In response to the consultations it has held, the Government has come up with a method that is simply a failure to make a decision. The method chosen by the Government, alleged to be flexible, is simply to enact regulations from time to time to set up the formula. That is not making a decision: it is avoiding a decision.

It is very difficult to take the legislation as a serious attempt to resolve the problems that exist under the current Interest Act with respect to the cancellation of mortgage transactions. The Government knows there is a problem. As Members have said time and time again, the problem comes up as mortgage interest rates escalate. The Government must realize that some action has to be taken. Its answer was to present a Bill which does not provide a solution. That does not provide an answer; it

merely finesses the whole problem to regulations that will be made at some future time.

Even though the Government proposed these legislative enactments seven months ago, the regulations are not available. Nobody knows what the regulations will be. Canadians are being asked to accept a pig in a poke, legislation that does not answer the question or respond to the needs. Everyone will have to wait for future developments to find out whether the effects of the legislation are fair or adverse. That is not acceptable. It is appropriate that Members of this House of Commons underline the failure of the Government to respond to this evident need. We should underline the failure of the Government to come up with a solution that Canadians can examine and then determine for themselves whether it meets the test of balancing rights between mortgage lenders and mortgage debtors. The Government is copping out, failing to make a decision. It leaves Canadians in the dark as to what the attitude is with respect to the vital matter of mortgages, mortgage interest rates and the cancellation of mortgage transactions.

Mr. Deputy Speaker: Are there questions or comments?

Mr. Blenkarn: Mr. Speaker, the Hon. Member has practised law both in Ontario and in Nova Scotia. Can he explain the type of disclosure required in the Province of Nova Scotia with respect to those who lend money on mortgages, mortgage brokers and so on? What type of disclosure is required in Nova Scotia? In his speech, the Hon. Member mentioned that the disclosure provisions are not required, that provinces have disclosure provisions and this is a duplication of a kind of disclosure already required.

Mr. Crosby: Mr. Speaker, the Hon. Member for Mississauga South has struck a very interesting chord in his question, particularly as it relates to the Provinces of Nova Scotia and Ontario. As I indicated, Nova Scotia was the first province in Canada to enact consumer protection legislation. That occurred in 1966 when the legislature of the Province of Nova Scotia enacted the Consumer Protection Act. It should be admitted that the provisions of that Consumer Protection Act were based on a report that emanated from the Government of the Province of Ontario, a Progressive Conservative Government that had examined the problem concerning consumers in relation to loan transactions, particularly mortgage transactions. It recommended that certain disclosure requirements be enforced through law.

Nova Scotia acted upon that kind of advice and that of other legislative committees that had studied the matter and formulated the Consumer Protection Act. That Act has been in force since 1966, with amendments intended and designed to meet needs as they arose over that period of time.

To deal directly with the Hon. Member's question, the Consumer Protection Act of Nova Scotia, and I am certain there is similar legislation in every other province, requires that a lender advise the borrower of the exact interest rate that will be enforced throughout the life of a loan, and that includes a mortgage loan, so that the borrower knows exactly the rate of interest, the basis for calculating that interest and the amount. The concern of most consumers and most mortgage borrowers is the amount they will have to pay on a monthly basis. The consumer protection provisions require full and proper disclosure of the exact amount that will have to be paid throughout the life of a loan. In addition, there is a requirement that the mortgage borrower be advised of the rate of interest in exactitude. That means the ancillary provisions and whether it is calculated annually, semi-annually, cumulatively and so on. All of that information must be given not only to mortgage borrowers but to all borrowers of funds in consumer situations.

In addition, there are other specific requirements that relate to all loan transactions. The borrower must be informed of the place of business of the lender and other vital statistics. The matter is completely covered. To the extent that it is not covered, I am sure simple amendments to provincial legislation would cover any other areas that might give rise to problems.

Mr. Taylor: Mr. Speaker, I commend the Hon. Member for Halifax West (Mr. Crosby) for a very interesting and excellent address. He is not only highly trained but is a highly experienced barrister.

I would like to get his view on a matter. When interest rates were at their highest, I had a number of cases concerning my constituents. One problem in particular comes to mind at this time. A family suddenly came into sufficient money to pay off their mortgage. If I recall correctly, the interest rate was 18 per cent. They went to the trust company which held the mortgage and reminded it of its promise that they could pay off the mortgage with a two-month penalty. The trust company said that could not be done, that there would be a two-year penalty because the money had been invested in a long-term investment. Therefore, the family was told they had to pay a two-year penalty in order to get out of the mortgage.

• (1250)

I thought that was outrageous. I referred the matter to the Minister of Finance because he had indicated in the House that he wanted these kinds of cases brought to his attention. I brought it to his attention and he sent me a letter containing a list of all the trust companies and telling me to write to them myself. That was not very helpful.

I did write to the mortgage companies and they were able to do very little for my constituent. They continued to say that they had invested in long-term investments. I reminded the mortgage companies that many of their investments were short-term investments and perhaps the majority of them were short-term investments. I would like to hear the comment of the Hon. Member for Halifax West regarding what a reasonable penalty would be when a family is able to pay off its mortgage. What would be fair to both the mortgagor and the mortgagee?

Mr. Crosby: Mr. Speaker, my colleague, the Hon. Member for Bow River (Mr. Taylor), has described the classic case and

asked the classic question. I know that he believes as I do that a lender should be entitled to fair compensation for the cancellation of a transaction, but he should not be entitled to a windfall profit arising from the good fortune—or the misfortune—of the borrower. When answering that question in terms of the law that we enact, we must try to achieve a balance between those two rights.

I can best answer the question of the Hon. Member for Bow River by going back a bit in time to see what the developments in the mortgage market in Canada have been in relation to the Interest Act that is now before us and in relation to Section 10 of that Act. For many decades, the classic mortgage system in Canada was that a mortgage was held for a 25-year term. In more recent times that was reduced to a five-year term after which time the mortgage interest rate was renewed. That term has now been reduced to as little as one year.

The reason I mention this bit of history is that for many years the mortgage provision in the Interest Act was that if a mortgage ran for more than five years—and most mortgages ran for at least 20 years—that mortgage could be paid off after a five-year term with a payment equal to three months' interest. I believe I am correct about that but the Hon. Member for Mississauga South can correct me if I am not. In other words, the so-called penalty was based on the monthly interest rate in relation to that mortgage. However, there was no provision for mortgages with terms of less than five years. That is to say, such a borrower was left to the provisions of the mortgage or to the good offices of the lender. That is the situation in which the constituents of the Hon. Member found themselves. There was no clear provision in law with respect to their rights when paying off the mortgage.

In those circumstances, many mortgage lenders claim that they have taken money from their investors and promised to pay them a rate of interest over a long period of time, like five years, and they then take the attitude that the only fair thing is for them to receive all of the revenues that they would have received had the borrower kept the money he had borrowed for that entire period of time. Of course, that is an extreme position and it is a ridiculous one. Unfortunately, that was the position taken by many of Canada's foremost lenders, including the banks and large mortgage companies. That is why we as legislators must step into that situation and make our judgment with respect to what is fair. The thrust of my position is that the Government should make that judgment. Such penalties should be based upon a monthly interest payment and I think the penalty should be no more than three months' interest.

Mr. Deputy Speaker: Order. The House will now proceed to debate.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, when speaking today on Bill C-36, the amendments to the Interest Act, I will go backwards. I shall begin with the last provisions in the Bill which is before us, being Clauses 4 and 5 which deal with the interest payable on judgment debts.

I am pleased to see that the amendment regarding judgment debts is before us today. In effect, what it does is remove an anachronism that has existed since 1880 or even longer. At that time the Provinces of Alberta and Saskatchewan did not exist but were contained within the Northwest Territories. Ever since Confederation the eastern provinces had within their legislative authority the ability to specify the interest payable on judgment debts. It makes no sense to have one law affecting eastern Canada and a different law affecting western Canada.

I would hope that the western provinces and the western territories which, as a result of the passage of this Bill, will have the authority to stipulate in their own legislation the interest payable on judgment debts will take upon themselves the responsibility to do so as soon as possible. However, when doing so I would hope that they would keep in mind that as much as possible interest payable on judgment debts should be uniform across Canada.

Although I agree that it should be within the authority of the province or territory to set these rates, it does not make much sense if the rate is 5 per cent in one province, 7.5 per cent in another province and 10 per cent in another province. I think that the provinces and territories should get together and try to come up with a uniform rate if that is at all possible. As well, when changes are made the provinces should act in concert to keep those rates reasonably uniform across Canada.

Again working from the back of the Bill forward, the next prime issue contained therein is that dealing with disclosure. This deals with what, by law, should be disclosed within a mortgage document. Items dealing with disclosure were contained in Section 6 of the old Act. This is certainly not a new concept.

Today we heard that many provinces go much further than the federal Parliament when requiring disclosure of certain terms and conditions with respect to mortgages. The point has been made that most mortgage lenders are already obliged to comply with the provincial requirements and that some difficulty and additional expense might be imposed upon them by making it necessary at the same time for them to comply with federal legislation. Although those additional expenses would be minor, I would imagine that the difficulties could be worked out so the lenders could easily comply with both provincial and federal disclosure requirements.

In reading through the proposed changes to Section 6 of the Act which are contained in Clause 2 of the Bill before us, what strikes me is some of the new things that will have to be disclosed. In 1880, the year the present Act was passed by the Parliament of the day, if someone had suggested that at some point in the future of Canada we would be thinking about mortgages with terms and conditions dealing with changes in principle because of inflation, the legislators of that day would not have had the foggiest idea what he was talking about.

In those days the term of a mortgage was generally a period of 20 years or more. There was an element of stability to mortgages. The terms and conditions were reasonably simple. They were such that someone who homesteaded a farm in

Alberta or Saskatchewan, although those provinces did not exist at the time, would understand along with legal counsel in the small settlements what they were all about.

I see that it is very close to one o'clock. I might call it one o'clock, Sir, and continue this afternoon.

[*Translation*]

Mr. Deputy Speaker: Order. It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

LABOUR CONDITIONS

UNEMPLOYMENT IN BRITISH COLUMBIA—ACTION BY MAYORS AND REEVES

Mr. Gerry St. Germain (Mission-Port Moody): Mr. Speaker, I would like to bring to the attention of this House the fact that a delegation of mayors and reeves from the Fraser Valley of British Columbia is presently in Ottawa. Mayor John Agnew from Mission, Danny Griffin from Maple Ridge, Danny Sharpe from Pitt Meadows, John Jansen from Chilliwack, Paul Inkman from Harrison Hot Springs, Lloyd Foreman from Boston Bar, and Brian Appleby from Dudney-Allouette regional district are here to discuss and co-ordinate a plan of direct action to resolve catastrophically high levels of unemployment. It bears emphasizing again that in the area of Mission-Port Moody and Fraser Valley East average unemployment stood between 14 per cent and 15 per cent. However, with the shake and shingle mill shut down, the rate stands at an alarming 47 per cent to 52 per cent. If one takes into account the native population, the rate climbs to an astonishing 58 per cent.

A Fraser Valley College private study pointed out that the job situation is devastating. There could be as many as 15,000 young people in that area looking for jobs this summer. The problem of unemployment must be dealt with swiftly. I appreciate the commitment given by the Minister of Employment and Immigration (Mr. Roberts) and I now look to him to flesh out the particulars of the LEAD program and the reforestation assistance program. This is an opportunity to show that the Government can respond to Canadian citizens who are really in need. I urge all Ministers and officials who are meeting with this delegation to do their utmost to help in trying to resolve this terrible unemployment problem.

S.O. 21

[*Translation*]

HOUSE OF COMMONS

RUMOURS REPORTED IN ANGLOPHONE PRESS ABOUT MEMBER FOR MANICOUAGAN

Mr. André Maltais (Manicouagan): Mr. Speaker, last week, the North Shore gave one of its sons a royal welcome. The North Shore knows the meaning of hospitality. However, Mr. Speaker, I would also like to mention that last week, the English-speaking press said that the Member for Manicouagan, despite his affinity and friendship with the Leader of the Official Opposition, might switch to provincial politics or at least leave his seat vacant.

From my seat, I would like to point out that there has never been any question of any agreement with the Leader of the Official Opposition, and if the latter or someone else from the Progressive Conservative Party wants to run on the North Shore, out of loyalty and solidarity with workers and ex-workers, there will be a race! Chances are we may see another contest between David and Goliath. In both cases, I think workers and ex-workers will decide who is going to represent them on the North Shore, considering the economic problems this region is experiencing at the present time.

* * *

[*English*]

ENERGY

CONSTRUCTION OF HEAVY OIL UPGRADER IN LLOYDMINSTER, SASK.

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, yesterday was an exciting day for the people of Alberta and Saskatchewan. The long awaited announcement was made that Husky Oil Limited will build a heavy oil upgrader in Lloydminster with a capacity to produce 42,000 barrels of synthetic refinable crude oil per day. This giant leap forward for Canada's energy self-sufficiency, long overdue, will bring a renewed vitality to the petroleum industry in western Canada. It will have a significant economic impact.

Some $1.2 billion worth of Canadian manufactured goods will be purchased over the next five years. It will provide much needed employment opportunities through some 18,000 person years of employment during construction, and 3,600 permanent jobs thereafter. Husky, a truly Canadian enterprise, must be congratulated for its commitment. Because it has persevered, Canada will benefit.

Lloydminster is unique. It is the only city in Canada whose main street is the border between two provinces, those of Saskatchewan and Alberta. The Hon. Member for Vegreville (Mr. Mazankowski) and I have the honour of representing that community. The Bi-Provincial Upgrader so named by Husky, comes to my riding as a result of the spirit of co-operation and the climate of confidence established by Husky Oil and the Progressive Conservative Governments of Alberta and Saskatchewan, the management of Husky Oil, and the Minis-

ters of Energy, the Hon. Paul Schoenhals, the Hon. John Zaozirny, and the Hon. Jean Chrétien—

Mr. Speaker: The Hon. Member's time, unfortunately, has expired.

* * *

EXTERNAL AFFAIRS

POLAND—DENIAL OF EXIT VISAS—HUNGER STRIKE AT CONSULATE IN MIMICO, ONT.

Mr. W. Kenneth Robinson (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, on Sunday, March 27, 125 demonstrators marched in support of three hunger strikers who have been camping outside the Polish Consulate in Mimico, a part of my constituency. For the last 16 days they have survived on water. After 18 days of this, permanent damage to their bodies may occur. They are starving in protest. They cannot bring their families into Canada because Polish authorities will not recognize the visas held by their spouses and children. These measures are drastic, and although the hunger strikers have been told it is blackmail and unfair pressure, they will continue with their protest.

One of the strikers, Grazyna Trzesicka, has attempted 11 times to reunite her family in Canada over the past two years, and 11 times she has been refused. Both Zygmunt Augustyniak and Wladyslaw Sliwa, whose applications were being considered by the Polish authorities, went on this hunger strike after a six-month delay for consideration was imposed, and after a "no" answer was finally given. All of the hunger strikers have been told that the decisions are final with no consideration whatsoever being given, and no appeal will be considered.

When applications for exit permits are refused, the remaining family members are often told they must bear the consequences for their relatives who emigrated illegally. This collective responsibility on the part of family members exists in all communist countries. We, as Canadian citizens, are quite fortunate. We have a choice. We have rights. We have a voice.

These hunger strikers have not seen their families in a long, long time. It is most unfortunate that people have to resort to these—

Mr. Speaker: The Hon. Member's time has expired.

* * *

FORTIETH ANNIVERSARY OF ALLIED LANDINGS IN NORMANDY

A PARLIAMENTARIAN'S RECOLLECTION

Hon. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I trust you will forgive me for mentioning something today that I perhaps should have spoken about yesterday. However, I would like to associate myself with the tremendous words of those who spoke yesterday about the events of June 6, 1944. Some of my friends were reminded that I was here on that occasion and said that perhaps I should say so now.

I would like to have this opportunity not only to add to those tremendous words that were spoken yesterday, but also to say that I am very conscious of the speeches that were made in this Parliament on June 6, 1944. As I said, I happened to be here. It so happened that Mr. Coldwell, our leader, was absent that day and it fell to me to speak on behalf of our Party. All of us who spoke that day in 1944 were concerned for the support of those who carried on the war, and our hope was that it might soon be won. As you know, we did succeed the following year, but we were also concerned about those who lost their lives or their health in that war.

I am glad that other Members have spoken in the last few days about the veterans' pensions which need to be increased for some of our veterans, especially for those who were injured during the war. I urge that something be done about that now. It is good that we have done so much in the field of veterans' pensions, but there is more we could be doing, and I hope we will. Again I thank Members of 40 years ago and those of today for the things that have been said on this important event.

Some Hon. Members: Hear, hear!

* * *

CANADA MORTGAGE AND HOUSING CORPORATION

SUGGESTED PROVISION OF INSPECTION SERVICES TO ASSIST MUNICIPALITIES

Mr. Maurice A. Dionne (Northumberland-Miramichi): Mr. Speaker, in this House we frequently hear talk about the need to improve national productivity in order to get our economy moving again. If we are looking for an example of how to improve productivity, I believe that the building inspection operation of CMHC provides a good example. Not only did it complete 600,000 inspections valued at $23 million in 1983, but it also defrayed CMHC's overhead and indirect costs to the tune of over $5 million. I believe that virtually everyone recognizes the competence and professionalism of CMHC inspectors.

• (1410)

It has also increased its productivity by over 50 per cent in the past two years. I would therefore like to congratulate the Minister and the Corporation on their success. I would like to make a suggestion. Since housing is becoming more complex, and since many of the more than 4,800 municipalities in Canada simply cannot afford a resident building inspector, I would like to suggest that the Minister offer the building inspection services of CMHC to small municipalities. There would be many benefits from such a move.

1. Competent inspection services would be available in areas where none presently exist.

2. We would be seen to be doing something for small municipalities at a time when they are particularly strapped for financing.

3. We would be assisting provinces to implement the National Building Code, something we have been trying to achieve for years.

4. We would be providing protection against property deterioration and rising costs to our constituents.

5. We would be enhancing and promoting the expertise and efficiency of the CMHC inspection operations—

Mr. Speaker: The Hon. Member's time has expired. The Hon. Member for Bruce-Grey (Mr. Gurbin)

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ENVIRONMENTAL AFFAIRS

CANADIAN ENVIRONMENTAL WEEK

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, this is Canadian Environment Week and is thus a good time for reflection on our environmental track record. I am disappointed that the Minister of the Environment has chosen to say that this is a week of celebration. I agree we must give thanks for our environmental assets, but we must also take time for sober observation of the current state of affairs.

Recently Canada has experienced many environmental problems. Attempts to redress these problems, however, have often been hampered by the inefficiencies of and lack of real action by the current Liberal administration. Take for example the recent reports of the Royal Society of Canada and the sub-committee on acid rain which reviewed the quality of Canada's acid rain program. The Royal Society found that, although the program includes much excellent research, there were major problems, such as a lack of over-all planning and too little co-ordination of effort, particularly in research. The acid rain subcommittee found words but no real action.

We must set our environmental priorities and tackle the job directly and efficiently. Our main concerns now are with the clean up of acid rain, the elimination of toxic substances, the safe and permanent disposal of hazardous wastes, and the revitalization of the forest sector. We must do our utmost to clean up our own back yard. At the same time we must convince the United States to do likewise.

Our approach must be positive and action oriented. The results of today's efforts will determine the environmental future of all Canadians. So far, the Government has very little to celebrate.

S.O. 21

RAILWAYS

WESTERN GRAIN FREIGHT RATES—COST TO FARMERS

Mr. Lee Clark (Brandon-Souris): Mr. Speaker, western Canadian farmers are in danger of buckling under the weight of a projected 58 per cent increase in the cost of moving grain. As a result of the Liberals' Crow Bill, each western grain producer will pay, on average, between $500 and $1,500 more to move grain in the next crop year. That is an extremely heavy burden for a sector already enduring extremely trying times.

The cause for virtually the entire increase coming up in August is the cap on the amount of western grain shipments subsidized by the federal Government. Because prairie grain shipments will exceed the 31.5 million tonne cap in the current crop year, the producers will have to pay the full freight rate on more than 3 million tonnes of grain in the coming crop year, an additional $60 million in total. As well as being the cause of a dramatic freight increase, the cap is also a disincentive to improved western grain production. Surely a disincentive to food production is in no one's best interest.

It is my understanding that the Minister of Transport has directed the Special Grain Transportation Committee to review this matter. I urge the Minister to ensure, not only that the issue is studied soon, but that the opinions of groups representing western grain producers are reflected in any decision taken. The Crow Bill and other Liberal Government policies have caused financial hardship for far too many prairie farmers. I call upon the Government to put the needs of western Canada first for once, by abolishing the volume cap on subsidized prairie grain shipments.

* * *

MULTICULTURALISM

CONSTRUCTION OF UKRAINIAN VILLAGE IN MANITOBA—NEED FOR ROAD BUILDING FUNDS

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, on May 3, 1984, my office corresponded with the Ministers of Employment and Immigration and Transportation concerning an urgent request for special funding for a project that is of the utmost importance. To date, no adequate response has been given.

Selo Ukraina is a project which seeks to preserve Canada's Ukrainian culture and heritage through the construction of a Ukrainian village located just outside Dauphin, Manitoba. Selo Ukraina is to have the distinction of being officially opened by Her Majesty Queen Elizabeth II on July 25, 1984. This has brought with it some weighty logistical problems and unforeseen financial burdens.

Selo Ukraina must construct three-quarters of a mile of access road some two years before its projected budget and development plan. The existing access road will simply not be adequate to handle the anticipated flow of traffic, and does not

satisfy the fundamental security requirements associated with the royal visit.

Given the immense potential for growth arising out of the national and international visibility engendered by the royal visit, I am once again requesting the aforementioned Ministers to give consideration to federal funding. The impending visit of Her Majesty gives great urgency to this matter and necessitates the Ministers' immediate and sympathetic attention.

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THE ECONOMIC SUMMIT

CALL FOR ENLARGEMENT OF MEMBERSHIP

Mr. Bill Yurko (Edmonton East): Mr. Speaker, the dominant issues in Canada today are jobs, economic growth, and investment. We tolerate an unemployment rate of 25 to 30 per cent amongst our youth. Our economy staggers somewhat drunkenly, while the economy of the United States is booming at a growth rate reaching 9 per cent. Never before in history has so much foreign money been coming back to the United States, being drawn to that country by high interest rates, sound investment potential, and future stability. This dynamic U.S. economic resurgence is precipitating increasing hardship throughout the free world. Free world leaders are concerned.

On this very day the leaders of France, Germany, Italy, Britain, Japan, the United States, and Canada are meeting at an economic summit. Their agenda has two dominant items—U.S. and world interest rates, and world debt levels. However, this meeting is missing some essential parts. The Arab nations which produce much of the world's trade in oil are not represented. Why was a country such as Saudi Arabia not invited to attend? The world of debt is primarily represented by South America and Mexico. A representative like Brazil should have been invited to attend this summit meeting. This exclusive club of seven must grow if it is to solve the world's economic malaise.

ORAL QUESTION PERIOD

[*English*]

FINANCE

BANK OF CANADA RATE—EXCHANGE VALUE OF DOLLAR—GOVERNMENT POSITION

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, in the absence of the Minister of Finance, my question is for the Minister of State for Finance. As a result of the weekly Thursday auction, the Bank of Canada rate is 11.77 per cent. That is so despite massive intervention and buying by the Bank of Canada of its own Treasury Bills. This represents an increase of 23 bases points over last week and clearly indicates that prime rates will rise again.

There have been massive increases in interest rates since the Budget. There is real disquiet in the country. There is real lack of confidence, particularly as this increase in interest rates has not really improved the value of the Canadian dollar one bit. Therefore, will the Minister suspend the debate we have today, and on Motions after the Question Period outline to the House what proposals the Government has to stem the fall in the Canadian dollar and to bring some confidence back into the economy of the country? What proposals has he, other than massive increases in interest rates such as those which took place in 1981 and 1982 when the same condition was in effect?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member opposite, as in the case of his colleague, the finance critic for the Opposition, constantly engages in a doom and gloom outlook for the Canadian economy which I, for one, certainly do not share. On the contrary, we see some real evidence of growing strength in the Canadian economy.

I shall deal with the question which the Hon. Member raises. The fact is that interest rates in Canada are, to a significant degree, a function of interest rates in the United States. In the United States the combined upward pressure of private sector borrowing and a substantial structural deficit in the U.S. economy drives up U.S. interest rates. Canadian money flows out of Canada on a short-term basis looking for greater return in the U.S. market.

In those circumstances, the same thing occurs in Canada as occurs in all industrialized countries. We see either a moderation in the value of the Canadian dollar versus the U.S. dollar, or an increase in Canadian interest rates to retain an attractive investment opportunity for Canadian and foreign money in Canada.

Let us be clear on what is happening. The situation in Canada is occurring generally throughout the industrialized world. The Member opposite must know that short-term interest rates in most industrialized countries have been increasing in the face of increases in the United States interest rates. Equally, the Hon. Member must know that the exchange rate value of major foreign currencies *vis-à-vis* the U.S. dollar has been reduced. For example—

• (1420)

Mr. Speaker: Order. I wonder if both the questions and the answers could be shorter. The Hon. Member for Mississauga South, for a question that is hopefully a little shorter.

INTEREST RATE LEVELS—MINISTER'S BUDGET STATEMENT

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, he took an awful long time to say nothing. He has not told us why the American economy is bustling while we have more unemployment today than we had in 1981. He has not told us why fewer people in Canada are working today than in 1981.

I will direct my supplementary question to the Minister, who has a lot of nothing to say. He will recall that the

Minister of Finance said in his Budget that if nominal and real interest rates were to rise significantly above current levels, the recovery itself would be at risk. Nominal and real interest rates have risen by between 2 per cent and 3 per cent since the date of the Budget. The economy is at risk. What proposals does the Minister have, other than the guff he has been giving us, that will give the country some confidence?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the economy is not at risk. The Hon. Member opposite is talking nonsense. The fact is that we have seen, in recent months, an increase in U.S. interest rates. That has a twofold effect. It has meant that the U.S. dollar has increased in value against the currencies of all major western industrialzied countries.

Mr. Andre: Why don't you do what they did, and get Canadians back to work?

Mr. MacLaren: It has also meant that interest rates in Canada and other industrialized countries have been trending upward as a result of that pressure. Canada has joined with other industrialized countries in seeking, with the United States, a solution to the problem of high interest rates within that country. These high rates have had their natural spill-over in Canada. I am surprised that the Member opposite does not recognize that basic economic fact.

Equally, I am surprised that the Member opposite does not recognize that in recent months, indeed for the past year and a half, we have had major achievements in growth in the Canadian economy. I speak, for example, of the—

Mr. Speaker: Order. The Chair has some concern about the length of answers. A further supplementary to the Hon. Member for Mississauga South.

Mr. Blenkarn: Mr. Speaker, clearly the Government has no plans. All we get from the Minister is a mouthing of the same old inconsistencies and lack of hope. He is here to apologize for the Minister of Finance. The Minister of Finance is going throughout the countryside looking for a new job.

Mr. Speaker: With all due respect, the Hon. Member should ask his supplementary. This is a second supplementary.

REQUEST FOR CALLING OF ELECTION

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, the only solution is to direct my supplementary question to the Acting Prime Minister. In view of the fact that the Minister of Finance cannot bring any proposals before the House to give the people of the country some confidence, and in view of the fact that the Minister of State for Finance just mouths old prepared answers from some bureaucrat, will he cast around his backbenchers to see if he can find someone else who can come forward and act as a Minister of Finance and give the country some hope? If he cannot find anyone else, will he at least do the country a favour and call an election?

Mr. Speaker: Order. The Chair has some misgivings about the nature of the question. The ministerial responsibility of the Acting Minister of Finance is limited in respect of the questions offered.

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, as is usual on his side of the House, the Member opposite engages in a lot of gloomy forecasts. Clearly he offers the Canadian people none of the reassurance and optimism which are a necessary element in our economic outlook. The fact is that we have been able to maintain interest rates in Canada at a level which, for the past 18 months or so, has been running level with or below that in the United States, which is a remarkable achievement in the Canadian economy. Indeed, today the prime rate in Canada is lower than that in the United States. That is in part the result of our very real achievement in, for example, the growth in our export trade. The Member opposite overlooks the fact that our trade balance in April improved by $1.8 billion.

Mr. Speaker: I am sure that the Hon. Minister has made his point.

* * *

LABOUR CONDITIONS

YOUTH UNEMPLOYMENT—REQUEST FOR MEASURES TO PROVIDE JOBS

Hon. John Wise (Elgin): Mr. Speaker, in the absence of the Minister of Employment and Immigration I will direct my question to the Minister of State for Finance. It deals with the unemployment rate, and more particularly the youth unemployment rate.

Earlier this morning the Social Planning Council of Metro Toronto released a study which indicated that, indeed, youth unemployment was not some 18.5 per cent but some 26.5 per cent.

In the last few days the Corporation of Dieticians of Quebec indicated that many unemployed youths in that province were driven to desperate measures simply to seek enough financial remuneration to buy food. It is obvious that government programs are not working. Will the Minister immediately introduce some substantive programs to deal with this very, very serious problem?

[*Translation*]

Hon. Céline Hervieux-Payette (Minister of State (Youth)): Mr. Speaker, we have indeed read the report, which does not contradict the data we are going to release today in a report on youth in Canada. In fact, the official statistics released by Statistics Canada are those used internationally by OECD members. If there is any difference, it is because they do not allow for "hidden unemployment" among young people who have given up looking for employment. Thus, as Minister of State for Youth, I accept these figures. However, I think the Hon. Member should realize that $150 million have already

been added to the $1.1 billion earmarked for youth. We earnestly hope that the measures suggested in the report that will be tabled this afternoon will be approved by Opposition Members, so that we can act as soon as possible.

[*English*]

MINISTER'S SPEECH IN MONTREAL

Hon. John Wise (Elgin): Mr. Speaker, my supplementary question is directed to the same Minister. I am not clear whether the Minister, in her response, is taking the position that she is agreeing with the study of the Metropolitan Council—the Acting Prime Minister is shaking his head no.

Mr. Pepin: Nobody does completely.

Mr. Wise: If the Minister of State for Youth is disagreeing with the fact that indeed the true number of young Canadians between the ages of 15 and 24 who are unemployed is some 788,000, then why did the Minister, shortly after her appointment, travel to Montreal and speak to a meeting in Montreal indicating that the true figure of those people who were unemployed in Canada would well exceed 700,000? Answer that question.

[*Translation*]

Hon. Céline Hervieux-Payette (Minister of State (Youth)): Mr. Speaker, I think the exact figures we are releasing were provided by experts at Statistics Canada. Last month, according to StatsCan, 463,000 people were unemployed; 106,000 had given up looking for employment and 250,000 were working part time and had no steady job.

We therefore accept the figure of around 800,000 which appears in the study by the Social Planning Council. We do not necessarily agree with the rest of the report. We are only referring to the figure of 800,000.

* * *

[*English*]

THE ECONOMY

OUTFLOW OF CAPITAL—REQUEST FOR GOVERNMENT ACTION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I listened with care to the Economics 101 lecture we got from the Minister of State (Finance). Following his homily, I have a question for the Acting Prime Minister. The Liberals promised in the 1980 election campaign, a low, made in Canada interest rate policy. As the Minister of Finance has told us that in effect there is nothing the Government can do now, that our interest rate policy, according to that Minister, now will be set in Washington, and considering the Americans in the late 1960s and 1970s took action to stop an outflow of capital from their country and were concerned about doing something about jobs and employment for their people, will the Acting Prime Minister tell us why we cannot take some independent action to protect our dollar, to keep down interest rates, and produce jobs in Canada?

• (1430)

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the fact is the Hon. Member opposite asked whether we are pursuing an independent interest rate policy. The Member opposite should realize that to the degree that we have been able to close the traditional gap between U.S. interest rates and Canadian interest rates, we have done so, we have indeed succeeded in closing that interest rate gap. We have done so despite the fact that over a number of years Canadian interest rates have tended to be well above United States interest rates as much as four and five percentage points.

Due to the basic strength of the Canadian economy in terms of a reduction in inflation, in terms of an increase in our export trade and in terms of greater productivity in the Canadian economy, that we have been able to maintain interest rates in Canada at the level of, or in some instances, as today with regard to the prime rate, below those of the United States. Therefore, Mr. Speaker, I would suggest to the Hon. Member opposite that he consider whether in those circumstances we have not delivered on our undertaking.

Mr. Epp: Order.

Mr. MacLaren: With regard to the second part of the Hon. Member's question, we have, in fact, provided the environment in which we can maintain a degree of independence in our interest rate policy. But if the Member opposite thinks for a moment that with the free flow of capital, the free flow of people and money between our two countries, we are able to immunize ourselves, when 70 per cent of our export trade is with the United States—

Some Hon. Members: Order.

Mr. MacLaren: —from interest rate pressures there, he is very much mistaken.

Mr. Broadbent: Mr. Speaker, it would be hard to get a greater combination of complacency and nonsense than that which we have just heard from the Minister.

UNITED STATES PRECEDENT

Hon. Edward Broadbent (Oshawa): Mr. Speaker, if the United States in the 1960s and the 1970s, to pick up on the last phrase of the Minister of State for Finance, took steps to stop the free flow of capital, because that is what the Americans did, because the Americans had a Government then that was interested in American jobs—if they could interfere with the free flow of capital to keep interest rates down and produce American jobs, why cannot the Government of Canada, committed to Canadian interests, do the same thing for the people of Canada?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member opposite does not know what he is talking about.

An Hon. Member: Do you?

Mr. MacLaren: The United States in those days was an exporter of capital.

REQUEST THAT GOVERNMENT IMPOSE CAPITAL OUTFLOW TAX

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I will be glad to send over to the Minister a copy of the legislation which the Americans introduced and kept on the books for almost a decade to cover such situations.

I want to be specific in my question and I ask the Minister to be specific in his answer. The estimated cost to Canadian business caused by today's almost one-quarter of a per cent increase in the rate could run in the neighbourhood of $200 million, which means that Canadian business will not be investing. We already know Canadian business investment intentions are down, which means that we will not get the jobs we need. Why will the Government not levy a special speculator's tax on capital flows beyond a certain level, against people who are acting contrary to Canadian interests, so as to keep capital in this country?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Member opposite simply does not understand the nature of the economic relations between Canada and the United States. The fact is that not only does 30 per cent of our gross national product depend on our export trade, and therefore 30 cents of every Canadian dollar—the earnings of every Canadian are affected by our export trade. And 75 per cent of that is earned in our trade with the United States. Is the Member opposite proposing that we somehow close our borders, or that we put a cap on, or that we limit the flow of money between our two countries—that we artificially close our borders and say to people moving between our two countries, investing between our two countries, buying the products between our two countries—

Mr. Broadbent: Answer the question.

Mr. MacLaren: —"That's it. We are now closing the borders" because of some hypothetical or theoretical desire to maintain some level of the Canadian dollar? The Hon. Member opposite is surely more sophisticated than that. He must know better than that. He spoke earlier of Economics 101. He would do better to take a course in Economics 100.

* * *

LABOUR CONDITIONS

YOUTH UNEMPLOYMENT STATISTICS

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is for the Acting Prime Minister. It concerns the report produced by the Social Planning Council of Toronto. This report reflects the fact that the Government ignores some 250,000 young people who are under employed or are discouraged workers. They simply do not exist according to the Government. They are lost statistics. But each lost statistic, Sir, is a young person who perhaps works only two hours a week mowing a lawn, because that is the only work he can find. The system rejects him; the computers do not record him. Why is it that that young person, and the 250,000 like him, have no place in this country to turn under the Government's misdirection of the economy?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, I am really very surprised because the Minister of State for Youth has just said that she recognized—she spelled it out—the problem. Obviously the hon. lady's question was prepared this morning because the Minister of State for Youth just said that there were statistics, conventional statistics, provided by StatsCan. These were the ones that were comparable to other world statistics. She recognized, secondly, that some young people have given up looking for employment.

Mr. McDermid: What do you mean, some?

Mr. Pepin: She recognized, thirdly, that some young people were under employed. She has just said that. Why is my hon. friend asking a question which indicates that she was not listening at all?

Mr. McDermid: There is a problem. What is the solution?

PLIGHT OF UNLISTED UNEMPLOYED

Hon. Flora MacDonald (Kingston and the Islands): What the Acting Prime Minister has not done is to look at the statistics themselves to see that the Government only reports there are half a million young people looking for work. He does not take into consideration, and the statistics the Government releases do not take into consideration, that there are 250,000 more who are underemployed and discouraged workers. That is what the Government does not show in its statistics. Why is that difference made? Why does the Government not recognize that the plight of these people is just as great as those who may be listed in the unemployment statistics? Why does the Government make a difference between these two groups of people? The Government does this every month when it is reporting the statistics.

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, I read the article too. The Secretary of State for Youth has indicated what I think is the common sense approach. The conventional statistics, the ones that are used in Canada, in Great Britain, France, the United States and what not, bring in a degree of certainty in the estimating of unemployment among young people. The other type of statistics bring up questions such as why people have given up looking and are rather psychological. The reason may very well be "because I have looked for two or three months and I haven't found one." The reason can also be "because I am lazy".

Some Hon. Members: Oh, oh!

Mr. Pepin: Yes. Consequently the Minister of State for Youth just made the argument that there was a degree of certainty in the conventional way of establishing statistics on unemployment and there was more social psychological consideration in the estimation of other types of statistics concerning youth.

An Hon. Member: He dismisses them because he says they are lazy.

ALLOCATION OF YOUTH EMPLOYMENT FUNDS ON A CONSTITUENCY BASIS

Hon. James A. McGrath (St. John's East): Mr. Speaker, I hope the Acting Prime Minister is not trying to tell us that there are 200,000 lazy young Canadians who do not want to work, because that is what he said.

Mr. Lapointe: You are stupid.

Mr. McGrath: No, the Minister is stupid for saying that in the House.

Some Hon. Members: Hear, hear!

● (1440)

Mr. McGrath: Mr. Speaker, my question is directed to the Minister of State for Youth. She said today that in her estimation there are 800,000 young people unemployed. She also indicated that she had about $150 million which she could use in a discretionary way to address that problem on a constituency basis.

When her Estimates were before the committee on May 29, her Deputy Minister, in response to whether or not Statistics Canada data were relevant, said:

> I think it is a fact that data officially compiled by Statistics Canada do not permit us to have reasonable assurance of data based on the local situations.

How then does the Minister allocate the money she has at her disposal on a constituency basis, if she cannot rely upon Statistics Canada data?

[*Translation*]

Hon. Céline Hervieux-Payette (Minister of State (Youth)): Mr. Speaker, I believe my hon. friend is referring to a question about the formula being used to allocate subsidies to various ridings under the Summer Canada Program, subsidies which this summer should create 81,000 jobs for our young people at a cost of $200 million. I have answered this question, Mr. Speaker, and my Deputy Minister has provided the detailed information. The formula which is being used could not be based only on Statistics Canada data, because such data are not compiled on a constituency basis. We are using, therefore, a mixed formula which nevertheless takes into account local situations; it is being applied across the board to 281 ridings in Canada. Because there is no official Statistics Canada formula, we are using a statistical formula which applies to all ridings, whether Conservative, NDP or Liberal.

[*English*]

FORMULA FOR DETERMINING ALLOCATIONS

Hon. James A. McGrath (St. John's East): Mr. Speaker, let me help the Minister in her education. We do not have Statistics Canada data by constituencies. According to the Deputy Minister and the Minister of Employment and Immigration, the allocations are applied according to the labour rate surplus. The Minister knows, or should know, that the labour rate surplus is based upon unemployment insurance recipients. Young people do not qualify for unemployment insurance. How, then, does the Minister determine which constituency gets what amount for Young Canada Works?

[*Translation*]

Hon. Céline Hervieux-Payette (Minister of State (Youth)): Mr. Speaker, we have indeed acknowledged that the formula is neither the one determined by Statistics Canada, nor the one used by Statistics Canada to assess the number of young unemployed, which the hon. member for Kingston and the Islands referred to earlier in her question. We recognize, therefore, that the official agency is not providing us with the necessary data, but that we have developed a formula which take into account the local realities. My hon. friend did not suggest an alternative; we are therefore left with the one we have at this time, which I suggest is fair for young Canadians and all ridings throughout Canada.

* * *

[*English*]

VETERANS AFFAIRS

TREATMENT OF NATIVE VETERANS—FRAUD ALLEGATIONS

Mr. Neil Young (Beaches): Mr. Speaker, my question is directed to the Minister of Justice. For some years native Indians and their organizations have been attempting to convince the Government that many of the benefits which they received after the First World War and Second World War were the subject of fraud, in many cases by officials in the Department of Indian Affairs. Yesterday a study was released which confirmed that many of the claims of native veterans over the years were indeed factual. Would the Minister advise the House whether he and his Department would be prepared to investigate officials in the Department of Indian Affairs with a view to determining whether the allegations raised by that study are indeed factual? If so, will he initiate prosecutions against those Indian Affairs officials?

Hon. Mark MacGuigan (Minister of Justice): Mr. Speaker, I have not had that study drawn to my attention. I must say that it is not easy for me to see how my Department or I would be involved if it is a matter of the substance of the programs that would come under the Minister of Indian Affairs and

Northern Development. If it is a matter of a prosecution for fraud, it would come under the appropriate provincial Attorney General. Of course the investigation would also be under the direction of that Attorney General. As the Hon. Member relates the facts, I am not sure how my Department would be involved.

REQUEST THAT INDEPENDENT INVESTIGATION BE CONDUCTED

Mr. Neil Young (Beaches): Mr. Speaker, my supplementary question is directed to the Acting Prime Minister. There have been numerous studies made by committees of the House, including the Special Committee on the Disabled and the Handicapped, Veterans Affairs, and others, which have indicated that there is a real need for some independent investigation of the allegations raised by native veterans. Would the Acting Prime Minister undertake to make a recommendation to Cabinet that funds be allocated for such an independent investigation?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, I will take notice of the question. The efforts which Canada has made in this area are well known. We had a committee on this particular subject. However, I will look at the particular aspect raised by the Hon. Member.

* * *

[*Translation*]

BILINGUALISM

POLICY FOR AMATEUR SPORTS NATIONAL ASSOCIATIONS

Mr. Raymond Dupont (Chambly): Mr. Speaker, my question is for the Minister of State for Fitness and Amateur Sport. In a previous statement, the Minister announced that his Department was ready to help the management of 22 sports organizations to improve their services in both official languages.

Now, the Minister has just announced the bilingualism policy for national amateur sports associations subsidized by the federal Government. Will the Minister tell this House to what extent the services provided by these associations will be improved for the benefit of French-speaking athletes?

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I merely want to say once again that, where the basic principles are concerned, it is obvious that the Canadian Government has had no change in policy, namely that we want to make sure that all of their services will be provided in both official languages within a year from now. It has been decided that 22 national organizations would provide such services this year, and on account of that, they will receive 50 per cent of all their subsidies from the Federal Government.

With respect to the Canadian Olympic Association, which is not involved in this policy, I had the simple choice of requiring that the Association follow this policy or of not financing it and keeping our athletes from going to Los Angeles. Because such is my role, I much prefer to help our athletes, whether they are French-speaking or English-speaking, take part in the Olympics, and for the moment, I have absolutely no wish to involve the Canadian Olympic Association in that policy.

However, next year, the Canadian Olympic Association will be subjected to the new policy just like all the other organizations. My greatest wish is that all our Canadian athletes, whether they speak French or English, might take part in the Los Angeles Olympics; this is why the Canadian Olympic Association is not among the 22 federations I have selected.

[*English*]

Mr. Speaker: The Hon. Member for Parry Sound-Muskoka.

Some Hon. Members: Hear, hear!

Mr. Darling: Mr. Speaker, from that applause you will no doubt be aware that I must have had a word in the question period earlier this morning with my colleagues, to say that even backbenchers have questions of importance.

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ENVIRONMENTAL AFFAIRS

ACID RAIN SUBCOMMITTEE RECOMMENDATIONS

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, my question is directed to the Minister of the Environment who, I presume, is expecting a question today. He is aware that the subcommittee on acid rain tabled a report in the House this morning. I would appreciate his comments on whether he approves of the recommendations outlined by the committee after literally thousands of hours of study, briefs, and so on.

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, in reply to the Hon. Member, let me express my recognition and appreciation of his substantial contribution over the years on the issue of acid rain.

Some Hon. Members: Hear, hear!

Mr. Caccia: I say this because I know he was extremely active, long before I was given this assignment.

As to the recommendations contained in the report to which he referred, I am studying them. As the House is aware, it was published three hours ago. All recommendations are of significance, and I will study them thoroughly. On those on which there is a possibility to move in the immediate future, I will certainly do my best. Those that are practical in the long term will be put in the system, and for those that are impractical, I will provide members of the committee with a due reply.

● (1450)

REQUEST THAT MINISTER PLACE RECOMMENDATIONS BEFORE CABINET

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I appreciate the comments of the Minister. I am aware that he has to sell Treasury Board and Cabinet as a whole. I hope he will zero in on some of those very important recommendations and see that Cabinet looks them over and makes a decision now. So far, all we have been doing is talking. The Government has not done anything to show the United States that we mean business. Will he ensure that some of those recommendations are brought before Cabinet and put into effect immediately?

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, for the first time in Canada we have a dateline, 1994. The percentage of reduction, as a commitment of both the provincial and federal Governments, is 50 per cent. Therefore we have done more than talk. We have a plan of action. Second, we have met as a working group with the provincial Ministers. Third, we have registered, and will continue to register, and I know that the Hon. Member and his colleagues are active as well, with the Washington administration our desire that they join us in the plan of action that we have outlined, and for which we have obtained the support of nine nations in Europe. That is more than just words; that is action.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF THE MINISTER OF AGRICULTURE, LIVESTOCK AND RURAL DEVELOPMENT OF THE REPUBLIC OF EQUATORIAL GUINEA

Mr. Speaker: I call to the attention of the House the presence in our gallery today of Senor Miguel Oyono Ndongo Mifumu, Minister of Agriculture, Livestock and Rural Development, of the Republic of Equatorial Guinea.

Some Hon. Members: Hear, hear!

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THE CANADA COUNCIL

REPORTED TELEPHONE CALL TO DIRECTOR FROM DEPUTY MINISTER

Hon. David Crombie (Rosedale): Mr. Speaker, my question is for the Acting Prime Minister. The Acting Prime Minister may be aware that an article in this morning's *Globe and Mail* by the immediate past chairman of the Canada Council, Mavor Moore, stated:

> According to several members of the Canada Council living in various parts of the country, the Deputy Minister of Communications, Robert Rabinovitch, recently telephoned the director of the Canada Council, Timothy Porteous and instructed him that public criticism of the Government's plan in Bill C-24 by himself, or the staff or even members of the Council's board, would not be tolerated.

That squares with the testimony we heard on Tuesday from Brian Anthony, executive director of the Canadian Conference of the Arts, who said:

> We have been led to believe that it would be inappropriate for any agency to risk its good standing and well-being at this moment by speaking out against Bill C-24.

These are very serious charges. This is a very serious matter. What steps will the Government take to rectify this situation and remove the atmosphere of intimidation and fear that now surrounds Bill C-24?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, the Deputy Minister of Communications emphatically denies that he exerted any pressure or intimidation on the executive director of the Canada Council. He denies that. The conversation he had with the said gentleman was at the request of the Minister, with the consent of his own Minister, and consequently quite within the rules of his function.

The Canada Council will be before the committee this afternoon, at the request of the Minister, who suggested that they should appear before the committee on the discussion of Bill C-24 and these questions can be raised there.

The Government intends to respect the tradition of autonomy which exists for cultural agencies in Canada, but there is also a tradition of accountability that must be reconciled with the tradition of autonomy. These subjects are very important and will be discussed this afternoon before the committee.

REQUEST FOR INVESTIGATION OF ALLEGATIONS

Hon. David Crombie (Rosedale): Mr. Speaker, the gravity of the situation may not be clear to the Acting Prime Minister. The atmosphere of fear and intimidation of which I speak has been with us for a number of weeks. There are a number of groups which have failed to come forward because they fear the consequences for their own funding. Since it involves not merely the Canada Council but, as Brian Anthony pointed out, and he speaks for many arts organizations across the country, given the intimidation, these organizations are considering having to take "a dive" because they fear the intimidation from the Government, will the Acting Prime Minister undertake in this House to investigate other allegations which have been made with respect to cultural organizations beyond the Canada Council which had been intimidated as well?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, I really do not know to what allegations my friend is referring. Certainly the Canada Council was not intimidated. Obviously this morning's article by Mavor Moore is one where his own autonomy and independence explodes in public. If there are groups in Canada which feel intimidated, they will have an opportunity to express that fear. The committee is one place where they can do so.

CANADIAN ARMED FORCES

INCREASE IN NUMBER OF ENLISTMENT APPLICATIONS

Mrs. Ursula Appolloni (York South-Weston): Mr. Speaker, my question is addressed to the Minister of National Defence. In view of today's report of tragically high and increasing numbers of unemployed young people, can the Minister tell us if there is a corresponding increase in the number of applicants to join Canada's Armed Forces? If so, will the Minister again review the petition signed by 109 Members of the Liberal caucus and presented to the Prime Minister in the fall of 1982?

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, we are very much aware of the plight of the young unemployed. Of course there is a repercussion of that plight in terms of the number of applicants who are coming to the Canadian Armed Forces in order to seek to enlist. We have recognized that. With the assistance of the hon. lady, in the last year we introduced the Youth Training Employment Program, YTEP. This year the allocation for that program has been increased as a result of funds made available to us through the Ministry of Employment and Immigration. We have increased the number within the YTEP program by 1,000. I recognize the number is not that which the hon. lady would wish. It is not the number I would have wished. However, with the amount of money available, those were the plans that were put forward and accepted by the Government.

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EXTERNAL AFFAIRS

INDIA—CONFLICT IN THE PUNJAB—SAFETY OF CANADIAN NATIONALS AND RELATIVES

Mr. Dan Heap (Spadina): Mr. Speaker, my question is directed to the Minister of International Trade. As the Minister knows, armed conflict is growing in the State of Punjab in India. In particular, about 300 are reported to have been killed yesterday. Travel in and out of the Punjab has been discontinued, and communications interrupted. We in the New Democratic Party are concerned for the many Canadians who are worried over the safety of their relatives in the Punjab. Has the Minister any information on when communications will be restored or whether, in the meanwhile, Canadians can inquire through the Canadian Embassy about the safety of their relatives in the Punjab?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, as the Hon. Member has said, the situation in the Punjab is a very troubled one indeed, and a great many lives have been lost. We are aware of some 50 Canadians who are in the State of Punjab at the present time and of some others who may be travelling in the area. We are not at this time in contact with all of them. There has been a curfew in effect, and communications between Punjab and Delhi have been interrupted. We have no reason to believe that any Canadians are in immediate danger, but we are making all appropriate efforts to obtain and maintain contact with those Canadians.

INTERRUPTION IN COMMUNICATIONS

Mr. Dan Heap (Spadina): Mr. Speaker, the Minister has answered a question I did not ask, but I was going to ask it next. I would like to return to my original question which goes beyond the one he answered. There are Canadians, not those travelling in the Punjab, but those who have relatives there who are anxious and would like to make inquiry, and are prevented because communications have been interrupted in the State of Punjab by the Government of India during a state of emergency. Is it possible for Canadians with relatives there, not necessarily travelling but living there, to inquire through the Canadian embassy about the safety of their relatives?

• (1500)

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, it is certainly possible to make those inquiries. Our High Commission will certainly do its best to provide information when it is available. It is our feeling that, when the curfew is lifted, Canadians who do not have urgent reasons for being in the Punjab should leave that area.

Until communications are re-established with the Punjab, we are in the position of not being able to give any detailed information about Canadians who happen to be there at the present time. The Hon. Member can be assured that our competent consular officials are available to provide any assistance that may be needed just as soon as communications are established.

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POOLS

CANADA SPORTS POOL CORPORATION—CONTRACT INFORMATION

Mr. John Bosley (Don Valley West): Mr. Speaker, my question is directed to the Minister of State for Fitness and Amateur Sport. He will know that today the press has reported what the retailers have been saying for some time, and that is that sales for sports pool tickets are going terribly, and that in fact some retailers are saying that the game has struck out.

Will the Minister finally table in the House the list of people who have contracts with the sports pool, so that we may know who the distributors are and whether in fact they have two-year severance pay contracts, and so that the people in the real world of amateur sport will know whether or not, if this pool fails, it is only Liberals and their friends who will benefit from its existence?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I must say I am glad the Hon. Member is asking this question while I am in the House,

because as a rule he seems to wait until I have left to ask his questions. Mr. Speaker, I should like the House to know that the Canadian Sports Pool Corporation has now 70 permanent employees who have been hired following interviews by an independent organization, the Chairman of the Corporation or a group of people.

The Corporation has also some 300 term employees, chosen among all those who had replied to ads placed in local papers by the regional directors of the Corporation. I can state emphatically that there has been no patronage. Distributors have yet to be appointed!

[*English*]

Mr. Speaker: A short supplementary question.

REQUEST THAT MINISTER TABLE LIST OF CONTRACTS

Mr. John Bosley (Don Valley West): Mr. Speaker, the Minister knows full well that the regional directors and agents have been informed that distributors are now to be given five free tickets for every 20 they buy. The thing is a disaster. If the Minister is so convinced of the innocence of the situation, will he undertake to table the full list of contracts so that Members of the House of Commons can discover the real truth?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Clearly, Mr. Speaker, the Hon. Member opposite refuses to understand. I must repeat, therefore, that 300 term employees have been hired following a series of ads placed in local newspapers throughout Canada. Whether these people were Conservative, Liberal or NDP supporters, has not and will not be taken into account.

I should like to ask the Hon. Member the following question: Has Air Canada, the CNR, or any other agency such as Loto-Quebec or Wintario ever tabled their list in their respective legislative assembly? That is my question. When he gave $500 million to the provinces, was it a gift he was making to his Progressive Conservative friends in exchange for the $35 million which may not make it possible for us to assume the full costs of the Olympic Games in Calgary? This man is trying to destroy a scheme which could possibly finance these games. He is working against the Western people and against amateur sport in Canada, not to mention medical research, etc.! The underlying philosophy is that a national government should be able to help its athletes.

* * *

[*English*]

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Wednesday, June 5, 1984, meet the requirements of the Standing Orders as to form.

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COMMISSIONER OF OFFICIAL LANGUAGES

APPOINTMENT OF MR. D'IBERVILLE FORTIER

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, after consultations we have reached an agreement and therefore, by unanimous consent, the following motion could now be passed. I move, seconded by the Minister for External Relations (Mr. Pepin):

That, in accordance with Section 19 of An Act respecting the status of the official languages of Canada, Chapter 0-2, Revised Statutes of Canada, 1970, this House approves the appointment of D'Iberville Fortier, Esquire, as Commissioner of Official Languages of Canada.

Mr. Speaker: Does the Hon. Minister have the unanimous consent of the House to introduce his motion?

Some Hon. Members: Agreed.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

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BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Hnatyshyn: Mr. Speaker, I would like to direct the usual inquiry to the President of the Privy council, the Government House Leader, regarding his intentions with respect to Government business for tomorrow and until next Thursday, with the understanding that next Friday the House will not be sitting because of certain events that will be taking place in the City causing most of us to want to get out of town fast!

Mr. Pinard: Mr. Speaker, in so far as the business of the House is concerned, the first item of business tomorrow will be a Bill that is about to be introduced today in relation to the Cree and Naskapi. The Government will be prepared to allow this Bill to be passed through all stages tomorrow. We are willing to hear from one speaker per Party, but if my colleague would prefer to have more, we would not mind. However, we would like to see this Bill passed through all stages tomorrow. If this happens before the normal hour of adjournment, the back-up legislation will be Bill C-39, the War Veterans Allowance Act, and the second back-up Bill will be Bill C-10, resuming debate on the Divorce Act.

On Monday the first item of business will be Bill C-34, the amendments of the Canada Labour Code, and in this instance we would like to see the Bill sent to the Standing Committee of the House by or before the end of the day. The back-up

legislation on Monday will be Bill C-31 dealing with freshwater fish.

Beginning on Tuesday and until Thursday inclusive, the business of the House will be Bill C-36, assuming that it is not disposed of today. If it is, we will resume debate on Bill C-25 regarding the CDIC and then Bill C-10 again regarding the Divorce Act. However, business for next Tuesday, Wednesday and Thursday, like all business, of course, is subject to change, and there is most likely to be a change if Bills are reported from committees.

Mr. Hnatyshyn: Mr. Speaker, I appreciate hearing the outline of the business of the House. With respect to the proposed Bill relating to the Cree and Naskapi, there were consultations between representatives of the Cree and Naskapi and myself and our spokesperson, the Hon. Member for Brampton-Georgetown, with respect to that Bill. At that time my understanding was that they were in consultation with the group affected. They asked for our co-operation by having the Bill dealt with through second reading and sent to committee for one day's consideration. I have seen the draft Bill. It is one that has been worked on for a great deal of time and one of which we are supportive.

Dealing with the observation made by the Government House Leader that at this point in time we could somehow deal with the Bill through all stages, while I am not saying that we are opposed to that proposition, I am wondering how he now comes to that conclusion when my very clear understanding of my direct discussions with the representatives was that they would prefer to have a second reading debate, one day in committee and then have the Bill come back to the House for an expeditious resolution. Is the Government House Leader in possession of information or facts of which I am not in possession? I am quite prepared to discuss the timetable if that is the case. I do not want to waste the time of the House. However, I am sure that my ears did not deceive me when I had discussions with representatives of that group. I would be interested in knowing precisely the basis on which the Government House Leader now suggests that we go through all stages in one day.

• (1510)

Mr. Pinard: Mr. Speaker, the information which I have comes from the Minister of Indian Affairs and Northern Development who spoke with me this morning. He informed me that the request which was made by the interested people was that the Bill be passed through all stages tomorrow. But if that is not the case, I am sure that the interested people will contact me or the Hon. Member before the House starts debating the Bill tomorrow.

I take note of the generous offer of the Hon. Member that, if that was the wish of the interested people with respect to the Bill, his Party would be prepared to allow the Bill to go through all stages tomorrow. If that is not the case, of course, we would be prepared to allow the Bill to go to committee. However, the proposal for the time being is to pass the Bill through all stages tomorrow.

Mr. Hnatyshyn: Mr. Speaker, I would simply like to reiterate that we, of course, are supportive of the Bill and want to ensure that the matter receives the proper attention of the House. There is no question that if the Minister of Indian Affairs and Northern Development has had subsequent discussions, I will make it my business to communicate with Chief Billy Diamond and other representatives of the Cree and the Naskapi to ensure that the right thing is done. In view of the fact that there have been discussions with respect to this matter, I would appreciate if in future the Government House Leader could give me an indication of those subsequent discussions. I thought that the matter had been made quite clear in the course of discussions which had taken place up to this point. So that there will be no misunderstanding, we are not fooling around and wasting the time of the House. I do not want to play games and I know the Government House Leader does not want to either.

Mr. Pinard: Mr. Speaker, I would like to keep the confidence of the Hon. Member. He is right in saying that maybe I should have told him, but I took it for granted that he knew. The Minister informed me that Mr. Diamond and others had told the Hon. Member that they preferred that the Bill go through all stages tomorrow. There might be a misunderstanding, but the Hon. Member is right in saying that yesterday we had discussions on this matter. I will not refer to the details of the discussions, but it was understood that the Bill would go to committee at the request of the Hon. Member. Our proposal yesterday was to pass the Bill through all stages. I know the Hon. Member is speaking in good faith. I will ensure that whatever the people who are interested in the Bill want, it will be done accordingly tomorrow. In other words, we are proposing to dispose completely of the Bill tomorrow; but if the interested people do not want that to happen, the Bill will be sent to committee. It is no more complicated than that.

Mr. Young: Mr. Speaker, I am pleased to hear that the Government has decided to call Bill C-34 respecting amendments to the Labour Code for debate on Monday. I would like to indicate to the Government House Leader that we would be prepared to have the Bill go to committee with one speaker in the House. Also, to repeat the offer of the Hon. Member for Hamilton Mountain which was made last week, we would be prepared to enter into a House order to ensure that the Bill is reported out of committee and back into the House, dealt with and passed by the end of June.

Mr. Darling: Mr. Speaker, I am wondering if the Government House Leader has had conversations with the Minister of the Environment regarding the possibility of continuing the Sub-committee on Acid Rain. If he has not, I hope he will look very favourably on the idea of continuing this important committee because of the seriousness of the problem. I know he did when the previous committee fulfilled its mandate. However, I suppose that the mandate of the committee has been completed at this time.

Mr. Pinard: Mr. Speaker, I will consider very seriously the request made by the Hon. Member. I will talk to the Minister of the Environment about it. I listened to his answer today, but I will have to discuss it with him and report back to the Hon. Member as quickly as possible.

In so far as Bill C-34 is concerned, we have an understanding among ourselves to have one speaker from the NDP and two from the Conservatives. We were not specific in so far as our Party was concerned. However, Monday is available and the spirit is to allow the Bill to go to committee on Monday. This will be possible so far as we are concerned, but if the Conservative Party wants more than one speaker, that is fine. If the NDP wants more than one speaker, that is fine too. If we want more than one speaker, we will also do so. But we want the Bill to be sent to committee before five o'clock on Monday, and we will not do anything to prevent that from happening.

Mr. Wise: Mr. Speaker, I want to pose a question to the Government House Leader. I respect very much the negotiations that have always been carried on between the Government House Leader, the House Leader of the Official Opposition and the House Leader of the NDP. I raise my question because of the fact that the Government House Leader has really laid before us the legislative program not only for the rest of this week, but indeed the entire program for next week. That is subject to change, of course. As well, I appreciate the fact that the Government House Leader has indicated that there are a number of Bills which are presently before committee.

On May 17 I posed a question to the Government House Leader. At that particular time there was co-operation among all Parties to pass the Prairie Grain Advance Payments Bill which would double advance payments to farmers for commodities falling within the Canadian Wheat Board. We supported that Bill and co-operated with the Government. Indeed, the Bill passed all stages in one day.

I would remind the Government House Leader that as a result of that we have a situation in which advance payments legislation applies in one part of the country and provides $30,000, $60,000 and $90,000 to producers of grains within the Canadian Wheat Board. Indeed, that was a result of the passage of Bill C-23. However, in other parts of the country—Ontario, Quebec, Atlantic Canada and B.C.—the existing advance payments crop legislation, which I believe was passed in the House in 1976, maintains the same levels. Those are the old levels of $15,000, $30,000 and $45,000.

The Minister took my remarks seriously. He indicated that he would have discussions with the Minister of Agriculture. I do not want to quote the Minister, but he indicated that he would have a conversation with the Minister of Agriculture and, indeed, if anything could be done it would be done. It is now June 7 and we have a legislative program which deals with this week and next week, but there is no mention of that Bill.

The second problem might well be more serious than the first problem, and I raise this question in all sincerity. There exists in southwestern Ontario a very serious problem in the tobacco industry. The tobacco farmers have been led to believe that a national marketing board would be established to negotiate on their behalf and to market the 1984 crop. Indications were given to various board members and growers as early as the Agricultural Outlook Conference which was held in December that the necessary amendments to the Farm Products Marketing Agencies Act would be introduced into the House in February. The Minister of Agriculture, in so many words, led people to believe that the Act would be introduced in the House by March 15.

I questioned the wisdom of those statements at that time, but I thought that if the Minister wanted to hold out false hopes he could do so. I would have preferred him to have been more honest, more forthright and more realistic to the board and to the growers. Indeed, they were led to believe that the amendments to the Farm Products Marketing Agencies Act would allow the board to establish a national board and that it would be introduced in the House today. It has not been introduced in the House today and I doubt very much whether it will be introduced.

I would like to impress upon the Government House Leader that it is a very serious situation which applies—

• (1520)

Mr. Speaker: The Chair hesitates to interrupt the Hon. Member, but if he has a question relating to House business, the Chair invites him to put his question.

Mr. Wise: I will follow your advice, Mr. Speaker. I could go on and talk about this very serious problem for hours. However, I would be happy to have some private discussions with the Government House Leader. I believe the Minister of Agriculture is away for some time on official duties. I just want to impress upon him the fact that commitments have been made, deadlines set, and the commitments are unfulfilled and the deadlines are passing. It is a serious problem. When can we expect the introduction of the necessary amendments to the Farm Products Marketing Agencies Act which would allow the growers to decide whether or not a national board is in their interest?

Mr. Pinard: The Hon. Member raises two concerns. His first concern has been brought to the attention of the Minister of Agriculture. As Government House leader I deal with Bills on the Order Paper; obviously in this instance the Bill has not yet been introduced and I do not know if it will be introduced in the next week, before the end of June or when the session resumes next fall; I cannot tell the Hon. Member. But if ever we introduce a Bill on this important matter, I hope that it will be disposed of very quickly, probably with one speaker per Party, and that we will consider the speech for the Conservative Party will have been delivered today by the Hon. Member.

Some Hon. Members: Oh, oh!

Mr. Hnatyshyn: And it was a heck of a good speech, too.

Mr. Pinard: On the second concern, the Bill will be introduced once the policy has been approved by Cabinet. I must tell the Hon. Member that the representations he has just made to me were also made by what I call the interested people, and by many Liberal Members last week, the week before and months before. Those representations are well known to me and I will make sure the Minister of Agriculture knows exactly what has to be done.

Once again, there are only three weeks left before the summer adjournment and some Bills will have to be disposed of. If a Bill was to be introduced to deal with this matter, obviously it would have to be dealt with very quickly. There again, I hope the Hon. Member would agree to refrain from speaking again since he has done so today.

Mr. Mayer: Mr. Speaker, I can assure the Government House Leader that we will be prepared to deal very quickly with legislation affecting tobacco growers once the Government brings it forward.

Is the Minister aware of any intention by the Government or the Minister of Agriculture to introduce amendments to the Agricultural Stabilization Act which will allow for the creation of a tri-partite stabilization program in the red meat industry? The Minister is on record as saying he had it approved in principle by Cabinet back in April and he wants agreement with some of the provinces by July 1. He will not be able to do that unless we have amendments to the Agricultural Stabilization Act. Is there any intention to bring that legislation forward so that we can deal with it very quickly before the end of this month?

Mr. Pinard: I will take good note of the representations made by the Hon. Member.

Mr. Lewycky: Mr. Speaker, can the House Leader give us some indication whether the Minister of State for Multiculturalism intends to bring down legislation concerning the multiculturalism Act proposed in the Speech from the Throne? I did not hear the House Leader comment on that, so can he indicate whether we can expect to see it before the House rises on June 29?

Mr. Pinard: Most likely, Mr. Speaker.

ROUTINE PROCEEDINGS

[*English*]

HOLIDAYS ACT

AMENDMENT RESPECTING CANADA DAY AND DOMINION DAY

Mr. Gordon Taylor (Bow River) moved for leave to introduce Bill C-245, an Act to amend the Holidays Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Taylor: Mr. Speaker, I have great pleasure in moving first reading of this Bill. Constitutional independence of Canada was achieved on April 17, 1982 by the proclamation of the Canada Act. This day will, therefore, under this Bill, be celebrated in the future as Canada Day. It will also restore July 1 as Dominion Day, as July 1 marks the beginning of the Dominion of Canada as it was known in 1867. This historical fact is so important that it is appropriate to retain July 1 as Dominion Day.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

[*Translation*]

CREE-NASKAPI (OF QUEBEC) ACT

MEASURE TO ESTABLISH

Hon. Yvon Pinard (for the Minister of Indian Affairs and Northern Development) moved for leave to introduce Bill C-46, An Act respecting certain provisions of the James Bay and Northern Quebec Agreement and the Northeastern Quebec Agreement relating principally to Cree and Naskapi local government and to the land regime governing Category IA and Category IA-N land.

Mr. Speaker: Does the Minister have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read the second time? At the next sitting of the House?

Some Hon. Members: Agreed.

Mr. Speaker: The President of the Privy Council, on a point of order.

Mr. Pinard: Mr. Speaker, I think the Minister on my right would like to have the unanimous consent of the House to revert to Tabling of Documents, because she forgot she had something to table.

[*English*]

Mr. Speaker: Is there unanimous consent that we revert to Tabling of Documents?

Some Hon. Members: Agreed.

[*Translation*]

YOUTH

TABLING OF STATISTICAL STUDY ON YOUNG PEOPLE IN CANADA

Hon. Céline Hervieux-Payette (Minister of State (Youth)): Mr. Speaker, pursuant to Standing Order 46(2), I wish to table a report entitled "Focus on Youth" and a study entitled "A New Statistical Perspective on Youth in Canada".

* * *

● (1530)

[*English*]

INCOME TAX

MEASURE TO ESTABLISH CONVENTIONS RESPECTING DOUBLE TAXATION

Hon. Roy MacLaren (Minister of State (Finance)) moved the first reading of Bill S-11 (from the Senate), an Act to implement conventions between Canada and the Republic of Tunisia, Canada and the People's Republic of Bangladesh, Canada and the United Republic of Cameroon, Canada and the democratic socialist Republic of Sri Lanka, an agreement between Canada and Kenya, conventions between Canada and the Arab Republic of Egypt, Canada and the Republic of the Ivory Coast, Canada and Sweden, for the avoidance of double taxation with respect to income tax.

Motion agreed to and Bill read the first time.

Mr. Speaker: When shall the Bill be read a second time, at the next sitting of the House?

Some Hon. Members: Agreed.

* * *

QUESTION ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following question will be answered today: No. 800.

[*Text*]

CIDA—GRANTS TO INTERNATIONAL DEFENCE AND AID FUND FOR SOUTHERN AFRICA OF OTTAWA

Question No. 800—**Mr. Stewart:**

1. In (a) 1983 (b) 1984 to date, did the Canadian International Development Agency grant any money to the International Defence and Aid Fund for Southern Africa of Ottawa and, if so, in each case, what amount was granted and for what purposes were the funds granted?

2. Is the International Defence and Aid Fund for Southern Africa a registered charity?

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): I am informed by the Canadian International Development Agency and by the Department of National Revenue as follows:

1. CIDA contributed the following amounts to the International Defence and Aid Fund for Southern Africa of Ottawa as follows:

(a)—1982-83 (through the Public Participation Program of the Non-Governmental Organizations Division) $9,000, for development education projects.

1983 (through the International Non-Governmental Organizations Division to the international association of IDAFSA based in London, England), $3,000, which was the final payment for an earlier project run by Christian Care in Zimbabwe to help settle former political detainees and their families through training in chicken farming, vegetable gardening as well as small settlement grants.

(b) 1983-84 (through the Public Participation Program of the Non-Governmental organizations Division), $22,000, for development education projects.

1984 (through the Non-Governmental Organizations Division) $47,025, of the total CIDA commitment of $49,500. was contributed for Self Help and Development Projects in Zimbabwe.

2. No.

[*English*]

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

Mr. Speaker: The questions as enumerated by the Hon. Parliamentary Secretary have been answered. Shall the remaining questions stand?

Mr. McKinnon: Mr. Speaker, this question of mine comes around about as regularly as the Thursday question on House business. I would like to point out that I have had question No. 368 on the Order Paper for over three years. It requires a simple answer. I fully believe that the reason it is not answered is that the answer would embarrass the Minister of National Defence, who has been deceiving the House and the country about the increases in the National Defence budget.

As this question is over three years old, Mr. Speaker, I put another question of a similar nature on the Order Paper bringing it up to date. My first question, No. 368, asked for the returns from 1971 to 1979-80. I have tabled a new question on the Order Paper, No. 840, which requests the returns from 1970-71 to 1983-84. I think that in the interest of the tidiness of the Order Paper it might be appropriate, if I can get unanimous consent of the House, to cancel that question about which there has been procrastination for over three years.

Mr. Speaker: By agreement, can the Hon. Member for Victoria (Mr. McKinnon) withdraw his question from the Order Paper?

Some Hon. Members: Agreed.

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

INTEREST ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. MacLaren that Bill C-36, an Act to amend the Interest Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, if I recall correctly, when I left off speaking immediately before lunch I was discussing some of the new wording in what will be the new Section 6 of the Act. It deals with the possibility of fluctuating principal amounts within mortgages. Presumably the principal amount will be re-assessed periodically in light of the inflation that has taken place. This new section also contemplates fluctuating interest rates on mortgages. With the advent of computers and everything else we have today it is not unlikely, and we can foresee such circumstances, that the interest rate on a mortgage may fluctuate on a daily basis. Taking into account today's increase in inflation, the principal may be re-adjusted at the same time.

In the mortgage business, whether it is mortgages for residential houses or for industrial and commercial purposes, surely we should have stability. We are getting further away from the stability which we had until the present Government came into power. Instability in financial matters has characterized the Liberal administration of the last many years. Everything appears to be in a constant state of flux. It is very difficult for one to plan financial affairs when the Government appears to be unconcerned with financial and economic matters.

The preoccupation of the Liberal Government under the current Prime Minister (Mr. Trudeau) has certainly not been with economic and financial affairs. These have been neglected and relegated to the back-burner. The Government, and Parliament as a consequence, has been concerned with philosophical ideas concerning constitutions. We have had great debates on bilingualism. We have engaged in all manner of social engineering, but we have neglected financial stability for the nation. That is one of the reasons we are in the sad and sorry state we are in today.

Today in Question Period the Minister of State for Finance (Mr. MacLaren) stated that there is nothing Canada can do about interest rates in the country. They are all a function of what someone else does in some other part of the world, the United States in particular. I do not buy that idea. I think that

Canada is capable of conducting its own affairs and engendering a stable economic climate in the country. Instead of tagging on to someone else with regard to interest rate matters, this would allow us to set the trend, or at least to have that degree of stability which we need in Canada if we are to encourage residential, industrial and commercial borrowing for the purpose of new capital construction in Canada. We should have control over our own state of affairs in the financial field.

I will address another aspect of this Bill. Why do we need legislation of this kind? Why can we not just leave it up to the market and negotiations between borrowers and lenders? The reason is that there is always an unequal balance of power between the lender and the borrower. Anyone who has had experience in negotiating a mortgage, especially in the case of a residential mortgage, knows that you do not engage in real negotiation. You may try to shop around a little to get a better rate. That is about the best you can do. The mortgagors are almost invariably obliged to sign a standard printed document which is drawn up by the mortgagees, almost invariably in their favour. They have the benefit of all kinds of legal counsel. The drafting is done to protect the interests of the lender. Were it not for Parliament and legislation such as the Interest Act, the borrower would have very little to protect him or her.

It is up to Parliament, through legislation such as this, to protect the interests of the borrower and also to provide a fair and equitable system for both the lenders and the borrowers. It is a disappointment that the present Government does not seem to share this sense of equity. It appears to be more concerned with the interests of the financial institutions. We will see this when we discuss the provisions in greater detail. The Government seems to be much more concerned with the interests of the financial institutions and not concerned at all with the interests of the borrowers.

• (1540)

It is desirable, if circumstances change and people have the financial wherewithal, that they be able to discharge a mortgage as soon as possible. Many people would want to do that if interest rates are either high or low. It might make very good financial sense when interest rates are high, but most people, whatever the rate of interest charged on that mortgage may be, would want to be free and clear of it. They would want to obtain their financial freedom.

The House will recall the mortgage burning ceremonies that were popular at one time. This was done once the mortgage had been discharged and people had that burden off their back. It is a common objective and something we should encourage by making provisions to enable people to discharge their mortgage in advance of the original date set in the original mortgage.

In enabling this to be done, and to be fair to the lender, there must be some form of penalty imposed if an early payment is to be made. If the principal is reloaned by the lender at a lower rate than that prevailing at the time of the

negotiation of the original mortgage, there is a reduction in income or earnings by the mortgagee, that should be taken into account. Of course, there is the overhead cost of making new loans. That also must be taken into account.

Our aims, when designing a prepayment scheme, should be threefold. First, there should be an element of fairness to which I referred before. Second, there should be simplicity and clarity which I do not think exists in the Bill before us today. It should be something that everyone can understand, and it should not contain long, weird and wonderful financial formulae. It should be written in such a way that everyone can understand it. There should be certainty about it. That certainty does not exist in the scheme that has been proposed by the Government.

The traditional way of doing this has been to assess the penalty in terms of the number of months of interest payments. The provisions of the old Act with respect to certain mortgages was that the penalty that was payable if one wanted to pay off the mortgage was some three months' interest. This was understood by everyone. It is sure, simple and understandable. It might not be absolutely equitable under every circumstance, but in order to get that simplicity and certainty perhaps it is necessary to give up a little of the fairness.

I hope that we can again approach the question of prepayment penalties in the same way. I see no necessity for changing from the traditional, simple, reasonably fair and sure system. But apparently this is not the Government's approach. If there is an easy way of doing something and a difficult way of doing something, you can bet your bottom dollar that the Liberals will take the difficult way. Just look at their approach to this Bill. Primarily, they have a great desire for regulations. If action can be taken through regulations, in secret and behind closed doors, that is what the Liberals will do. Practically everything concerning prepayment of mortgages is to be done by regulation with that aura of secrecy about it. You can also bet your bottom dollar that when the regulations do see the light of day, they will probably be 25 pages in length. I guarantee that no ordinary Canadian will be able to understand what those regulations mean. They will be complex, and the Liberals love complexity because they can hide behind it.

I cannot see any advantage to the mortgagor at all under the government proposals. Let us explain those proposals in general. When a mortgage is to be surrendered or paid up, one takes the present value at the old rate, which will normally be higher than the new rate, and computes the present value of the rate under existing interest rates on the day of surrender. The second is subtracted from the first, with the resulting sum of money which is to be payable by the mortgagor to the mortgagee. This system was described by the Hon. Member for Mississauga South (Mr. Blenkarn) as a henhouse designed by foxes. That is certainly what it is. It is entirely in favour of the financial institutions. It is not fair to the mortgage borrowers of Canada.

It is complex and difficult to understand. When the rates go up, the borrower is obliged to pay the going rate. When the rates go down, the penalty is assessed in such a manner as to wipe out any advantage the borrower might otherwise have had with a decline of interest rates.

This Bill is so clouded, so obscure and so unfair that I can only conclude that it has been drafted by one of the Liberal candidates for the leadership, that is, by Mr. John Turner. That is where I suspect this Bill originated.

Mr. Deputy Speaker: Are there questions or comments?

Mr. Blenkarn: Mr. Speaker, I have a question for the Hon. Member for the Western Arctic (Mr. Nickerson). The press releases delivered by the Government indicate that mortgages of $150,000 or less will have this maximum penalty on their predischarge. Has the Hon. Member been able to find any reference to $150,000 in the Bill? I have gone through the Bill and cannot find any such reference. It seems to me that the Government, in presenting this Bill to the press and to others, has deliberately misled the public and the House with respect to any prepayment arrangements. Would the Hon. Member care to comment on that?

Mr. Nickerson: Mr. Speaker, I too have read the Bill. I can find no such reference in the Bill. It is possible that the Government may wish to address this in the regulations. If that is indeed the case, we do not know if the figure will be $150,000 or whatever else it might be.

However, this just goes to illustrate some of the comments I was making in my formal presentation. It illustrates the obscurity with which the House has always been faced by Members on the Government side. It is what one might call government by press release. On how many similar occasions has something been made known in a press release and then the content of that press release has never in fact materialized?

A subject which is not really related but one about which I am very concerned at the present time involves press releases in 1980 and 1981 put out by the Minister of Indian Affairs and Northern Development (Mr. Munro). He stated that many millions of dollars were going to be made available for training opportunities at the time of the construction of the Norman Wells pipeline. These moneys have never seen the light of day. That is just an indication of how the Government manipulates by press release and does not come forward with legislation in what it professes.

Mr. Blenkarn: Mr. Speaker, in the same press release the Government gives an example of the kind of penalty that would be charged to a consumer. Suppose a consumer takes out a five-year $50,000 mortgage at the rate of 12 per cent which is to be amortized over 25 years. Suppose that, with two years remaining in the term of the mortgage and a market rate of 9 per cent, the consumer wishes to repay it. The maximum penalty could be assessed, it was worked out, to $2,538.23. I went to the Ministry of Finance and asked people there how they worked it out. I gave them a $50,000 mortgage at 18 per cent, the current market rate being 13 per cent, with two years to go. They told me I should ask the Minister. Has the Hon. Member for the Western Arctic (Mr. Nickerson) any idea

how the Ministry of Finance could conceivably come up with this computation, on the mortgage suggested, of $2,538.23, or is this another illustration of deliberate misrepresentation by a government that refuses to put up any speakers in debate so the Government can not in any way be questioned as to the nature and terms of a Bill?

• (1550)

Mr. Nickerson: Mr. Speaker, I must say I fully subscribe to the observations made by the Hon. Member for Mississauga South (Mr. Blenkarn). I do not know how that computation was made. No one really knows how it was made because there are no regulations which give the complex formulae to be incorporated in the Bill. It is impossible for anybody really to know at the time of public debate in the House of Commons on this Bill how it will affect him or her and what penalties will be assessed upon the early discharge of a mortgage.

Mr. Deputy Speaker: Debate.

[*Translation*]

Mr. Deputy Speaker: Debate? Questions? The Hon. Member for Témiscamingue (Mr. Tousignant), for questions or comments.

Mr. Tousignant: Mr. Speaker, I would like to comment briefly on what was said by the Hon. Member opposite. Quite frankly, I must admit I was amazed at the contradictions in his comments, and at the way he contradicted the policies of his own party. When the Hon. Member said that:

[*English*]

"We should have control over our own affairs".

[*Translation*]

Every time this Government has wanted to take control of its own affairs, those people over there were shocked, they shouted and they let the bells ring! I am surprised at such statements. When the Hon. Member says that the Government wasted its time on constitutional matters and on language issues... Mr. Speaker, I am speechless! Are these people going to tell Canadians in an election campaign that what was done for this country, the very essence of being Canadian... are these people going to say this kind of thing publicly in their election campaign? I am absolutely dumbfounded! While the Government approached these issues responsibly and bravely, they could and would never have done so! And at the same time, the Government conducted the affairs of State. Yes, we did have an economic slowdown, as did all other countries. If the Progressive Conservatives had been in power, Mr. Speaker, it would have been a disaster! People with no experience, who would have lost control completely! And now they are telling us that we ignored the economic issues.

When I hear the Hon. Member opposite saying that—

[*English*]

"The interest of the Government is more with the financial institutions".

[*Translation*]

Imagine hearing such words from a Member on the opposite side of the House! How can we believe statements that contradict the very policies of his Party, a Party that is dedicated to the interests of the big financial institutions? And now they are saying that the Government is in bed with big business!

Mr. Speaker, if that is how he looks at things, perhaps the Hon. Member opposite should cross the floor and sit on this side of the House, because he is certainly not going to feel comfortable with Members of his own Party. Mr. Speaker, these people are speaking out of both sides of their mouths at once, and just to kill time, too! Other Members were saying that nobody was speaking on this side of the House. We do not have to be convinced, we already are. And we do not have to make all kinds of false accusations, like the Members opposite are doing.

Mr. Speaker, we know this Bill is a good Bill. We know that Canadians are anxious to see it pass, and we do not really have to try to convince our friends opposite.

[*English*]

Mr. Blenkarn: Mr. Speaker, I have a question for the Hon. Member for Témiscamingue.

Mr. Deputy Speaker: Order, please. The Hon. Member for Témiscamingue was recognized for a question or a comment. The Hon. Member for the Western Arctic (Mr. Nickerson), to whom the comment was addressed, is not in the House now. In any event, the Hon. Member may make a general statement pertaining to the remarks of the Hon. Member for Western Arctic even though the latter is not here. There is only one minute left in the period allowed for questions.

Mr. Blenkarn: Mr. Speaker, I was of the opinion that the Hon. Member had risen to speak in debate, and we were quite pleased to see him rise in debate. It is about time that this House of Commons had a Member of Parliament from the other side speak in debate.

Mr. Deputy Speaker: Order, please.

Mr. Tousignant: Mr. Speaker, I rise on a point of order. The Hon. Member does not respect the House. I was commenting on the speech. The Hon. Member also can comment on that speech. He does not have to stand up and make another speech or ask questions of me.

Mr. Deputy Speaker: Order, please. I will help resolve that matter. The time allotted for questions has expired. We will now proceed with debate. The Hon. Member for Burlington (Mr. Kempling).

Mr. Bill Kempling (Burlington): Mr. Speaker, the Interest Act has been around for a long while. It was passed in its original form in 1880 and portions of it were around prior to Confederation, I am told, as early as 1840.

The part of the Bill which has attracted a lot of interest is Section 10. The Bill purports to amend Section 10 and make

some changes, with which we are not very impressed. Section 10 in its present form purports to allow a person to prepay a mortgage on the payment of a three-month interest penalty after the mortgage has been in effect for five years. Essentially, that is what Section 10 does. The penalty was put in there to reimburse the lender or the mortgagor for expenses he may have to meet as a result of prepaying the mortgage after the five year period. A number of my colleagues who have been in the legal profession for a number of years and bankers and others who have dealt with mortgages whom I have consulted have told me that this was not always the case. I discussed this matter with an old-time bank manager, and he said that they did not always collect that three-month interest. If the client was a good customer of the bank, in many cases the bank waived that interest. Many of my friends in caucus who are in the legal profession have told me the same thing, that it would depend upon the individual, the circumstances, the amount, and the terms. But in many cases if the person was going to remortgage with the same institution, the three-month interest was waived.

What we are doing now is sort of institutionalizing this matter. We are saying that the penalty is now going to be the interest differential between the new rate and the old rate. That is the part that has upset many of us. I should point out at the outset that the Standing Committee on Regulations and other Statutory Instruments has had a look at Bill C-36, particularly at Clause 11.1. Clause 11.1 reads:

● (1600)

Sections 10 and 11 do not apply in such circumstances as are prescribed by regulation.

This enabling power does not indicate in general terms when the operation of Section 10 and Section 11 will be suspended. Given that the power being delegated is effectively that of amending an Act of Parliament by regulation—and that is what it does—I do not think that we as a responsible political Party can allow that to happen. We did not come to Parliament to pass legislation which would be subsequently amended by Order in Council. That is not the purpose of Parliament. The Standing Committee on Regulations and Other Statutory Instruments has raised this matter. It will be pursued within that committee. Certainly we will pursue it if the Bill is passed on to committee for consideration, the calling of witnesses and all that that entails. The major portion of the Bill before us, the section which the Government wants to amend, is under attack.

I should like to refer to the conduct of some people in the mortgage business over the past few years. On numerous occasions I have risen in the House on this entire matter. I directed questions to the Minister of Finance (Mr. Lalonde), to the Minister responsible for housing and to the Minister of Consumer and Corporate Affairs (Mrs. Erola). I asked them what they would do about interest differential charges. In my wildest dreams I did not believe that they would institutionalize them or that they would put them in a statute and say that the mortgagor must pay the interest differential charges. I just could not believe that would happen, but that is the way I read this Bill.

The reason I become interested in this subject matter is that numerous constituents wrote to me about it. As I said, I raised it with the Minister of Consumer and Corporate Affairs, the Minister of Finance and others. They replied by indicating that they were very upset and concerned about it and that something should be done. The Minister of Finance said that he had spoken to the financial institutions. He did not like the way in which they were operating and indicated that there should not be an interest differential charge. He said that a three-month interest penalty was adequate, and the Minister of Consumer and Corporate Affairs said the same.

I also brought to the attention of the House the fact that 750,000 Canadians across the country were trapped into mortgages with interest rates as high as 22 per cent. I also brought to the attention of the House the fact that 30 per cent of the homes were on the Hamilton real estate market—and I do not know about the other markets—in late 1982 and early 1983 as a result of foreclosures because of high interest rates. I was looking for confirmation of the comments of the Minister of Finance, the Minister of Consumer and Corporate Affairs and the Minister responsible for housing and CMHC. In their compassionate way they implied that they would do something for home owners, for people caught in high interest rate mortgages. When I saw this legislation, I saw nothing for them at all. All they are doing is saying to the mortgage companies that they can charge penalties on the differential in the interest rate between the new and the old rate. In effect, that is what they are saying, and they made it law. I cannot believe that we should sit here and allow this to happen.

I had hoped that they would come before the House and say that they would make Section 10 of the Interest Act work. Half a dozen of the large trust companies are the main offenders, but everyone else follows suit. There is a herd instinct when it comes to making a buck. I thought they would say that if those fellows wanted the legislation regulating trust companies to be amended and to be allowed to enter into other fields of finance, to expand their operations, to be given more leverage and to obtain everything else they were requesting, they would have to abide by the rules of the land. I expected them to say that trust companies would have to abide by Section 10 of the Interest Act and by the provincial statutes in place in Ontario and Manitoba which cover the same circumstances as Section 10. That is what I expected to see, but I do not see it at all. I am disappointed that that initiative was not put forward by one of the three Ministers who have been questioned over a period of time on this matter.

In order to understand the full impact of what has been happening, we should examine how these people found a way around Section 10 of the Interest Act. We should see the way in which they manoeuvred and manipulated. First, they attacked the five-year period in that section. When a person went in for a mortgage renewal, they were led to believe that the renewal document was in effect starting the clock on the five-year period all over again. That is what people were told;

that is what was implied. They were told that they did not have a five-year mortgage because it was renewed last year, which started the clock on the five years over again. That is crazy; if persons renewed their mortgages evey three years, they could never get to five years. Someone inevitably tested the matter in the Supreme Court of British Columbia. That court ruled that a renewal of a mortgage is just that, that it does not start the five-year clock all over again.

An Hon. Member: Is that right?

Mr. Kempling: Yes, that is what the court ruled. What did the trust companies and some of the large mortgage operators do?

Mr. Gamble: They pulled out their hair.

Mr. Kempling: No, they found a way around it. They included a clause in their mortgage renewal contracts which indicated that the signing of that document started the clock all over again. It was like redating the mortgage back to year one. When we asked the Minister of Consumer and Corporate Affairs about that, her reply was: "A contract is a contract is a contract".

If institutions and corporate bodies can take a statute of the Parliament of Canada and statutes of the provincial legislatures and circumvent them in that manner, and nothing happens to them, what will happen to legislation in general? For example, what would happen if someone wanted to sell me a set of automobile tires but did not comply with the Motor Vehicle Safety Act? For the sake of discussion, suppose that I was told that I could purchase these tires but that I would have to sign a document which waived my rights to any protection under that Act? If it happens under one piece of legislation, it could happen under others. What has incensed me and angered me about the whole matter is the manner in which some of these people have cavalierly walked over mortgagors in this country. I am sure we still have 600,000 people with high interest rate mortgages who went along on the basis that the three Ministers would provide some relief from their difficulties, and they will receive nothing at all.

In essence, the Bill before us says that they can prepay their mortgages but, according to the proposed change to the statute, they will now have to pay the interest differential total for the full term of the mortgages. The five-year period is now something of the past. The reason given for the five-year period being waived is that it will encourage long-term mortgages. Have Hon. Members ever heard anything more ridiculous than that? The Government will not encourage long-term mortgages by taking away the rights of individuals.

I should like to refer to another portion of an average mortgage renewal document. It was drafted on the corporate side by a guy who really knew how to use weasel words. In the mortgage renewal document he says: "You waive your rights under Section 10 of the Canada Interest Act or any similar provincial statute that is now in place or may come into place in the future, or in other words forever, so that we can charge you the full interest for the full term of the mortgage".

• (1610)

What was their objective? I can tell you what it was. Anybody who thinks about it will realize what it was. Interest rates were going up. The highest mortgage rate that I saw during that tragic period was 22.5 per cent. Some trust companies, and if they did not do it they were foolish, looked over their mortgage portfolio and said: "My God, if these mortgages are paid to term, we have hit the mother lode. It's bonanza time. Our objective has to be to somehow or other get the mortgagees to hold these mortgages to term and, if we can, it's going to be a windfall in profits". You just have to look at their balance sheet for 1983 and 1984 and you will see it all there. They hit the windfall and they hit it big. They hit the mother lode. They designed a tactic. When the mortgagees came in to renew, they gave him 30 days' notice. They sent the notice by mail. With the mail delivery we have in this country, they lost ten days. Only 20 days were left. They told the mortgagee that if he wants to pay it out, they have to pay the interest differential charge. The average that came through my office was an $8,000 or $9,000 penalty. They were thunderstruck by this and tried to find another trust company in order to get a mortgage. Time was shorter and shorter and, eventually, they had to sign. They had no alternative; either lose the house or sign. That is the way they operated. That is the way they forced many of these people to hold their mortgages to full term. They would not comply with the law of the land. This Government did not have the courage or the guts to make them stand up and do it. They yielded and bent to them. I can see the fine hand of some of the lobbyists written into the pages of this Bill.

We in this country should be moving to see that everyone who wishes to own a home, and has the reasonable expectation of being able to pay for it, should be able to have that wish. No other segment of our economy responds quicker than the house-building industry. Just look at the spin-off effect in the appliance industry and other parts of our economy such as lumber, transportation and the various trades involved in house construction. We see the tremendous engine it is to keep our economy going.

This Bill will not do anything to help homeowners. I am not impressed, particularly when our Standing Committee on Regulations and Other Statutory Instruments pointed out that we are delegating to the Governor in Council the right to amend an Act of Parliament without reference to Parliament. That is something we have to stand against, both now and in committee. Unless it is amended, we will fight very hard in committee to see that it does not go through.

My colleague from Mississauga South pointed out the situation. It was set forth in the information release put out by the Government. I might just read it into the record. It reads:

> As an example of what a maximum penalty would be, consider a situation in which a consumer takes out a five-year $50,000 mortgage at an interest rate of 12 per cent which is to be amortized over 25 years. Suppose further that with two years remaining in the term of the mortgage and a market interest rate of 9 per cent he wishes to prepay the mortgage. The maximum penalty which he could be assessed would work out to $2,538.

My colleague called the Department of Finance. He said that it did not seem right to him, and asked what the penalty would be on a $50,000 mortgage with three years to go if the interest rate were 18 per cent and were going to be remortgaged at 13 per cent. They replied that they could not figure out how the interest rate quoted in the Government information bulletin had been figured out. They had no idea how to calculate the request that he put to them for a 5 per cent drop in interest rates on a $50,000 mortgage with three years to run. They just could not do it. If I read carefully the reference they made, the error was that the $2,538 referred to in the Government release is principal and interest over three months and not just interest only. If it is interest only, it means they are paying $800 a month in interest. I cannot imagine that.

I am getting near the end of the time allowed me in this debate. I thank you, Mr. Speaker, for your courtesy. I just want to say that I certainly do not approve of this Bill. I cannot believe that we are going to pass it in its present form. If it does go by, it will certainly be with a lot of debate. When it gets to committee, we will have a lot to say.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Trinity (Miss Nicholson)—Immigration—Refusal of visitors' visas to applicants denied landed immigrant status; the Hon. Member for Western Arctic (Mr. Nickerson)—Environmental Affairs—Oil drilling in Lancaster Sound-Government policy inquiry. (b) Minister's advice; the Hon. Member for York North (Mr. Gamble)—Energy—Removal of Ontario radioactive waste. (b) Responsibility for permanent storage.

* * *

MESSAGE FROM THE SENATE

Mr. Deputy Speaker: I have the Honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-15, An Act to provide for the creation by amalgamation of the Wesleyan Church of Canada, to which the concurrence of this House is desired.

[*Translation*]

I have also the honour to inform the House that a message has been received from the Senate informing the House that the Senate has passed Bill C-241, An Act to amend the Senate and House of Commons Act, without amendment.

Another message has also been received from the Senate informing the House that the Senate has passed Bill C-45, An Act for granting Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1985.

* * *

[*English*]

THE ROYAL ASSENT

Mr. Deputy Speaker: I have the honour to inform the House that a communication has been received, which is as follows:

Government House
Ottawa

7 June, 1984

Sir,

I have the honour to inform you that the Right Honourable Brian Dickson, Chief Justice of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the seventh day of June, 1984, at 4.30 p.m. for the purpose of giving Royal Assent to certain Bills.

I have the honour to be,
Sir,
Your obedient servant,
Edmond Joly de Lotbinière
Administrative Secretary
to the Governor General.

* * *

• (1620)

INTEREST ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. MacLaren that Bill C-36, an Act to amend the Interest Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Deputy Speaker: Order. The House will now proceed to a 10-minute question period for comments and questions, if need be.

Mr. Gamble: Mr. Speaker, I was intrigued by the remarks made by my colleague, the Hon. Member for Burlington (Mr. Kempling), when he was referring to the amendment of Section 11.1 through Clause 2 of this Bill. The observations that he made are indeed frightening for anyone who understands the significance of the passage of legislation in the House and the consequences that flow from that passage when it is tampered with by regulation that will obliterate the very clauses in the Bill that the House passes.

My colleague mentioned the effect of an amendment by regulation to Section 11.1. I would point out to him that the

real effect of that is something more than a simple amendment. It is indeed a repeal. I am delighted that the Hon. Member has referred to this issue because we are being confronted with the repeal of sections which would be renumbered Sections 10 and 11 of the Interest Act.

If we believe in the process, then Parliament, assuming that the Liberal majority in the House has its way, will provide under Section 10 of the Interest Act that interest is not payable on a variable principal increase in a mortgage amount. We are also told that in the event that Clause 11 passes, interest will not be paid which would otherwise be payable on a fluctuating rate of interest under a mortgage document. However, once Parliament has done all of that, the Governor in Council may, with the snap of his finger, repeal both of those sections.

We in this place have on many occasions witnessed the regular delegation of the authority of the House to the Governor in Council. Until today, I had yet to see the ability to repeal absolutely by Order in Council the Bills that this House passes. That is exactly what this offensive provision would do. I am indebted to my colleague for drawing this matter to the attention of the House. He may indeed wish to make some observations with respect to both of these provisions and deal with them at some greater length.

Mr. Kempling: Mr. Speaker, I thank my colleague for recognizing the impact of Section 11.1. Quite correctly, one of the great dangers in a parliamentary system is that the power of the Parliament is eventually eroded away. This is one of the ways in which that is done. Bills are drafted and sections of old statutes are amended and these amendments are couched in the language of the drafting officers to the extent that the average individual does not understand what he is reading and becomes confused after a period of time. Consequently, a Bill passes and no one pays that much attention to it, particularly when it passes on a Friday afternoon or near the end of a session.

Parliament and the country are in danger when we pass Bills that are not debated. As well, we are in danger when we pass Bills that we do not thoroughly understand. That is when the people of the country lose power and that is when the Parliament of the country loses power. That is something against which we must fight at all times.

The enabling power that this clause will give to the Governor in Council means in effect that he can dictate to whom this section will apply and to whom it will not apply. He can put things in and take them out. As recognized by my colleague, the important thing is that we are giving the Cabinet and the Governor in Council the right to amend an Act of Parliament without further reference to the Parliament of the country. That is something against which we are going to fight and we will see that it does not happen in this Bill.

Mr. Blenkarn: Mr. Speaker, the Hon. Member for Burlington (Mr. Kempling) told me that he lived at one time in Dundas, Ontario, a relatively small town. He said that, in most cases, people who lived in Dundas never went to a trust company or a mortgage company for a loan because, in fact, most of the trust companies and mortgage companies in Dundas did not lend. When seeking a loan, those people went to see their local lawyers.

As someone who was a very prominent citizen of that town at one time, I was wondering if the Hon. Member could tell me whether or not he thought that the people who went to see their local lawyers would be prepared to understand or would be able to understand the following, and I am quoting from the Government's press release:

> To account for the fact that the lender can reinvest the penalty at prevailing interest rates, the future values of the interest differences must be brought back, or "discounted", to present value terms. This "present value" of the differences will equal a lower figure than would result from simply adding them up, and it is this lower figure that will constitute the maximum penalty that can be imposed.

I was wondering if the Hon. Member thinks that an ordinary person who was a client of a law office in Dundas that was lending money on mortgages could understand that.

Mr. Kempling: Mr. Speaker, I thank my colleague for his kind references to my former place of residence. One of the tragedies of the mortgage field is that the local lawyer was the source of much of the funding of mortgages in the past, but that field has virtually dried up for the lawyer. The lawyer ends up doing a legal service for a mortgage company, a bank or a trust company and receives a stated fee.

With all due respect to the people I know who live in Dundas and in the areas around Dundas who practise law, I do not think that they have the necessary staff to comprehend the meaning of that statement. It will be so confusing to them that they will feel that they cannot be involved in that field any longer. It is a tragedy that the mortgage field is being narrowed down to include only larger institutions and banks and trust companies.

The private mortgage field built this country, and up until probably the mid-1950s the bulk of mortgage money came from private small lenders and local lawyers. These people are now being excluded and the mortgage field is being pushed toward the big money market. I think that that is a tragedy and something that we must stop and even reverse.

Mr. Deputy Speaker: The House will now proceed to debate.

Mr. Cyril Keeper (Winnipeg-St. James): Mr. Speaker, I welcome this opportunity to enter the debate on Bill C-36—

Mr. Blenkarn: Mr. Speaker, I rise on a point of order. Several matters have been raised. I was wondering, Mr. Speaker, if you did not see anyone from the government side rise to speak. I would have thought that someone from the government side would have wanted to speak in order to answer these allegations of incompetent draftsmanship—

Mr. Deputy Speaker: Order. That is hardly a point of order. The Hon. Member for Winnipeg-St. James (Mr. Keeper) caught the Speaker's eye.

Mr. Keeper: Thank you, Mr. Speaker. Obviously my colleague on this side of the House is more optimistic than I about what could happen on that side of the House.

● (1630)

Bill C-36 is a significant piece of legislation, not because it accomplishes anything, but because it deals with a very important subject that affects all of our lives. Interest rates are not just something that we read about in the *Globe and Mail*. Interest rates are something which affects us in our daily lives. They affect the amount of disposable income which we have and our capacity for owning a home. Owning a home is something which Canadians have traditionally considered a right. It has been natural for Canadians to assume that they have the right to own a home. However, interest rates have threatened the common assumption which we have shared as a community. This legislation, which will amend the Interest Act, does nothing substantial to protect the right of Canadians to own a home or to protect the right of Canadians to an adequate income.

This debate is crucial. The way in which interest rates have fluctuated over the last several years has made Canadians very insecure. As well, this fluctuation has put a damper on the economy and on investment. Therefore, when the Government comes before the House with a piece of legislation affecting the Interest Act, we would expect it to be substantial and to deal with the meat of the question. We expect it to have a true impact upon interest rates and to restore some sense of security in the minds of Canadians with regard to their capacity to own their own home or to invest in economic activity and to have a job.

I would like to mention specifically the areas which I find questionable in the legislation. Before I deal with that, I would like to mention that at one time in Canada there were long-term mortgages. Long-term mortgages went out in the mid-seventies because the Government introduced a legislation which allowed for the disappearance of long-term mortgages. It would be wise to remind Canadians that long-term mortgages are still available in the United States. Therefore, it is possible to have an economy and a mortgage system in which there are long-term mortgages and an opportunity to provide to people who borrow money in order that they might own a home.

The legislative action of previous governments in Canada has added to the insecurity of people concerning mortgages, interest rates and owning their own home. The reason I mention this and the reason that it is relevant to the discussion today is that the same situation is happening. This piece of legislation deals with interest rates. It will increase insecurity and make it more difficult for people to own their own home, rather than enhance the possibility of Canadians owning their own home.

I would like to draw to the attention of the House some specifics. One of the proposals before us is the notion that people who have a mortgage should have the right to be able to prepay that mortgage at any time. Well, the big "but" that goes along with this so-called right is the fact that the person would have to pay a penalty, which would include the full interest rates due between the time when the person chose to take the action and the end of the term of the mortgage. It is a nothing proposal. It is a right which has no substance. It is a rhetorical right. It will not help people in terms of coping with interest rates and their insecurity with the fluctuation of interest rates.

It is important to remember that it has been some time since interest rates hit 18 per cent and people were trying to get out of their 18 per cent mortgages and into the 12 per cent mortgage category. Yet today the interest rate market is so unstable that people are once again beginning to worry that interest rates will sky-rocket the way they did a few months ago. I would think that a government which cared would have brought in legislation to answer the concern which people have with regard to the stability of interest rates as they affect their mortgages.

The legislation eliminates the interest rate penalty of three months that a person would be obliged to pay to get out of a high interest rate mortgage and into a mortgage that is at a lower rate. Members on this side of the House have called upon the Government on many occasions to standardize the three-month penalty. We wanted to limit the penalty which people would be obliged to pay if they were to get out of a very high interest rate mortgage and into a mortgage which reflected the market interest rate of the day. Rather than people being forced to continue to pay very high interest rates after interest rates have come down, it is important that the penalty which people are obliged to pay under this system be limited. Therefore, we called for a standardization of the penalty. What did we get from the Government? We got an elimination of the three-month penalty. It is augmenting the insecurity which people face when they borrow money in order to pay for their home. Of course, the Government has a rationale for doing this. It wants to ensure that there is mortgage money available for people to borrow.

It is good to have mortgage money available, but surely there is some place in our economic thinking for the notion of a just return on money or a just interest rate. Surely it is not acceptable to Canadians or to their Government to allow for the market to set interest rates at any level. Surely there comes a point at which governments say, "No, you have gone too far. You are entitled to a fair return on your capital, but you are not entitled to rip off Canadians and you are not entitled to increase the insecurity that people live under in this country».

Rather than helping people deal with interest rates, this Bill in fact increases the insecurity in the lives of ordinary Canadians today. Unfortunately, there are more ways in which this legislation adds to the insecurity of ordinary Canadians. This legislation intends to legalize some very dubious mortgage—

Mr. Speaker: Order, please. I believe that there has been a communication. Would the Hon. Member please resume his seat.

THE ROYAL ASSENT

[*Translation*]

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate Chamber.

● (1650)

And being returned:

Mr. Speaker: I have the honour to inform the House that when the House did attend the Right Hon. the Deputy to Her Excellency the Governor General in the Senate Chamber, the Right Hon. the Deputy to Her Excellency was pleased to give, in Her Majesty's name, Royal Assent to certain Bills:

Bill C-23, an Act to amend the Prairie Grain Advance Payments Act—Chapter No. 7.

Bill C-4, an Act to amend the Coastal Fisheries Protection Act—Chapter No. 8.

Bill C-11, an Act to amend the Currency and Exchange Act—Chapter No. 9.

Bill C-44, an Act to amend the Yukon Quartz Mining Act—Chapter No. 10.

Bill C-41, an Act to implement a treaty between Canada and the United States relating to the Skagit River and Ross Lake, and the Seven Mile Reservoir on the Pend d'Oreille River—Chapter No. 11.

Bill C-42, an Act to establish the Asia-Pacific Foundation of Canada—Chapter No. 12.

Bill C-12, an Act to amend the Federal-Provincial Fiscal Arrangements and Established Programs Financing Act, 1977—Chapter No. 13.

Bill C-205, an Act to change the name of the electoral district of Hull—Chapter No. 14.

Bill C-241, an Act to amend the Senate and House of Commons Act—Chapter No. 15.

Bill C-45, an Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1985—Chapter No. 16.

GOVERNMENT ORDERS

[*English*]

INTEREST ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. MacLaren that Bill C-36, an Act to amend the Interest Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Cyril Keeper (Winnipeg-St. James): Mr. Speaker, before we received the message from the Senate, I was attempting to put on record my thoughts with regard to the

amendments to the Interest Rate Act. It is important to put on the record how we view the Government's amendments to the Interest Act. As I said before, the fundamental problem with the amendments is that they tend to increase the insecurity of Canadians rather than assist Canadians to face their responsibility to carry debt under the mortgage system which exists in the country. I was giving a number of examples before we were interrupted. I will mention some other reasons that I think this legislation increases the insecurity of home owners trying to pay off mortgages, rather than assists home owners to face that responsibility.

This legislation legalizes some pretty dubious mortgage instruments. One of these instruments is called the variable rate mortgage. Lenders have been able to make this kind of mortgage available under existing legislation, but this legislation makes the variable rate mortgage clearly legal. The problem is that the variable rate mortgage leaves home owners with mortgages in a very insecure situation. They do not know how much their monthly payment will be. Home owners do not know whether they will be able to afford to stay in the home they are in. How can people feel secure under those circumstances? Surely the function of an economy is to provide some security for people. Surely the function of government is to direct the economy to provide security for people.

The legalization of variable rate mortgage simply adds to the insecurity of the average citizen. It legalizes the terrorizing of home owners by financial institutions. If the Government had wanted to bring in interest rate amendments which would be of interest to ordinary Canadians, it would have brought in amendments which would have added to people's security rather than to their insecurity.

Another specific item in these amendments is something called the index linked mortgage.

● (1700)

The Acting Speaker (Mr. Guilbault): Order. The Chair regrets to interrupt the Hon. Member but the clock shows five o'clock.

It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

The Acting Speaker (Mr. Guilbault): Shall all orders and items preceding No. 12 stand by unanimous consent?

Some Hon. Members: Agreed.

Language Rights

[*Translation*]

THE CONSTITUTION

AMENDMENT RESPECTING LANGUAGE RIGHTS IN MANITOBA

Mr. Jean-Robert Gauthier (Ottawa-Vanier), seconded by Mr. Tousignant, moved:

That this House resolves that Her Excellency the Governor General be authorized to issue a proclamation under the Great Seal of Canada amending the Constitution of Canada, pursuant to Section 43 of the *Constitution Act, 1982*, as follows:

[*English*]

Shall I dispense?

Some Hon. Members: No.

The Acting Speaker (Mr. Guilbault): The Chair will try to read this long motion before we reach six o'clock.

[*Translation*]

PROCLAMATION AMENDING THE CONSTITUTION OF CANADA

The Acting Speaker (Mr. Guilbault): The Hon. Member for Ottawa-Vanier (Mr. Gauthier) on a point of order.

Mr. Gauthier: Mr. Speaker, with respect to the reading of the motion put on the Order Paper of the House of Commons, on May 22, 1984, this resolution has already been made public and has been with us for nearly a year; I think it would be a waste of time to read it, as it is quite long and already is on the record of this House. As I was saying, there is no need to read it as it would take much of the time which could be better used to debate the motion.

[*English*]

The Acting Speaker (Mr. Guilbault): The Chair is in the hands of Hon. Members. We need unanimous consent to dispense with the reading of the motion. I would just like to inform Hon. Members that the motion is fairly lengthy and may take probably as much as 50 per cent of the time. However, if I am requested to read it, I will do so.

[*Translation*]

PROCLAMATION AMENDING THE CONSTITUTION OF CANADA

1. *The Manitoba Act, 1870* is amended by adding thereto, immediately after section 23 thereof, the following sections: Official Languages of Manitoba

"23.1 English and French are the official languages of Manitoba.

Equality of both language versions

23.2 (1) The English and French versions of Acts of the legislature of Manitoba enacted in both languages are equally authoritative.

Definition of "Act"

(2) In this section and sections 23.3 and 23.6, "Act" has the same meaning as it has in section 23.

Act enacted after December 31, 1985 to be in both official languages

23.3 (1) Subject to section 23.6, any Act of the legislature of Manitoba enacted after December 31, 1985 is of no force or effect if it is not printed and published in both official languages.

Saving provision

(2) Notwithstanding section 23, but subject to sections 23.4 and 23.5, no Act of the legislature of Manitoba enacted before January 1, 1986 is without force or effect by reason only of its having been printed and published in only one official language.

Public general statutes to be in both official languages

23.4 (1) Any public general statute included in the Revised Statutes of Manitoba, 1970 and any public general statute enacted on or after January 1, 1970 of a kind normally included in a general revision is of no force or effect if it is not printed and published in both official languages on or before December 31, 1993.

General revision of public general statutes

(2) Any general revision of the public general statutes of Manitoba enacted after the coming into force of this section is of no force or effect if it is not printed and published in both official languages.

[*English*]

Delay period for revision

(3) A general revision of the public general statutes of Manitoba shall be printed and published on or before December 31, 1993.

Delay period for re-enactment of certain Acts

23.5 (1) Any private Act or public municipal Act, or any public general statute not of a kind normally included in a general revision, that is referred to in the schedule, or any amendments to or Act substituted for any such Act or statute, is of no force or effect after December 31, 1993 if it is not re-enacted in both official languages on or before that date.

Delay for re-enactment of certain regulations

(2) Any regulation enacted before January 1, 1986 that would, if enacted on or after that date, be of no force or effect under subsection 23.3 (1) if it were not printed and published in both official languages is of no force or effect after December 31, 1993 if it is not re-enacted in both official languages on or before that date.

[*Translation*]

Exception for amending Acts

23.6 Notwithstanding section 23, no Act of the legislature of Manitoba enacted before January 1, 1994 that only amends one or more Acts of the legislature of Manitoba that are in force notwithstanding the fact that they were printed and published in only one official language is without force or effect by reason only of its having been printed and published in only one official language.

Communications between public and certain institutions

23.7 (1) Any member of the public in Manitoba has the right to communicate in English or French with, and to receive available services in English or French from,

(*a*) the head or central office of any department of the government of Manitoba;

(*b*) the head or central office of

(i) any court,

(ii) any quasi-judicial or administrative body of the government of Manitoba,

(iii) any Crown corporation, or

(iv) any agency of the government of Manitoba established by or pursuant to an Act of the legislature of Manitoba;

(*c*) the office of the Chief Electoral Officer; and

(*d*) the offices of the Ombudsman for the Province of Manitoba.

Idem

[*English*]

Idem

(2) Any member of the public in Manitoba has the right to communicate in English or French with, and to receive available services in English or French from, any office not referred to in subsection (1) of an institution described in paragraph (1)(*a*) or (*b*) where

(*a*) there is a significant demand for communications with and services from that office in that language; or

(*b*) due to the nature of the office, it is reasonable that communications with and services from that office be available in both English and French.

Section 23 not affected

(3) Nothing in this section abrogates or derogates from any rights guaranteed by section 23.

Enforcement of rights under section 23.7

23.8 (1) Anyone whose rights under section 23.7 have been infringed or denied may apply to the court for a declaration to that effect and, where that court finds that those rights have been infringed or denied, it may make a declaration to that effect.

[*Translation*]

Declaration and court order for plan

(2) Where the court makes a declaration under subsection (1), it may order the institution concerned to submit to the court a plan for changing its administration to ensure that the rights under section 23.7 are respected by the institution, and the institution shall forthwith submit a plan for the approval of the court.

Submission of plan to court

(3) Where a plan is submitted to the court pursuant to this section, the court may approve the plan as submitted, or may order the institution concerned to submit to the court a new or varied plan for the approval of the court.

When a plan is approved

(4) When a plan submitted to the court pursuant to this section is approved by the court, the institution concerned shall forthwith make such changes in the administration of the office concerned as the plan requires.

Definition of "court"

(5) In this section, "court" means the Court of Queen's Bench for Manitoba".

Coming into force of section 23.7 and 23.8

2. Section 23.7 and 23.8 shall come into force on January 1, 1987.

[*English*]

Citation

3. This Proclamation may be cited as the Constitution Amendment Proclamation, 1984 (Manitoba Act).

● (1710)

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. I think there may be a disposition, now that we have heard the resolution, to dispense with the reading of the schedule to the motion since the essential ingredients of the motion have now been presented to the House and we can proceed with the debate.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent that we dispense with the reading of the schedule?

Some Hon. Members: Agreed.

[*Translation*]

Mr. Gauthier: Mr. Speaker, the resolution you have just read and which I am moving today is identical to the one introduced by the Attorney General of Manitoba on behalf of his Government in the Legislative Assembly of Manitoba on July 4, 1983. The Manitoba resolution would have initiated the process of amending the Constitution of Canada and particularly the Manitoba Act of 1870 in relation to linguistic rights in that province. The Manitoba resolution reflected the provisions of an agreement made on May 16, 1983, between the Governments of Canada and the Province of Manitoba, with, of course, the participation and agreement of the Société Franco-Manitobaine. The compromise reached was the result of negotiations undertaken by the Manitoba Government to find a political solution to a major legal problem.

The Manitoba Government anticipated the possibility that the Supreme Court of Canada, in ruling on the *Bilodeau* case, could invalidate all provincial legislation passed in English only during the last 90 years in flagrant violation of Section 23 of the Manitoba Act of 1870. This section provides, among other things, that the acts of the Province of Manitoba are to be printed and published in French and English. The Supreme Court had indeed already stated in effect in its *Forest* and *Blaikie* rulings made in December 1979 that this obligation extended to the passage of legislation. Thus, according to the Manitoba Government, the purpose of the negotiations was to avoid the actual possibility that the Supreme Court would declare nul and void any unilingual legislation and require the writing and passage of both the French and English versions of each legislative text passed in English only during the past 90 years.

The Manitoba Attorney General, Mr. Penner, in his speech upon introducing the motion proposing the constitutional resolution on July 4, 1983, said the following:

[*English*]

—we have heard, and I'm sure we will hear again, 'well, you should have fought it in the Supreme Court of Canada' . . . I would remind those who urge that course of action that the Government of Manitoba . . . took that stance of 'fight it' in the Forest case in the Supreme Court and lost, and went on to instruct Counsel in the Blaikie case, in the Supreme Court, on the same issue, and lost. That's what our record is, zero for two, in the Supreme Court, on these very same issues—

So we sought an agreement—not a dishonorable thing to do—the kind of thing that one does day in and day out when faced with a particularly complex or difficult issue before the courts—

—Our initial position, that is the initial position of the government, was simply this: Give us the time that we feel we need; eight years, ten years, 12 years and cut down the requirement of translation from 4,400 to about 400 laws; that was our proposition. We put it on the table—nothing more. It was rejected. Why, said the other parties, what are you talking about; that's ridiculous. That much at least we could get from the Supreme Court of Canada. We'd rather take our chances before the Supreme Court of Canada than "settle" on this basis. You're asking us to give something for nothing. There is no quid pro quo; no this for that. You can't be serious. We then raised the question, well what is the quid pro quo? What is this for that? What is the agreement to be based on, and essentially it was that there should be some constitutional guarantee for French language services that were already being delivered by the government and that then became the key negotiating issue.

[*Translation*]

Constitutional expert Stephen Scott, when testifying before the Committee of the Manitoban legislature which was considering the agreement, told members who objected to the inclusion of certain bilingual services, and I quote:

[*English*]

The shortest answer to this objection is of course that the constitutional amendment will dispense with the duty to translate an immense volume of legislation covering close to a century and will also give the province a considerable further breathing space. It is surely not unreasonable for something to be offered in return, particularly to those whose rights have been denied for so long

a period. There is indeed no reason why they should accept a one-sided settlement which simply gives the province an indulgence and gives them nothing at all—

Manitoba in effect says this in the agreement. "For nearly a century the constitutional obligation to legislate bilingually has been violated, even after that obligation was reaffirmed by the Supreme Court of Canada. We ask these breaches to be executed and our laws to be declared valid, and also a further breathing space for future compliance. In exchange, we offer bilingual services from central provincial agencies, and from others, where the circumstances make it reasonable."

Surely this says, "It is true that we have been in breach of our obligations, but we will now make good and settle in a way which will compensate you fully".

Surely this tells all Canadians that our constitutional system can cure historic injustices and potential legal crises. It invites Canadians to rely in confidence on their constitution and in the good faith of their provinces and country. It renews and strengthens our federation.

[*Translation*]

The agreement of May 16, 1983 and the proposed constitutional amendment contain a number of points, Mr. Speaker, which may be summarized as follows:

First of all, it is stated that any Act of the legislature of Manitoba enacted after January 1986 is of no force or effect if it is not printed and published in both official languages. Unilingual Acts enacted before January 1986 shall remain in effect until 1994, and this applies also to any Act enacted after January 1986 as an amendment to a unilingual Act. Any public general statute included in the Revised Statutes of Manitoba, 1970 and any public general statute enacted after January 1970 is of no force or effect unless printed and published in both languages before 1994. A general revision of public general statutes shall be printed and published before 1994.

In addition, certain private Acts, public municipal Acts or any public general statute referred to in the schedule to this amendment, are of no force or effect unless printed and published in both languages before 1994.

Mr. Speaker, the net result of this agreement is to reduce the task of translating 4,400 unilingual Acts to that of translating the 400 Acts judged to be most relevant. An orderly and realistic time frame for translation had to be established, to preserve the validity of unilingual legislation in Manitoba for ten years. In exchange for this compromise, the constitutional amendment would enshrine the right of the public to use French or English to communicate with certain Government institutions and with the legislature of Manitoba, and to receive available services.

The historical and constitutional crisis would thus be resolved, and by meeting this challenge, the legislature of Manitoba and the parliament of Canada would be establishing the basis for dealing in a just and equitable manner with minority rights in the rest of Canada. To quote once more constitutional expert Stephen Scott, testifying before the legislature of Manitoba:

[*English*]

Franco-Manitobans are, it is true, relatively few in number. But the province of Manitoba was created by the Parliament of Canada on the basis of legislative and judicial bilingualism; and the violation of these guarantees, for more than ninety years, can be, has been, and is, cited by French-speaking Canadians elsewhere as proving that our Constitution—our country—cannot keep faith with its citizens. Surely if we are to have a country founded on respect for the rule of law—of any country at all—we must leave no basis for such beliefs.

[*Translation*]

For the same reasons, Mr. Speaker, the constitutional agreement of May 1983 received the solemn and unanimous support of this House in the form of two resolutions on French language rights in Manitoba, adopted here in the House on October 6, 1983 and on February 24 of this year. Mr. Speaker, I shall recall, if I may, the most important and most relevant passages of these resolutions. First of all, on October 6, and I quote:

Whereas it is in the national interest to support continued efforts by the Government and Legislative Assembly of Manitoba to fulfil effectively their constitutional obligations and protect the rights of the French-speaking minority of the province;

(1) the House endorses, on behalf of all Canadians, the essence of the agreement reached by the Government of Canada and the Government of Manitoba, with the participation of the Société Franco-Manitobaine, on May 16, 1983, to modify the *Manitoba Act, 1870;*

The House invites the Government and Legislative Assembly of Manitoba to take action as expeditiously as possible in order to fulfil their constitutional obligations and protect effectively the rights of the French-speaking minority of the province.

This passed unanimously.

On February 24, 1984, there was another resolution, and I quote:

Whereas the Legislative Assembly of Manitoba, after several months of debate, is being prevented from bringing the constitutional resolution to a vote, and therefore from fulfilling its constitutional obligations;

(1) the House urges the Government of Manitoba to persist in its efforts to fulfil the constitutional obligations of the province and protect effectively the rights of its French-speaking minority in a spirit of tolerance and civility, amity and generosity;

(2) the House urges the Legislative Assembly of Manitoba to consider such resolution and legislation in an urgent manner so as to ensure their timely passage.

Mr. Speaker, it also passed unanimously.

One of the Supreme Court's roles is first and foremost to uphold the Constitution of the land and to ensure that its provisions are adhered to. For that reason, the Court did not hesitate in 1979 to declare void chapter 3 of the Quebec Charter of the French Language, which violated Section 133 of the Constitutional Act of 1867. The Court in *Blaikie* then found that section 133 of the British North America Act required that official status be recognized to both languages, English and French, in Quebec's and Canada's legislation and courts. For that reason, the Supreme Court found unconstitutional the 1980 Act titled "An Act to Provide that the English Language shall be the Official Language of the Province of Manitoba." That Act, which purported to make English the official language of the province by abolishing the use of French in Manitoba's legislation and courts was rendered inoperative by *Forest*. The practice which had prevailed over 90 years and the political difficulties caused by the Supreme

Court's ruling did not intimidate the Court which supported the Constitution.

The role of Parliament and other legislative bodies, on the other hand, is to solve political problems. It is not the Court's responsibility to repair the damage done by politicians. The court must uphold the constitutional means for politicians to correct their errors themselves. Therefore, the solution of Constitutional changes, under fair and equitable terms, came to the mind of the Manitoban legislators. What is called in the British legal tradition "the rule of law", the principle of lawfulness, could then be asserted not only by the courts but by the political authorities.

The Right Hon. the Prime Minister of Canada (Mr. Trudeau), during the debate on the first House of Commons resolution, had this to say on October 6, 1983, and I quote:

I admire the Supreme Court for saddling politicians with this problem, since it is its role. The Supreme Court must tell us what the Constitution says, without worrying about the political, social or economic problems that may arise as a result of a Supreme Court judgement on a legal matter arising from the Constitution.

Mr. Speaker, at that point a solution appeared to be in sight. However, an aggressive minority in the Manitoba Legislative Assembly, vehemently opposing any form of development of linguistic rights in the province, blocked everything. That group of opportunistic, petty politicians, disregarding the Constitution and the agreement between the federal and provincial governments, over and above the two resolutions passed by this House adjoining them to proceed, refused to believe that the Supreme Court would dare invalidate the unilingual legislation involved.

However, the Supreme Court will hear the *Bilodeau* case and the Reference on Linguistic Rights next week, and as I said, the Court could soon declare null and void all the acts and regulations involved. In fact, according to some Constitutional experts, the Court might even explicitly state that nothing short of a Constitutional amendment would be accepted to fill the legal vacuum that would result from such a court ruling.

The Court could state that the Manitoba Legislative Assembly, that would sit de facto, would be only authority empowered to pass the resolution required by the amendment procedure which is delineated in Section 43 of the Constitution Act, 1982. Barring such a constitutional amendment, the Court might not see the need for preserving the unilingual legislation, even for a short time. This way, the Supreme Court would encourage the respect of the rule of law and the Constitutional process, while sending the ball back into the political arena.

At that point, Mr. Speaker, the problem would reach its full scope. Manitoba would be deprived of laws other than those enforced before 1890. A constitutional amendment would become extremely urgent for that province. Like Quebec on December 13, 1979, when the National Assembly sat all night to re-enact all previous unilingual legislation in both languages, Manitoba would have some catching-up to do. However, because of the absence of any legislation in French over a period of ninety years, Manitoba could not pass an omnibus bill as Quebec has done. It would make more sense for Manitoba to adopt its constitutional resolution according to Section 43 of the Constitutional Act, 1982 a resolution that is before the House today—and this time without any obstruction from the Conservative Opposition, of that I am sure, since its room to manoeuver would be reduced to nothing as a result of the judgment of the Supreme Court.

A constitutional amendment that concerns the use of French or English in a province must, according to Section 43, be made by proclamation issued by the Governor General under the Great Seal of Canada and only where so authorized by resolutions of the Senate and the House of Commons and of the Legislative Assembly of the province in question. Must we wait, Mr. Speaker, until the unilingual fanatics realize that the Supreme Court has invalidated all the statutes and that Mr. Pawley and Mr. Penner were right? Must we wait any longer before we act as responsible and intelligent parliamentarians? Would it not be wiser to adopt this resolution as provided in Section 43 of our Constitution and in accordance with the terms of the agreement between the Government of Manitoba, the federal Government and the Société Franco-Manitobaine?

I would emphasize that unless a resolution of the Parliament of Canada is accompanied by its provincial counterpart, it can have no legal effect on the Constitution. So there is nothing unilateral about adopting this resolution in the House. There is no question of any imposition by the federal Government. We would adopt, in its entirety, a resolution arising out of negotiations conducted in good faith, a resolution that received the unanimous support of this very same House. Twice, we encouraged and urged Manitoba to adopt this resolution. Within this context, the resolution is a precautionary measure being offered to Manitoba, and the province may consider and eventually adopt it if it is deemed appropriate.

However, the resolution goes beyond the legal and political sphere. It is a re-affirmation of principles that are part of the very fabric of our Canadian way of life. As the Hon. Leader of the Opposition (Mr. Mulroney) said so eloquently during the debate on the first resolution on language rights, on October 6, 1983, and I quote:

The purpose of this resolution is one which has touched the soul of Canada for decades.

● (1720)

[*English*]

Years ago this House approved the principle of official bilingualism for Canada. Simply put, it means that English and French Canadians shall have equal rights and equal opportunities across Canada. It is a noble principle, one which is capable of enriching the life of this nation.

I continue to cite the Leader of the Opposition (Mr. Mulroney). He said:

This resolution is about fairness. It is about decency. It is an invitation for co-operation and understanding. It speaks to the finest qualities in this nation.

[*Translation*]

The Leader of the New Democratic Party also supported this motion, and he said:

[*English*]

—what we are doing today in unanimously supporting this resolution goes beyond support for the details of a particular Bill in a single province on a given date. We are now acting in the spirit of those who created Canada in 1867, who out of necessity and by imagination created our fundamental duality. We are supporting a spirit of tolerance and a respect for diversity which should always be the hallmark of Canada and of Canadians. Never again should any Canadian say—

[*Translation*]

"In am a stranger in my own country."

Mr. Speaker, as I pointed out at the beginning of my speech, the resolution I have just proposed in the House is indeed the resolution tabled by the Attorney General of Manitoba, Mr. Penner, in the legislature of Manitoba on July 4, 1983. In concluding, I would therefore like to quote Mr. Penner's last words, because they are very appropriate today:

[*English*]

Let us tell Manitobans, you have nothing to fear. Let us tell Manitobans rather, you have everything to gain. You will have not only paid history's debt in a reasonable and an economical way, you will have done something, we can say to ourselves and to Manitobans, you have done something for Canadian Unity that will live long in the history books, long after we have left this place of noise, strife and turmoil.

[*Translation*]

Mr. Speaker, I urge the House to adopt this resolution.

● (1730)

[*English*]

Hon. Jake Epp (Provencher): Mr. Speaker, the resolution that is before the House today is a distinct departure from the motions which have been passed in the House on two previous occasions. The resolution before the House today is a constitutional amendment, which is possible under the provisions of the Constitution Act, 1982, but one which, if the process were accepted, would violate the federal spirit of Canada. It does not reflect in process of time the situation in the Province of Manitoba, either in the Legislature or among the citizens of Canada at this time. It is my intention this afternoon to point out to the House why this approach is wrong, why this approach is divisive and why this approach will not lead to solutions which we all seek.

Constitutional amendments must be approached with care. They must be clothed by the vision of the future. They must be tempered by the awareness of history, and they must be constantly governed by a commitment to fairness. I suggest that the resolution before us today and the manner in which it has been introduced by the Hon. Member does not meet those criteria.

Put in simpler terms, constitutional amendments, if they are to have legitimacy, must be seen by the public as doing the right thing. I say to the Hon. Member today that the approach he has taken does not meet the criterion of doing the right thing. Why not? All Members in this House, Manitobans and most Canadians, are aware of the debate that has taken place in our province, in the Legislature and in our homes over the last months. The matter has been thoroughly discussed in my province. What is important is that, despite those discussions, a process is now entrained which should not be tampered with or modified by any intervention in this House, that is, that this matter will be before the Supreme Court of Canada on Monday next, June 11.

Those hearings will begin at that time. No one in the House can determine what will be the decision of the court. No one in the House should use his parliamentary position to predetermine any modalities that the court might recommend or that the province of Manitaba might take in the Legislature. The Supreme Court decision could necessitate major changes to the very resolution before the House today. It is my submission that that kind of approach is improper and obviously does not appreciate the reality of the situation.

The Member who has introduced this resolution suggested in a letter to my Leader that it would be advantageous for the House to express once again its opinion on this subject through a constitutional amendment, something we have never done before, and that this would be helpful to the court as it begins its hearing. My concept of executive powers, of legislative powers and the division of legislative powers and judicial powers is very clear. I do not believe that we should use Parliament, when we know that this matter is before the courts as of Monday, to try in whatever form—if in fact we could, and I suggest we might not be able to—to send signals in any way, to give impressions or to leave opinions on the record of which the court would then be apprised. The court is independent and should be left as such.

What we have before us is an amending process. I remind Members of the House and Canadians generally that those of us from western Canada who sat on the special joint committee studying the constitutional resolution argued literally for months that a constitutional amendment, that is the process by which our Constitution would be amended in the future, should reflect the reality of Canada and that a constitutional amendment proposal such as produced by the Government, which would entrench for all times that certain provinces and, therefore, certain Canadians would have a veto power and, therefore, others would not, was not a reflection of the reality of Canada and in fact would make those of us who did not live in those provinces or those who come after us second-class citizens.

Our Constitution today has three amending formulas. The burden of our argument was that we should not have imposed on us from the outside constitutional changes which we ourselves must determine. I remember the long debate regarding language and culture and a specific amending formula under Section 43 which was introduced that would allow the provinces—I know that for a long period of time the debate was relative to the Province of Quebec—to determine that aspect of any amendment relative to their constitution and language.

In fact, one province, New Brunswick, availed itself through its premier of that provision. I suggest to the Hon. Member for Ottawa Vanier (Mr. Gauthier) that he misinterpreted my Leader's comments. My Leader said in the House of Commons on October 6, 1983, as recorded at page 27819 of *Hansard:*

> In the final analysis, it is up to Manitobans themselves to decide.

In Winnipeg, on March 29, 1984, he said:

> So tonight, I am not going to tell Manitobans what to do or how to do it. I have no such right.

This is what the Hon. Member for Ottawa-Vanier is trying to do today, to impose a solution, a constitutional amendment. This is not in the spirit of Confederation. It is an imposition which is not acceptable to us.

Amendments to the Constitution, as we discussed constitutional amendments at the time, was that constitutional amendments were to be legislated from one legislature to another. I recognize that private Members have the opportunity now to bring in constitutional amendments as individuals, but I suggest we should go very carefully on that route because we have not had either precedents or experience because of our previous situation where amendments finally had to be made to the British North America Act in Westminster. We do not have those precedents. I suggest also, in view of the sensitivity of this issue, that this is not the time to establish that precedent.

On the matter of money Bills, no Member of the House other than a Member of the Cabinet can introduce a Bill relative to the royal prerogative. We all understand that approach. Today I would think that common sense would dictate that constitutional amendments should not be introduced through the process the Member is using in the House today.

There are additional reasons why this constitutional amendment is unacceptable. It is interesting to note that when the Member rose in his place to introduce it, he said that when it was introduced in July, 1983, it was exactly the same amending resolution as was introduced by the Attorney General of Manitoba. To that he was correct, but he was wrong in terms of the time frame today. Through that long process of debate, that original amendment was modified by the New Democratic Party Government that introduced the first resolution that is before us today and amended it. Therefore, he is introducing today a resolution which is not supported even by those who proposed it initially, that is, the New Democratic Party of Manitoba. In fact, there were three modifications to the resolution. I will not take the time of the House to go through the various differences between the first resolution which we have before us today and the one that was eventually not approved by the Manitoba Legislature. Simply on the matter of constitutional clarity, I would think that we would not want to consider a resolution which has already been changed by the province on at least three different occasions.

● (1740)

If you look at the schedule, which we did not ask you to read, Mr. Speaker, you will note that a number of corporations and societies are listed therein. If the relative Bills passed in the Manitoba Legislature were not changed or translated, those societies could in fact cease to exist. I received a letter dated September 19, 1983, from Mr. Ernest A. Wehrle. I spoke to him today and received permission to put his letter on the record of the House. Mr. Wehrle is writing on behalf of the Historical and Scientific Society of Manitoba and the St. Boniface General Hospital. He said:

> Our concern is with the wording of proposed Section 23.5(1). Its legal result, if the named private organization(s) were not re-enacted by December 31st, 1993, would be to extinguish the legal existence of the organization(s), and cause the assets of the organization(s) to pass to Her Majesty the Queen, in Right of the Province of Manitoba.
>
> The risk, however slight, is an unfair and unacceptable one because the named organizations have no control over the process. It will be the failure of the Legislature to act, and not the failure of the organizations to act, which would cause such a severe penalty.
>
> The Manitoba Legislature might deliberately select certain organizations for elimination, or it might happen as a result of a constitutional or international crisis. Present assurances from the government, or from political parties, are not binding upon a future legislature.

I spoke to Mr. Wehrle today because the Attorney General rejected that proposal in 1983. Then, after consultation, the Attorney General said that we were right and he in fact brought in an amendment to Section 23.5 which, after looking at today's resolution put forward by the Hon. Member, one could see has not changed. Again, it is after the fact. I would think that the Hon. Member should consider very carefully the effect of his resolution should it be accepted here in the House.

Canada is a federal state. This fact dictates that the propriety of the matter demands the proper etiquette between federal and provincial governments by allowing a provincial government to legislate within its own sphere of authority. It has always been contemplated that a constitutional amendment for and on behalf of a people in a province would be initiated in that province and, following passage of the provincial request, the federal Houses of Parliament would then deal with the matter.

I would ask the Hon. Member if he has consulted with the Province of Manitoba lately regarding the acceptability of the resolution. Did he consult with other members of the legislature? Did he consult with those in Manitoba? Did he consult with Franco-Manitobans? I can give you the answer, Mr. Speaker, because I asked that question today and the answer is no. Yet he has the temerity to enter the House and take this kind of action.

I could put forward other arguments regarding possible decisions of the Supreme Court. However, I do not think that they would help us in our deliberations today because the court will decide that matter. The issue before us all is that there is surely no longer any doubt that there must be one resolution after the next establishing the principles of language rights. I would ask the Hon. Member if he is sincerely trying to find a solution to the problem or if he is trying to create a political opportunity for himself.

Some Hon. Members: Hear, hear!

Mr. Epp: I would suggest that it will not lead to understanding. I know that the exercise that the Hon. Member has put before us today will not lead to a solution.

I would like to tell you about something that has deeply troubled me, Mr. Speaker. I have looked forward to an opportunity to make the following comments in the House: Those of us who come from western Canada have always and will always regard ourselves as being as Canadian as those who come from other parts of the country. The Manitoba debate as it has become known has raised in the minds of some and on the editorial boards of certain newspapers the question of whether or not we in Manitoba and perhaps in western Canada as a whole understand the country. Our roots are deeply embedded in the soil of Manitoba.

As one who represents a riding which contains Canadians of English descent, a great number of Canadians of Francophone descent and many Canadians of multicultural descent, I say to Members in the House that we came to Canada and specifically to Manitoba with our cultures, our languages, our hopes and our dreams. These have become the realities of western Canada.

I would make the point that it was a necessity and a reality for those of us whose language was neither French nor English that English became the language of common communication. That is reality. I cannot change that and I do not want to change that. That is the way it is in the area in which I live.

I would also make the point that there is no solution to this problem in Manitoba or in the rest of the country that will be good for the unity of the country if we are to use these kinds of methods to try to develop solutions. Tolerance is not enough. What we need is understanding.

I say to my friends opposite that I want to understand them. All that we as western Canadians ask is that they understand our realities as well. We will build a better country if we understand each other. Let us put behind us the use of resolutions on language or cultural matters. Let us not try to indicate that such a resolution might be to the advantage of one group, because we will not build a country that way. Canada is a great country. We are diverse, and that is our reality. That diversity can also lead us to greater understanding and it can and should be a model to the rest of the world.

I say to my friends opposite that I believe that a solution to the Manitoba situation will come just as I saw a solution come yesterday to the problems of the Canadian municipalities association which is now meeting in Winnipeg. That solution was based on understanding, on dialogue and finally on agreement. Let us follow that route and not the one chosen today.

Some Hon. Members: Hear, hear!

Mr. Bob Ogle (Saskatoon East): Mr. Speaker, I have only a few minutes to speak on this issue today but I am happy to be afforded an opportunity to say a few words about it.

• (1750)

In general, I support what this Bill is attempting to do. I appreciate, as I imagine the mover of the Bill appreciates, that there was no chance that it would pass today. Nevertheless, it has given Members of the House another opportunity to speak on this matter. I congratulate both the mover of the Bill and the Hon. Member for Provencher (Mr. Epp) for addressing it from their points of view. As Members know, I speak from a political position in the sense of a political future in this House. I would like to add to that the feeling which I have regarding what has taken place in our country, particularly in Manitoba.

I believe that one of the major factors in the debate has been fear of the unknown. When there is fear, there is distortion. I grew up in a world which was not unlike Manitoba. I grew up in Saskatchewan. When I was a child, I literally lived in a language laboratory. If I had known what it was and if I had been open to it, I could have learned seven languages within two miles of where I was living. Unfortunately, at that particular time in history, my parents—who were Irish, from Quebec and completely bilingual in French and English—felt that there was something wrong in passing on to their children the ability to speak bilingually. I do not know why they felt that way. Thank God that is no longer true. On my way home to Saskatoon the other day, I rode with the president of the French schools in Saskatoon. He cannot speak a word of French. His four children are in the schools because he wants them to be bilingual. Somehow or other the fear that my parents were able to instil into our generation will not, I hope, be instilled into the next generation.

When I was about seven or eight years of age, there was an old French Canadian farmer who had come from Quebec and had become bilingual. He spoke with an accent, but he spoke English very clearly. He told me that I should learn another language. He told me that a language is a very light load to carry. That was great advice because a language is a very light load to carry. There is nothing to be afraid of in being able to understand another person who speaks another language. No one in Canada is forced to learn another language. They do not have to learn English nor do they have to learn French. However, it is very nice to be able to speak two, five or ten languages. What is really required is a change in mentality. That may come in the next generation, although I believe that the confrontation which has taken place in recent history in Manitoba would not bring that about. There seems to have been a lack of will to reach an understanding.

On November 15, 1976, I was returning to Canada after spending a year doing research with the International Development Research Centre in India. I was not aware of the fact that there was an election taking place in Quebec that day. I had been in India where there are 23 states. The states of India are basically divided by language. Although there are 400 languages or more, India has built itself into 23 states, basically with the same language groups. India does its official business in English and Hindi. With this massive number of languages and the massive division, this country, with a popu-

lation of 400 million or 500 million, is able to function. However, upon returning to Canada, coming through customs I found that an election was taking place which was basically being fought on the language issue. I said at that time, "What has happened to our country?" I did not understand why we were not able to accept each other with only two languages when a member of the Commonwealth is able to live with a diversity which is incomprehensible to Canadian minds.

I think it is extremely important to have an openness. There should not be the fear of someone forcing a language on anyone. I think we must be consistent in accepting the historical realities of our country and that the rights of minorities are guaranteed. Minority rights were established in 1870. The English were probably in the minority at that time.

I am sorry the Manitoba Government was not able to solve the question earlier this year with the help of the federal Government and others, but I do hope sincerely that it will be solved in the near future.

Hon. David Crombie (Rosedale): Mr. Speaker, it gives me pleasure to be able to participate in the debate today, particularly because I was able to have the opportunity of hearing the Hon. Member for Provencher (Mr. Epp) who spoke so eloquently. I have heard him speak before on matters pertaining to the Constitution of this country. But, I might say that that is the best speech he has given. It was an outstanding and eloquent speech regarding his own province.

Some Hon. Members: Hear, hear!

Mr. Crombie: I only have two or three minutes and I do not know that I need to embellish the arguments which were made by the Hon. Member for Provencher. However, I wanted to make a contribution which would remind us of the process we went through when we dealt with the much larger constitutional amendment. Like the Hon. Member, I was a member of the Constitution Committee.

During that time we heard people from across the country. We talked about the amending formula, and we talked about the importance of ensuring that the regions of the country, as well as its different cultures, felt a part of it all. At the end of the process, one of the most interesting things happened. We insisted that the matter be sent to the Supreme Court of Canada, before it proceeded to the United Kingdom. We insisted for months that that happen, and ultimately that is where it went.

After some weeks, the Supreme Court came down with its decision. It was probably the most Canadian judicial decision which I have had the pleasure of reading. To anyone who has not had the opportunity or has not taken the opportunity to read it I may say that it is not merely a judicial decision, it is probably one of the most impressive statements of what is in reality the Canadian political and constitutional process. It ended up by making a key judgment. It said that the Government's constitutional package was legal, but that it was not legitimate. I do not think that there is another country in the world which would understand that statement. In most countries, including the republic to the south, if it is legal it is also legitimate. However, the Canadian political process for 250 years, and certainly since 1791, has always included an understanding that legality by itself does not confer legitimacy. What does confer legitimacy is the process of involving consensus.

Consensus in this country is a process which allows laws to be legitimate. That, of course, is what the Hon. Member missed entirely in his motion. The motion which the Hon. Member brought forward to the House today is unwise. It is not only unwise, it is trouble-making. It acts in a way which is totally outside of the constitutional process of the country. Therefore, it seems to me that the important thing to understand, if one is sincerely interested in ensuring the equality of the two founding languages, is that Canadians for generations have insisted that it be done according to a process. That is offended by my hon. friend when he brings forward this motion—

• (1800)

The Acting Speaker (Mr. Guilbault): I regret to interrupt the Hon. Member, but the hour provided for consideration of Private Members' Business has now expired.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

IMMIGRATION—REFUSAL OF VISITORS' VISAS TO APPLICANTS DENIED LANDED IMMIGRANT STATUS

Miss Aideen Nicholson (Trinity): Mr. Speaker, on May 18 I addressed a question to the Minister of Employment and Immigration (Mr. Roberts) about the practice of having visitor's visas automatically refused to applicants who have recently applied unsuccessfully for landed immigrant status. I asked the Minister to ensure that the practice be altered, and that instead a system be set up whereby each application would be assessed individually on its merits. I received a letter from the Minister who pointed out that there is no such policy. I am very well aware that there is no such policy but the practice exists. In his letter the Minister says that:

> Neither the Commission which establishes policy in this area nor the Department of External Affairs, which is responsible for the issuance of visitor visas, has any policy or instructions to automatically refuse visitor visas to unsuccessful applicants for permanent resident status. If, in fact, such a practice currently exists at any office abroad, it has originated with local officials and is not sanctioned by me or Commission management.

The Minister goes on to say that he is not aware that any overseas post has enforced such a policy. He says:

> If you have any information to the contrary, I would be pleased to receive it.

I regret that the Minister allows staff whose work is so sloppy to draft letters for him. He of course knows perfectly well of some examples on which I have corresponded with him. I can give three examples, all of which have been the subject of correspondence between myself and the Minister. One is a case in the Philippines. The application of a woman for landed immigrant status had been delayed for many years. Finally, when she was accepted, her children were over 21 and were no longer eligible to accompany her. When she had been here for some months the children wished to visit her and they were refused visitor's visas.

There was a similar case in Islamabad. A man had been coming to Canada as a visitor each year. He spent his holidays with family here. He applied for landed immigrant status and when he next applied for a visitor's visa it was refused.

I could go on with other examples but the point is that the officials do have this practice of automatically refusing visitor's visas to people who have recently applied for immigrant status. It may not be the Department's policy, but it is certainly a practice at many of our overseas offices. I suspect it has become the practice because it is simpler to assume that anyone who has recently made an application for landed immigrant status is trying to get into the country with the intention of staying. It is simpler to then refuse the application than to sit down with the person and see what the exact circumstances are.

• (1805)

It is this laziness or passivity that I am objecting to. I say this with some sympathy for the officials. I understand that immigration officers generally have a very difficult job. I would rather see them exercise some judgment in that job than try to protect themselves with simple rules. I appreciate that if an officer overseas is required to exercise judgment, there will be times when that judgment is wrong. I would rather see some tolerance of error and have the occasional person come to Canada who is not a *bona fide* visitor, than have this blanket system which is harsh, impersonal, and does not fit with the goals of our Immigration Act which is meant to be human, responsive, and respectful of people.

[*Translation*]

Mr. Jean-Guy Dubois (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I thank the Hon. Member for taking the opportunity provided by the late show to raise this question concerning the refusal of visitors' visas to applicants who have been denied landed immigrant status.

Mr. Speaker, I can say very briefly that further details can be added to the reply given by the Minister of Employment and Immigration (Mr. Roberts) to the Hon. Member for Trinity (Miss Nicholson) on May 18 last. Pursuant to Immigration Act Section 9, every visitor shall make an application for and obtain a visa. Still in accordance with Section 9, the decision rests with the visa officer who considers each case.

Accordingly, it would be against the legislation to refuse automatically visitor visas in some circumstances, for example when the same applicant has recently applied unsuccessfully for landed immigrant status. There is no such policy. I must add that the law requires the applicant to prove his good faith, and that was the basis of the Minister's answer to the Hon. Member. A recent application for permanent residence might indicate that the applicant intends to stay in Canada permanently.

However, in many instances, a visa can be granted to someone who applied for an immigrant visa if the application is still being processed or has been rejected. The Hon. Member may rest assured that each application is dealt with objectively, as it should be. I understand she would like the officials of the Department to be more humane or sensitive when reviewing the applications.

As the Minister indicated in his letter to her and as I said today, each case is reviewed objectively according to the law, and the Department of Employment and Immigration does its best to respond adequately to applications from immigrants. Canada has one of the most open and liberal immigration policies of any country, and I feel confident the Hon. Member will be reassured by my brief answer.

[*English*]

ENVIRONMENTAL AFFAIRS—OIL DRILLING IN LANCASTER SOUND—GOVERNMENT POLICY INQUIRY. (B) MINISTER'S ADVICE

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, my question to the Minister of the Environment (Mr. Caccia) a few days ago was a very simple one. All it sought was a simple statement of Government policy with respect to Lancaster Sound. I wanted to know whether the Government was going to proceed with oil and gas drilling there. Needless to say, I did not get a very satisfactory response.

• (1810)

What prompted my question, and why I felt it was necessary to ask what was government policy, was the public squabble that had been going on for quite some time between the Minister of the Environment on the one hand, and the Minister of Indian Affairs and Northern Development (Mr. Munro) on the other.

I am always at a loss to understand why it is that the Liberal Government insists on washing its dirty linen in public. Let me give a few quotations from the media. The first one is from the CBC *MacKenzie Regional News* on May 4. The item reads:

> The Federal Environment Minister is urging a permanent ban on oil and gas drilling in the Lancaster Sound area in a proposal to the Minister of Indian Affairs and Northern Development.

An article in *The Gazette* on May 3 states:

> A permanent ban on oil and gas drilling in the wildlife-rich Arctic region of Lancaster Sound is being urged by Environment Minister Charles Caccia.

Caccia urges the ban in a private letter, details of which have been obtained by *Southam News* which he wrote six weeks ago to Northern Development Minister John Munro.

A CP Wire service release on May 9 stated the other side of the argument being pursued by the Minister of Indian Affairs and Northern Development as follows:

The environment is just one of many concerns blocking a quick decision on whether to allow exploratory oil drilling in Lancaster Sound, the eastern entrance to the Northwest Passage, Indian and Northern Affairs Minister John Munro said Wednesday.

But Munro, whose department will make the final decision, is in no hurry to approve drilling in the region for a number of reasons, despite the millions that have been invested there since oil companies were granted exploration permits more than a decade ago.

What we have here is a case of one Minister leaking correspondence to the press to make public his departmental point of view and to put pressure on yet another Minister. We have the Minister of Indian Affairs and Northern Development publicly rebuking the Minister of the Environment by saying that his concern is not of any particular importance because there are a number of things that have to be taken into consideration.

The Lancaster Sound issue needs resolution. So far we have seen an attempt by the Minister of Indian Affairs and Northern Development to slough it off, make no decision at all and just hope that the matter will go away. All the people involved in the argument deserve from the Government of Canada a clear statement of policy, whether or not it plans to allow drilling to take place. The developers who have already spent millions of dollars want to be able to plan for the future. They want to know the terms and conditions, if any, which will attach to the authority that they may or may not be given to proceed with drilling.

On the other hand, those who oppose and would not like to see activity of that nature take place in that location deserve from the Government of Canada the knowledge of what in fact is government policy.

I think that the Government has forgotten what is the function of the Cabinet. Each Minister goes around publicly stating his side of the argument. Surely decisions should be made in Cabinet. That is the place and time where Ministers can come together, sit and discuss these matters and come to a proper decision. The function of Cabinet is to make important decisions where there may be conflicting views from each department. Once that Cabinet decision has been made, then we should and ought to have—and have had in the past—Cabinet solidarity where, regardless of which Minister of the Crown one asks, one gets the same answer. It should not be one answer from the Minister of the Environment and another answer from the Minister of Indian Affairs and Northern Development.

The argument on this issue which is going on in public ought to go on in private. The Government of Canada ought to speak with one voice. It ought not speak with many voices.

In closing, I urge the Ministers of the Crown to put aside their public squabbles, and I urge the Government to get its act together and come up with one firm policy statement on the Lancaster Sound issue.

• (1815)

Mr. Leonard Hopkins (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, Lancaster Basin represents a westward extension of sedimentary deposits occurring in Baffin Bay, for which seismic data indicates a sedimentary sequence six kilometres in thickness in the Sound. Although no wells have been drilled in Lancaster Sound or adjacent areas, some hydrocarbon potential is inferred from a small active oil seep in Scott Inlet a few miles to the north. Recent Geological Survey of Canada estimates place recoverable oil potential in Baffin Bay/Lancaster Sound at 55 million cubic metres and a 50 per cent probability.

There has been interest in exploiting the petroleum resources of Lancaster Sound since the late 1960s. A federal Environmental Assessment Review Office panel recommended deferment of exploratory drilling until the Government had addressed the issue of the best uses of Lancaster Sound, and the proponent had demonstrated the capability to deal with the physical hazards to drilling in the Sound and preparedness to mitigate effects of a blowout.

In response to the recommendation for a Government regional use plan, the Department of Indian Affairs and Northern Development undertook in 1980 a preliminary analysis of potential options for the use of Lancaster Sound and the surrounding region.

Since that time, Consolidex Magnorth Oakwood, a consortium which has succeeded Norlands Petroleum as the permit holder for the land in question, has published a resource management plan for Lancaster Sound hydrocarbon development, and has submitted an official letter of application for drilling to the Minister of Indian Affairs and Northern Development (Mr. Munro).

Before any decision can be made relative to the issuance of exploration agreements, a number of important steps must be taken involving several federal departments. The Department of Indian Affairs and Northern Development must conduct a land use planning exercise and partake in native rights consultations. The Department of the Environment must ensure that all appropriate environmental safeguards would be employed. The Canada Oil and Gas Lands Administration of Energy and Resources must investigate all aspects relative to the technological and economic feasibility of any proposal, be satisfied that proper safety measures would be taken, and that any proposal would meet the appropriate Canada Benefits criteria.

May I simply say that while the federal Government is currently studying various options, no development will take place in Lancaster Sound. Such development could only take place once decision makers had conducted multi-dimensional analyses that confirm that development projects could be carried out in a safe and timely manner and would be beneficial to the people of Canada, particularly those in the region.

Adjournment Debate

ENERGY—REMOVAL OF ONTARIO RADIOACTIVE WASTE. (B) RESPONSIBILITY FOR PERMANENT STORAGE

Mr. John Gamble (York North): Mr. Speaker, on May 25, 1984, after waiting for three weeks for the Minister of Energy, Mines and Resources (Mr. Chrétien) to appear in this House during question period, and finding that he did not, I raised a question with the Minister responding for the Minister of Energy, Mines and Resources. That question related to the transportation of some 4,000 tons of low level radioactive waste from the Malvern subdivision in Scarborough to a location in the City of Scarborough on Reesor Road very close to the border of my riding of York-North, the intended sight being a few hundred yards from Steeles Avenue which separates the Town of Markham and the City of Scarborough.

I am rather surprised that the Liberal MP for that area has not taken a more active part in protecting the interest of his constituents, for what we are concerned with here is the relocation of some 4,000 tons of material which contain radium 226 in quantities which are from 20 to 280 times the normal level of that material in natural deposits in the Toronto area.

• (1820)

In addition, the material which is about to be transported contains substantial contaminations of arsenic. It is intended by the federal Government, which has under the terms of the agreement with the Province of Ontario dated November 3, 1983, acknowledged its responsibility for the permanent storage of the material, to locate this very substantial quantity of contaminated material on about two acres of land near the little Rouge River. The material is to be placed in a large plastic bag or a large plastic wrapper on the surface of the ground which geologically consists of sand and gravel-sand substance. This will permit the leeching of the contaminants from this material into the Rouge River system.

The people in that area, some of whom live as close as 1,000 yards to the intended site, obviously will be subject to this contamination. Radium 226 in its decomposed form becomes radon 222, a known carcinogenic gas which will produce lung disease and other lung ailments of the cancerous nature in human beings. It is absolutely astounding that with the available evidence the Government still proposes temporarily to transport but a few miles to where it will be located some material which is dangerous to human beings, and to store that material on a ground level site near a river—the people in the area derive their water supply from wells—and cover it with a plastic bag, with no more concern for the general public in the area than is disclosed by its conduct here.

Fortunately a group of citizens retained the services of a firm of solicitors and have commenced an action in the Federal Court of Canada. They apparently have obtained an interim injunction precluding the movement of this soil in the fashion the federal Government would contemplate.

My concern is very simply this. Recognizing, with the abundance of material filed in that court action, the dangerous nature of the material—and indeed, had it not been dangerous, the federal Government would never have agreed to remove it from its existing site—how could the Government ever contemplate storing it on that site in that fashion?

When I asked the Minister of Finance (Mr. Lalonde), answering for the Minister of Energy, Mines and Resources about the issue, he said that a number of Conservatives had opposed the storage of the material in some other location. Atomic Energy of Canada is in the process of producing and licensing the use of radioactive materials in Canada. There has to be some place where that material can be stored. If the federal Government cannot find a suitable location for low level radioactive waste, what in the name of heaven will it do with the uranium bundles at hydro projects? Where will they be stored? It is very clearly time that the Government awakened to its responsibilities and stored this material where it will not result in injury to the inhabitants of the immediate area.

• (1825)

Mr. Leonard Hopkins (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, the work to date of the Low Level Radioactive Waste Management Office has concentrated on the cleanup of historic wastes in Malvern and Port Hope, Ontario and in Surrey, B.C. I would like to specifically address the Malvern case.

About 4,000 tonnes of slightly radioactively contaminated soil, for which no permanent disposal site exists, is currently located on residential properties in the Malvern subdivision of Scarborough. In 1983, the Canadian and Ontario Governments signed a Memorandum of Understanding under which the federal Government assumed responsibility for removing the soil to permanent disposal when a disposal site could be established. Ontario, preferring that the removal of the soil from Malvern take place without waiting for the establishment of a disposal site, agreed to co-operate with the federal Government by identifying a temporary storage site for the soil, and agreed to incur the additional costs involved in taking the additional step through storage prior to going to disposal.

The Hon. Member has made an attempt to dump the whole problem on the federal Government. I must remind him that the provincial governments have a very great responsibility in this particular field. Indeed, there was a lot of opposition to the disposal site that was selected. I think the Hon. Member is well aware of those Conservatives who opposed that, along with the general public.

The federal Government, with Ontario's agreement, named the Low Level Radioactive Waste Management Office of AECL as the agency to carry out the work. The Malvern removal has been delayed because of an interim court injunction obtained by a group of residents near the temporary storage site.

The federal Government is now actively addressing all aspects of the management and disposal of radioactive wastes in Canada. It has been doing that for some time. The Hon. Member must be very much aware that this is a very emotional topic for the general public. It is very difficult to find a satisfactory site. Much work remains before a complete oper-

ating system is in place and the co-operation and support of provincial and municipal governments, industry and the public is crucial to reaching that goal.

For the past five years, Atomic Energy of Canada Limited has been managing a major research program into the permanent passive disposal of irradiated fuel waste deep in the stable crystalline rock of the Canadian shield. The preliminary research results from this program support the view that nuclear fuel waste can be safely disposed of in this manner. A lot of research has gone into this field. I do not want the impression left that anyone has been dragging his feet on this issue.

This research is a joint program which is being performed under the terms of the Canada/Ontario Agreement of June, 1978. Under this agreement, Ontario Hydro is responsible for the work required on storage and transportation of irradiated fuel. A further federal-Ontario agreement in August, 1981 defined the evaluation process leading to acceptance of the disposal concept proposed.

In closing, I would just like to say that the Hon. Member mentioned the Liberal Member from the area. I can state that he has been very communicative on matters relating to his constituency.

The Acting Speaker (Mr. Guilbault): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at eleven o'clock in the morning, pursuant to Standing Order 2(1).

The House adjourned at 6.28 p.m.

HOUSE OF COMMONS

Friday, June 8, 1984

The House met at 11 a.m.

• (1105)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

EXTERNAL AFFAIRS

INDIA—PRAYER FOR RESTORATION OF PEACE

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, all Members of the House will have read of or watched on television the recent bloodshed in India. Hundreds of people have been killed, and an estimated 11,000 refugees have streamed into the small town of Ambala in recent days to avoid violence.

In my own constituency there are many Canadians of Indian origin, with an estimated 2,000 alone from the Punjab. Constituents of both Sikh and Hindu faiths from the Punjab and elsewhere are understandably acutely concerned about the safety and well-being of innocent family members in India. The same must be true in numerous constituencies across Canada.

The overwhelming majority of Sikhs, both in Canada and throughout India, where their contribution to that country has been simply enormous, condemn terrorism of all sorts. They are a law abiding and patriotic people who are internationally renowned for their peaceful and non-violent characteristics. They are also people of high principle, excellent character, and dedicated religious convictions. My prayer today is that further bloodshed and violence can be avoided in the world's largest democracy. What happens there in the next few days and weeks will touch all thoughtful Canadians, and all Members here must hope that peace and reason can be restored permanently to the Punjab.

* * *

LABOUR CONDITIONS

YOUTH UNEMPLOYMENT—CONDEMNATION OF GOVERNMENT POLICY

Mr. Jim Hawkes (Calgary West): Mr. Speaker, all of us in this Chamber can remember 1977 when the Prime Minister (Mr. Trudeau) said to the young unemployed of Canada: "My heart does not bleed for you". In that same speech to young people at the University of Toronto he said that if they do not like it in Canada, if they do not like it here, let them find another country.

Yesterday in this Chamber the Acting Prime Minister (Mr. Pepin) said to the young people of Canada that if they cannot find a job the reason may be because they are lazy. That is a shameful comment from the Acting Prime Minister, just as the previous comments by the Prime Minister were shameful.

The Conservative Party and I believe most Members of the House do have hearts that bleed for the young people of this country who cannot find jobs. We want Canadian young people and university graduates to stay in this country and contribute to this country. We do not believe that the problem is that young people are lazy.

I come from the Province of Alberta where four years ago, when the Government was elected, the unemployment rate was 3.5 per cent. With government policy and government programs, today it is 12 per cent. That is the problem. Laziness is not the problem; government policy is the problem.

* * *

LABOUR CONDITIONS

DECLINE IN MANITOBA UNEMPLOYMENT RATE

Mr. Rod Murphy (Churchill): Mr. Speaker, this morning's figures on unemployment show an increase in the seasonally adjusted number of unemployed Canadians across the land. However, under the NDP Government of Howard Pawley, Manitoba has the lowest unemployment rate in Canada.

Historically Manitoba does not have the lowest unemployment rate, but what is happening in Manitoba now proves that with the right Government something can be done about unemployment in Canada.

• (1110)

Let me read the figures to you, Mr. Speaker. Last year at this time Manitoba had 51,000 unemployed. One month ago that figure was down to 43,000, and last month that figure was down to 39,000. In Manitoba the unadjusted unemployment rates have dropped from 9.9 per cent to 7.5 per cent, and the seasonally adjusted unemployment figures have dropped from 10 per cent to 7.8 per cent.

Through its job fund the Manitoba New Democratic Party has created in excess of 17,000 jobs. For the most part those jobs have met real community needs in recreation, education, and other required facilities. This has created employment in the short term, and it has created permanent facilities for the people of Manitoba. The Government has also looked toward

creating jobs in the long term. One example is the number of hydro agreements that are being negotiated at the present time which will create thousands of long-term jobs with training opportunities for—

Mr. Speaker: The Hon. Member's time has expired.

* * *

AUTOMOTIVE INDUSTRY

NEW INVESTMENT IN GENERAL MOTORS PLANT AT ST. CATHARINES

Mr. Joe Reid (St. Catharines): Mr. Speaker, only four years ago many reputable industrial observers were preaching the permanent decline of the North American automobile industry.

Under the protection of quotas on imports of Japanese motor vehicles, the North American automobile industry obtained a breathing space in time within which it could modernize and introduce high technological improvements into its manufacturing operations.

The announcement made yesterday by General Motors to invest a further $255 million in its engine plant in St. Catharines indicates a vigorous, competitive approach by the industry itself, and a determination that the products manufactured by General Motors will be highly world competitive both in quality and efficiency.

With the introduction of new mechanized moulding systems and computerized sensors, General Motors can achieve lower per unit production costs. In doing so General Motors will maintain a stability of employment in our local community where the matter of jobs is the top priority and concern. General Motors will give confidence to other Canadian manufacturers in this highly technical and competitive world, and Canadians generally will receive the beneficial fruits of the G.M. example.

* * *

MINES AND MINING

NEED FOR FULLY TRAINED RESCUE TEAMS

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, tribute ought to be paid to those thousands of Canadians right across the nation who volunteer their time and effort in training for mine rescue work. Despite precautions, mine disasters can always happen and, when they do, it is essential that fully trained mine rescue teams be available so that loss of life can be minimized.

Competition between teams in regional, provincial, territorial and national events not only adds interest to the training but hones the teams into higher degrees of preparedness and effectiveness. For this reason competitive events should be encouraged. But it is saddening to learn that, for the second year in a row, the Dominion Mine Rescue Competitions scheduled to have been held in Yellowknife have been cancelled. In expressing our appreciation for all those involved in mine rescue work let us record our dismay that the Dominion competitions will not be held this year, and our hope that sufficient funds can be found to enable the event to be held in 1985.

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[*Translation*]

INDIAN AFFAIRS

UNANIMOUS ADOPTION OF BILL C-46 SUGGESTED

Mr. André Maltais (Manicouagan): Mr. Speaker, this afternoon the House will be asked to consider a very important Bill concerning the Naskapi and the Cree. After the James Bay Agreement, Bill C-46 proposes to give practically complete autonomy to the various reserves. It confirms the responsibility of the Cree and Naskapi for governing their territory, for the organization of their band councils and for the by-laws that will be enforced directly by the local government authority.

Mr. Speaker, I should be delighted if the House could adopt this Bill unanimously this afternoon, especially since it would mean a step forward for the Cree and Naskapi, who have shown that they appreciate the values of native tradition. I think this Bill will give all native peoples in Canada more confidence and encourage them to show white people they are able to govern themselves.

* * *

• (1115)

[*English*]

SOCIAL AFFAIRS

CUTBACKS IN BRITISH COLUMBIA SOCIAL SERVICES—TRIBUTE TO WORK OF VANCOUVER CRISIS CENTRE

Mr. Svend Robinson (Burnaby): Mr. Speaker, in these harsh economic times, social services are particularly hard pressed to meet the demands placed upon them, particularly in the Province of British Columbia. In that province there have been savage cutbacks in health care, education, child care, child abuse teams, services to young people, the elderly, and the handicapped. Unemployment is at record levels, particularly among young people. With broken families, record levels of single parent families, and cutbacks in welfare, social service agencies are particularly hard taxed.

One volunteer agency has been serving the Greater Vancouver community for 15 years today, with tremendous dedication and energy, that is, the Crisis Intervention and Suicide Prevention Centre of Greater Vancouver. It has provided hope to the hopeless and, I venture to say, has saved many lives. Today, on the fifteenth anniversary of the founding of that Centre, I want to commend the thousands of volunteers who have been

prepared to lend their time and to listen, and the flying squads as well.

I had the honour of serving as a volunteer with the Crisis Centre. This week is Crisis Centre Week, from June 4 to June 10, as proclaimed in Vancouver. I am sure I speak on behalf of all Members of Parliament when I congratulate the Crisis Centre on its fifteenth birthday. I wish the Centre many more successful years, and I urge the federal Government to provide badly needed federal funding for crisis centres across the country.

ORAL QUESTION PERIOD

[*English*]

LABOUR CONDITIONS

MAY UNEMPLOYMENT FIGURES—COMPARISON WITH UNITED STATES

Hon. James A. McGrath (St. John's East): Mr. Speaker, in the absence of the Prime Minister, who is away on public business, in the absence of the Deputy Prime Minister, in the absence of the Minister of Finance—

Mr. Pinard: Where is Brian?

Mr. Hnatyshyn: He is in your riding.

Mr. McGrath: —in the absence of the Minister of Employment and Immigration, in the absence of the Minister of State for Economic and Regional Development, in the absence of the Minister of State for Youth, I direct my question to the Marie Antoinette of the Cabinet, the Minister of State for Finance.

Today, on schedule, unemployment figures were released showing that once again our unemployment rate has increased from 11.4 per cent to 11.7 per cent. Yet in the United States, for the same month, its unemployment rate went down from 7.8 per cent to 7.5 per cent. Indeed, its unemployment rate has gone down from 8.4 per cent in November to 7.5 per cent, whereas during the same period of time ours has risen from 11.1 per cent to 11.7 per cent.

There is no growth in employment in western Canada. There is no growth in employment in the Atlantic Provinces.

Yesterday the Minister said that on interest rates we were tracked with the U.S., that we had to follow U.S. interest rates. Why does he not explain to us why we are not tracked with U.S. unemployment rates? Why is it that its unemployment continues to go down and ours continues to go up?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, I was so bemused by the idea of being Marie Antoinette that I was somewhat distracted from the Hon. Member's principal question. The short answer to his question is that the growth in the labour force in Canada has gone forward at a faster rate than in other major industrialized countries. Comparison with the United States would suggest that if the growth in the Canadian labour force had been similar to that in the United States there would have been one million fewer people entering the workforce in Canada, and the unemployment rate in Canada today would have been about 4 per cent, instead of the 11 per cent which we are encountering today.

Some Hon. Members: Oh, oh!

Mr. MacLaren: What has happened in the past month is that a large number of additional jobs has been created in the Canadian economy. Some 23,000 jobs have been created, additional to those which have been created since the recession, but additional workers have joined the labour force. Some 68,000 new workers have joined the labour force, so that the seasonally adjusted rate has indeed increased by some 45,000.

I am sure all of us on both sides of the House share a concern about that increase. We, for our part, will continue, both through direct government intervention and funding and through indirect support for the private sector, to work toward a decrease or reduction in that level of unemployment.

• (1120)

SIZE OF LABOUR FORCE—COMPARISON WITH UNITED STATES

Hon. James A. McGrath (St. John's East): Mr. Speaker, the Minister just does not know what he is talking about. He does not seem to care because we are talking about people, people who are not too lazy to work. They want jobs, and this Government cannot provide them with jobs.

Let the Minister explain to us how it is that since November the U.S. labour force has grown at a faster rate than the Canadian labour force. The figures show a 1.6 per cent increase in the U.S. labour force as opposed to a 1.2 per cent increase in the Canadian labour force. Their unemployment rate has continued to decline. Ours continues to increase. Let him explain this, that we are still 122,000 jobs behind since the commencement of the recession in August, 1981, whereas the United States has not only picked up all lost jobs but is four million jobs ahead. How does he explain that?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, I have already commented on the Member's point with regard to the United States. He and I know that since the recession began in November, 1982, we have been creating jobs at a faster rate in Canada than in most other industrialized countries. We have equally seen a substantially greater increase in the Canadian labour force than has occurred in the United States or in other OECD countries.

Let me cite for the Member, who should know, that there are now 40 per cent more Canadians working today than in 1968, compared with the other six summit countries where there has only been a 13 per cent increase in the labour force. In Canada we have experienced a substantially higher increase in new workers joining our labour force than any other industrialized country.

Obviously none of us rejoices in the current level of unemployment. It is a concern for all of us. It was indicated to the Member on earlier occasions that we on this side of the House have worked consistently to bring about the circumstances in which jobs can be created. The inflation rate in Canada has been sharply reduced. The productivity of Canadian industry has improved greatly. Our export trade reflects that achievement, both in terms of lower inflation and in terms of higher productivity. I do not doubt that the circumstances are there for additional private sector growth as well as public sector support for greater employment opportunity in Canada.

Mr. McGrath: Mr. Speaker, I hope the Minister will explain that statement when he gets outside the House.

REQUEST FOR GOVERNMENT ACTION

Hon. James A. McGrath (St. John's East): Mr. Speaker, I will direct my supplementary question to the Acting Prime Minister. There is still presumably a Government in this country, Liberal leadership race notwithstanding. In the midst of this deepening economic crisis, what action can we expect from the Government to treat this matter with the urgency it deserves? Can I get an assurance from the Acting Prime Minister that regional Ministers, political Ministers in the Government are not holding back millions of capital works funds for an election slush fund when there are 800,000 young people unemployed?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, the inference of my friend's question is that the Government is not trying sufficiently. I have figures here which indicate the extent of investment by the Government in job creation and job training at this moment; for example, $1.246 billion for job creation and $1.266 billion for training. The results are beginning to show. For example, job creation in 1984-85 will result in 265,000 jobs and 281,000 in job training. I could go on. Applying it to youth, there is $634 million for job creation and $493 million for job training.

My friend has to accept that a major effort has been made by the Government. This is not something which will be done in the future; the investment has been made. The results cannot be obtained in one week. There is a continuing process in the effect of these investments that have been made by the Government. As well, I am sure that he will agree that there is a need for the co-operation among different elements of society.

● (1125)

When the Minister of Energy, Mines and Resources announced the remarkable Husky project a few days ago, a big project which will create 3,500 jobs, he underlined the importance of co-operation between the federal Government, the provincial Governments, and the private sector. Similarly, when the Minister of DRIE announced the Honda project the other day, he emphasized the importance of international negotiations. I am sorry to say that this is a process out of which results take time in coming.

Miss MacDonald: Mr. Speaker, the Acting Prime Minister did not give the Hon. Member for St. John's East the assurance that regional political Ministers are not holding back funds that should now be put into the unemployment program.

UNEMPLOYED FEMALE HEADS OF FAMILIES

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is directed to the Minister of State for Finance. Yesterday the Minister of State for Youth admitted that the unemployment crisis really does touch some 800,000 young people in the country and, by the same criteria, touches some two million Canadians across the country. Included in that figure of two million is the highest number of unemployed women who are heads of families ever recorded for this month. These women have homes to keep and families to feed. I would like to ask the Minister what programs the Government has to bring these women into the mainstream of the labour force of the country. I do not want him to tell me that these women are lazy, or that their children do not need food and clothing.

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member opposite knows that the growth in the labour force in Canada has included a greater number of working women and a greater number of young people than in previous years. She knows as well as I do that during this year we in Canada created some 71,000 new jobs on top of those that we had already created since the beginning of the recession, bringing the total to some 441,000 new jobs. Of those additional jobs, the participation rate for young people has recently increased. The basic purpose of the Government is to create circumstances under which every Canadian can find a job.

We on this side of the House are going to continue to work to provide direct funding for retraining and training programs so that women, for example, can participate more effectively in the job market. We are going to continue to provide tax incentives in the R and D area to ensure a greater degree of technological improvement in our industries. We are going to continue to provide more financing for exports so that the economy benefits from the jobs created as a result of our sales abroad.

I could cite for the Hon. Member opposite a whole range of specific policies which are in place, but she knows of them as well as I do. We will continue to pursue those policies so as to create the greater opportunities she and I both seek.

Miss MacDonald: Mr. Speaker, what the Minister does not realize and does not come to grips with when citing those statistics is the fact that since 1980 the number of unemployed women who are heads of families has doubled. It is of little comfort to them to be told that the labour force has grown.

YOUTH UNEMPLOYMENT RATE

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, I would like to direct the Minister's attention to

another area of real crisis, and that is the area of youth unemployment. The Minister said that the Government's programs were working. There are 800,000 young people out there to show that those programs are not working. If the Government's programs are working, can the Minister explain why there is a higher rate of unemployment for young people who are between the ages of 20 and 24 in Canada than in any other country in the industrialized world?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, I will deal with the last point before I attempt to address the other question. In fact a recent report on unemployment issued by the OECD would suggest that, when comparing the performance of other industrialized countries in dealing with youth unemployment with that of Canada, Canada has not been doing badly at all. Our youth unemployment rates are not very different from the OECD average.

• (1130)

Partly in response to the direct programs provided by the Government for youth training and youth participation in the labour force, and a variety of programs which, in the fiscal year 1984-1985 are estimated to cost over $600 million, we will see the participation of some 185,000 young people. That is, of course, additional to the jobs which will be created by the private sector, thanks in part to the programs in place from the last two Budgets. I believe the effect of those combined elements is that the youth participation rate, according to the latest statistics, has gone up. We have seen a greater youth participation in the job market than we have since the beginning of the recession.

REQUEST THAT GOVERNMENT INTRODUCE NEW EMPLOYMENT INITIATIVES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Acting Prime Minister. I want to begin by saying what a bankrupt Government we have. Yesterday we learned that we have almost 800,000 unemployed young people. The national figures which came out today show a great increase in national unemployment.

Yesterday the Government called the unemployed lazy. Today there is not a senior economics Minister of the Cabinet in the House for Question Period. It is this Government which is bankrupt. It is the Government which is lazy, not the unemployed.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Since there is one Government in this country which set unemployment as the top priority more than a year ago, and that is the Government of Manitoba, and since it has now the best record in this country by bringing down unemployment by 2.5 per cent in one year, I want to ask the Minister this: will the Government demonstrate the political will—which is what the Government of Manitoba has—to create jobs, so that every man and woman who wants to work can do so? Will the Government now admit that its policies are wrong and bring in new initiatives before we recess for the summer?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, I have always thought that my hon. friend was an honest man. I do not believe he is particularly attractive politically—neither am I—but I always thought my hon. friend would respect the truth. By quoting me as having said yesterday that unemployed young people are lazy, I believe he was breaking down the basic ABC of academic propriety. I am quite sad about that.

What I said was that in establishing the statistics of unemployment there were different degrees of certainty. In other words, we were certain of the conventional way of establishing unemployment figures among the youth, if you follow the four weeks' searching and availability criteria of Statistics Canada. I said, with respect to what is called the "hidden unemployment", that there were differing degrees of uncertainty. In some cases a person would have given up after trying hard. In other cases some people might not have tried hard enough, simply being lazy. If the Hon. Member reads *Hansard* he will find it is all there. I would be grateful if he did me the favour of reading what I said.

As the Hon. Member for St. John's East said, it might have been unwise of me, but you cannot teach an old dog new tricks. If you like academic debate, you bite into it. I would have thought that my old friend would pay me the respect of reading what I said and not distort it.

With respect to Manitoba, I am very pleased to see progress being made. However, again, if one wanted to be totally honest about it, one would have to look at the extent of the support which the federal Government has given to the Government of Manitoba in recent months.

An Hon. Member: Oh, oh!

Mr. Pepin: In my description of the performance of the Government I did not even mention a moment ago the $2.4 billion which the Government has invested in Canadian growth in recent months through what is referred to as the SRCP program.

An Hon. Member: Oh, oh!

Mr. Hnatyshyn: Mr. Speaker, there is somebody on the other side of this House who is making a noise.

Mr. Pepin: With respect to the total argument, I tried in my previous answer—

Mr. Speaker: The Chair has concern at this point about the ability, within the framework of a question and answer period, to deal with the matters which are raised, and the time it is taking in the exchanges. The Hon. Member for Oshawa has just put one question. He has two supplementaries. This will be the third question and we have used, at this rate, close to half the Question Period. The Hon. Member for Oshawa on a supplementary question.

Mr. Broadbent: Mr. Speaker, the Minister has said that you cannot teach an old dog new tricks. The regrettable truth about this Government is you cannot introduce an old Government to new ideas. That is the problem with the Government.

DECLINE IN MANITOBA UNEMPLOYMENT—REQUEST THAT GOVERNMENT SET SIMILAR TARGET

Hon. Edward Broadbent (Oshawa): Since the Minister has said that a broader understanding of the Manitoba situation would include references to what the national Government has done in terms of its spending program, I want to say to the Minister that that spending program has gone on all across the country. In western Canada, Manitoba has the lowest level of resources of all the provincial Governments. The other provinces made the mistake of electing Conservatives. Their economies are becoming worse. Manitoba's economy is becoming better. That is the reality.

Mr. Hnatyshyn: You are strong in every seat you now hold. We know that.

Mr. Broadbent: The people on my right, in more ways than one, should know that. If the Government duplicated at the national level what Manitoba has achieved in one year, that is the 2.5 per cent reduction in unemployment, and if the Government set targets for unemployment the way it did for inflation, very soon we could have full employment in this country, which all Canadians desire. Will the Government set those targets to produce the jobs we need?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, I am pleased that my hon. friend is finding reason for satisfaction somewhere in Canada, particularly in his present situation. The Hon. Member's point on targets is always debatable, as to whether one is desirable or not. However, the Government has a target, which is to help in the creation of the greatest number of jobs possible. As the Minister of State for Finance said a moment ago, the objective is for all Canadians to find gainful employment in Canada. That is the target.

GOVERNMENT'S ECONOMIC PREDICTIONS—REQUEST FOR CHANGE IN POLICIES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I put to the Minister that the Minister of Finance and other economic Ministers have indicated that there would be an improvement in 1984. The situation was supposed to get better. Unemployment levels were supposed to go down, not up. Investment was supposed to go up, not down. Everything the Government has projected to take place in our country which was supposed to be positive, has turned upside down. Will the Government please come to an understanding of the reality of this country, as our Canadian citizens see it? Will it see the truth? Will the Government see that its policies are not working, change them, and bring in some new policies in order to get Canadians back to work? That is the issue.

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, anyone who has been sitting in the House for a number of months has witnessed the diversity of efforts put forward by the Government in order to remedy the situation of unemployment in Canada. We have tried a collection of programs, some of them attractive to the private sector, others attractive to different groups in society or different regions. We have tried to adapt our programming and strategy to the demands, general, local, professional, and what not.

Miss MacDonald: And you have failed.

Mr. Pepin: I could line up a whole list of programs for the summer. There was a program, for example, to employ people in the forestry area this summer, and so on. We have really tried to adjust, and the argument I was making a moment ago is that it takes time for these measures to show their effects.

The Minister of State for Finance, in my view, expressed a very interesting argument, which I believe is true, and that is that the reality of gainful employment as it grows attracts to the market a number of people who may have given up in the past. This in turn increases the labour participation. Again, this is an academic explanation for a real situation, and my hon. friend, who is an academic, should be attracted by the efforts we are making, not only to create programs but to try to understand the situation. My hon. friend should be interested in the argument made by the Minister of State for Finance this morning. It shows that in some ways by doing better you do not help yourself statistically speaking.

● (1140)

ALBERTA UNEMPLOYMENT RATE

Mr. Jim Hawkes (Calgary West): Mr. Speaker, when the Government was elected one province in the country had an unemployment rate of 12 per cent or higher. Today seven out of 10 provinces have such an unemployment rate. I would ask the Deputy Prime Minister to concentrate on Alberta. When the Government was elected that province had one of the lowest unemployment rates in the whole world. Today it has a record high unemployment rate.

Does the Government think that unemployment has been caused by lazy workers, by some other country's policy, or is the unemployment rate in Alberta caused by bad federal policies affecting energy, agriculture, and transportation? Is bad federal policy the reason?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, if my hon. friend is addressing me personally, I did concentrate a lot on Alberta. I tried hard to do a number of things which would have been useful for Alberta, at least in the production of meat.

Mr. McDermid: Thank God you stayed out of Ontario.

Mr. Pepin: I was looking frantically for support from the other side of the House at that time when it would have been so appreciated. I just want to underline the fact that the situation in Alberta is a complex one. You cannot pin down

the difficulties of Alberta to a single program. I gave a personal experience. It would have been useful to me on February 1 last year to have the support of Alberta Members on the other side of the House, and I did not get it.

Mr. Hnatyshyn: You have ruined western Canada.

EFFECT OF GOVERNMENT POLICIES

Mr. Jim Hawkes (Calgary West): Mr. Speaker, it is incredible. Does the Deputy Prime Minister not believe that when you put a program such as the National Energy Program in place and chase out $17 billion worth of capital, it takes jobs out of the country to some other country? Does the Deputy Prime Minister not believe that when you raise the rates on the Crow for farmers, you are going to put farmers into bankruptcy? Are those not federal policies which could be changed, which would produce jobs in the country? Will the Government change those policies?

Some Hon. Members: Hear, hear!

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, I am very pleased to remind my hon. friend, who may have forgotten—his memory is very, very short on these matters—that one of the greatest supporters I had for what I was trying to introduce in the House in February of 1983 was the Government of Alberta.

UNEMPLOYMENT IN ATLANTIC REGION

Mr. Tom McMillan (Hillsborough): Mr. Speaker, my question is for the Acting Prime Minister. The Minister of Finance and his mouthpiece, the Minister of State for Finance, boast that the economy is in recovery. Yet in the Atlantic region there are 8,000 more people unemployed this year than last year. The unemployment rate in the region has soared to 15.2 per cent. Industries, like Canada Packers in my own province, and others right across the region, are closing their doors. If that constitutes recovery, what in the name of Heaven constitutes recession? How bad does the situation have to get in the region before the Government will take that situation seriously?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Member opposite has indeed drawn our attention to a serious unemployment problem in his region. We know that.

Mr. Forrestall: It is about time somebody did.

Mr. MacLaren: All regions in Canada have experienced a degree of unemployment which is worrisome, and which causes us on this side of the House real concern. The Member opposite would want to recall that since the beginning of the recession Canada has achieved a remarkable record in job creation. We have also experienced an unprecedented growth in our labour force which is substantially greater than that experienced by any other industrialized country in the OECD. The Hon. Member overlooks that fact that, to a substantial degree, the continuing high level of unemployment, both in the Atlantic region and generally across Canada, is a function of the degree to which more people than before have joined the labour force in Canada.

REQUEST THAT MINISTER ASSIST IN DEVELOPING ATLANTIC REGION ECONOMIC STRATEGY

Mr. Tom McMillan (Hillsborough): Mr. Speaker, my supplementary question is for the Minister of State for Finance. Earlier in the Question Period the Minister cited projects into which the Government had poured money, including projects in the Atlantic region. Granted, the Government has supported such things as the Atlantic Regional Veterinary College in my own region. However, does the Minister not realize that the benefits from those ad hoc, short-term, make-shift programs are being negated by the Government's narrow-minded fiscal and monetary policies? If he does, will he not at least sit down, or recommend to the Minister of Finance that he sit down with the four Ministers of Finance in the Atlantic region to put together an over-all strategy for the region on a crisis basis? Will he do something concrete, rather than giving the House of Commons and the people of the Atlantic region a lecture on macro-economics?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, if the Member opposite wants me to be a little more specific, I shall. He has raised the question of special recovery projects in the Atlantic region. They have gone forward and been successful. They have created jobs. They have created the circumstances in which further private sector growth can occur. The Member opposite should realize that the spending of more than 60 per cent of the funds in that program has been completed. Ninety-six per cent of the projects are under way and they have brought a direct benefit, both to his region and to Canada generally.

In addition, as we cited earlier, the Government has provided retraining programs and other job creation programs which have had a beneficial effect in his region as well as nationally. Perhaps more important than the shorter-term projects which I have cited, and which the Member opposite drew attention to, is the fact that in Canada in the past year and one-half we have brought down inflation. We have increased productivity. We have increased our export trade. We have created the circumstances in which greater productivity and international competitiveness will occur. That is where the jobs will be created. They will be created there, and in the small business sector which will benefit from the tax incentives and the tax changes we made in the recent Budget. That is how jobs will be created in Canada as we work through this temporary high increase in people joining the job force.

Miss MacDonald: Temporary for four years.

UNEMPLOYMENT AMONG WOMEN

Mr. Rod Murphy (Churchill): Mr. Speaker, in the absences of the Minister responsible for the Status of Women, the Minister responsible for Employment and Immigration, and the Minister of Finance, all of whom, I suspect, are out trying to get a job for one particular man as Leader of the Liberal Party, my question is for the Acting Prime Minister. Last month 31,000 more women were unemployed. What is the Government going to do? It is a very simple question and I want a straightforward answer. What is the Government going to do to create jobs for women?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, there is a great diversity of programs. The programs announced a few weeks ago by the Secretary of State for Youth include a diversity of jobs. There is nothing in the list which says that these jobs are only available for males. These jobs are available for females as well as males. The totality of the programs, the training programs that—

An Hon. Member: How about better daycare facilities?

Mr. Pepin: We are going to have a study on the daycare facilities.

An Hon. Member: They have been studied to death.

Mr. Pepin: We have to study the problems that daycare presents because there is divided jurisdiction in this matter between the federal Government and provincial Governments. In my view it was a coup not to have a contrary reaction from the provinces to the very announcement that there would be a study on the subject. To my way of thinking, that shows that the country is becoming more sophisticated in these matters than in the past.

To return to the question of women, all the efforts that the Government of Canada is making now are, of course, available to women. The rising degree of participation of women in the labour force is a clear indication that they are getting the message too.

Mr. Murphy: Mr. Speaker, the Minister knows that as far as the job creation programs which he has just spoken about are concerned, the participation level by women is less than that of the participation of women in the workforce. In other words, the job creation programs the Government is creating for short-term jobs is not creating jobs for women in the proportion that they should be receiving.

• (1150)

REQUEST FOR ACTION TO CREATE JOBS FOR WOMEN

Mr. Rod Murphy (Churchill): Mr. Speaker, the Government has been in power for four years. Now is not the time to study daycare; now is the time to be acting. The Affirmative Action Program in the Public Service has not worked for women. Affirmative action in the private sector is not working for women. The affirmative action compliance for government contracts is not working for women. What will the Government do to create jobs for women?

Hon. Jean-Luc Pepin (Acting Prime Minister): What my hon. friend says, which is traditional, standard, par for the course, is that it is not the time to think, not the time to do research, to study, but that this is the time to bring in programs. When we do bring in programs they say that we did not think about them sufficiently, that the individual program is wrongly devised, does not tackle the issue as it is. They say if we had done more study we would have devised a better program. That is the routine stuff that regularly comes from the Opposition. I answered the question in the first part.

CANADIAN NATIONAL RAILWAYS' HIRING PRACTICES—RECALL OF PENSIONERS

Hon. John M. Reid (Kenora-Rainy River): Mr. Speaker, my question is directed to the Acting Prime Minister. In western Canada there is a shortage of employees in the CNR. The CNR has gone back to hiring people whom it pensioned off two and three years ago. It is not hiring this year's students. It is not hiring unemployed young people this year who are knocking on its door looking for jobs.

Would the Acting Prime Minister get in touch with the CNR to find out why it is not hiring young people, not hiring students, and why it is hiring people whom it has pensioned off, who have retired and are supposedly no longer in the workforce?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, that is one of the problems that we have. Because of the uncertainty that exists in Canada and in the whole of the western industrialized world, businessmen who run the plants hesitate to hire new people. Consequently they offer extra hours for which they pay more, and bring back people who have already been trained. In my view that is a reaction that is caused by the uncertainty that exists.

Perhaps my hon. friends on the other side, and all of us collectively, could move the country to a certain degree of optimism, to say "Bravo, such a mine has opened yesterday. Bravo, Husky just decided on the biggest energy project in the last five years" or, "Bravo, the Minister of DRIE has attracted a Japanese automobile company to Canada". Unfortunately the country is listening too much to opposition Members and not enough to government Members on these matters. If there was a bit of an optimistic mood in the country, maybe the economy would grow a bit better.

I have tried to provide an explanation for the phenomenon of recalling former employees, for example, in order not to have to train people. That is a saving from the point of view of the industry which is unsure of the future.

UNEMPLOYMENT IN BRITISH COLUMBIA AND ALBERTA

Hon. Don Mazankowski (Vegreville): Mr. Speaker, my question is directed to the Acting Prime Minister. In spite of

his rhetoric, the facts are pretty clear. Today's unemployment statistics show that in British Columbia the seasonally adjusted rate is 15.6 per cent. It is 12 per cent in Alberta. These are the highest figures since statistics were first recorded back in 1946.

As a result of its grain transportation legislation, the Government promised to create 157,500 new jobs in western Canada. Instead, contrary to what my friend across the aisle said, the railways are laying off people rather than hiring new people. Why are the railways laying off people? Where are those new jobs that were promised as a result of the dismantling of the Crow?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, I think I can at least make an observation. A moment ago we heard a spiritual explosion from a member of the New Democratic Party on the beauties and merits and fortune of Manitoba. Now we are told that the West is not doing well. It is obvious that my friends have read the announcement of today's unemployment levels extremely well. We have not heard from anybody from Nova Scotia yet. We have not heard from anybody from Quebec yet, because the figures are good there. We only hear from the provinces where the figures are not as good as they were in the past. Be that as it may—

Mr. Hnatyshyn: This is no laughing matter.

Mr. Pepin: No, but it is an interesting remark, I thought. If you don't like it, lump it.

Mr. Hnatyshyn: It is not interesting. It is a lazy remark. You should be ashamed of yourself.

Mr. Pepin: One of the effects of the western rail transportation legislation is to produce a great element of growth in western rail transportation, leading to the best transportation system in the world. However, because of some of the slowdown in some sectors, it has been found unjustified to keep going at the rate at which plans were made. I am sorry about that. It contributes again to difficulties that we have temporarily, as the Minister of State for Finance said.

Mr. Mazankowski: I hope that the Minister is not implying that it is not proper for Members on this side to represent the concerns and interests of their own provinces and regions. I think one would have to take offence at that. The fact of the matter is that it is the Government's policies over the last four years that have created the mess we are experiencing in western Canada today.

REQUEST THAT GOVERNMENT ACT POSITIVELY

Hon. Don Mazankowski (Vegreville): Mr. Speaker, the National Energy Program has cost western Canada at least 50,000 jobs. The Government's high interest rate policy is bankrupting farmers and costing more jobs. Now the Government is failing to hold the railways to their commitments as far as investment and the creation of jobs are concerned. Today there are 378,000 people unemployed in Alberta and British Columbia. It is the highest number of people unemployed since 1946.

When will the Government start taking some positive action rather than just spouting the empty promises that we have heard over the last four years, and particularly over the last six months?

Hon. Jean-Luc Pepin (Acting Prime Minister): Mr. Speaker, I really cannot answer the question because I cannot accept the premise. The Government is not failing in its responsibility with respect to western rail transportation. Where did my friend get that idea? We are fulfilling all of our responsibilities. There are new federal and provincial government programs being developed all of the time. Just in British Columbia, which is part of the West too, what do you see? You see a Port of Vancouver that is booming. You see the Port of Robert's Bank quadrupling. You see the Port of Ridley Island with a billion dollar new investment.

Mr. Mazankowski: There are fewer jobs in transportation today than there were last year.

Mr. Pepin: Of course our friends on the other side select the nasty part of the news every day and then come here and blow on it in order to create the impression that the Government isn't doing anything. Of course our job is a difficult one because when we praise what is happening in Canada and describe some of the good things, of which there are plenty, we are thought by the other side to be propagandists. But we are really describing the reality, and the Speaker stops us.

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INDUSTRIAL AND REGIONAL DEVELOPMENT PROGRAM

DESIGNATION OF BRITISH COLUMBIA ACCORDING TO UNEMPLOYMENT CRITERION

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, my question is directed to the Minister of Regional Industrial Expansion. The Government's economic policies have managed to turn British Columbia from a rich province into a have-not province, suffering the highest level of unemployment since the labour force survey was established in 1945.

Would the Minister reconsider his decision which he communicated to me in April of this year that we did not have enough unemployment to qualify for anything but the lowest level, Tier I, of his Industrial and Regional Development Program?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, first of all, I do not agree at all with the Hon. Member's premise with respect to this Government's responsibility for the unemployment situation in British Columbia. The Acting Prime Minister today just outlined a few of the major transportation agreements and discussions, and financial contributions that the Government of Canada has made in British Columbia. He did not even talk about

Northeast Coal, he didn't talk about Expo '86, he didn't talk about a number of other projects in which the Government of Canada has invested hundreds of millions of dollars into the economy of British Columbia in the last couple of years. That is why I disagree with the premise of the Hon. Member's question.

With respect to the tier designations, once a year right across the country, on a statistical basis with Statistics Canada people, we do an evaluation which takes account of disposable income, unemployment, and the fiscal capacity of the respective province to make sure that we have a comprehensive, equitable, and fair index across the country. There is no political input into that process whatsoever. Consequently, we will be doing that for this year.

If the figures that the Hon. Member indicates are correct, obviously there will be some changes. I think we have already redesignated four or five census divisions in British Columbia from Tier I to special Tier I as a result of the higher unemployment figures in the last year and a half alone.

• (1200)

NUMBER OF UNEMPLOYMENT INSURANCE BENEFIT RECIPIENTS

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, the Minister has defined the way in which the Government will determine whether a region will have Tier I or Tier II, or a special Tier I. It is the ratio between unemployment insurance beneficiaries and the working age population. Does the Minister not realize the reason we do not have more unemployment insurance beneficiaries is that they have exhausted their time available to draw UIC and now cannot draw it any more? Consequently we will never be able to reach the level he demands. The simple fact is we have a higher rate of unemployment than ever before. It is now higher than two of the four Atlantic provinces. I would like to thank this Government a lot for that. How desperate does our unemployment need to be before we will be treated fairly?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, the IRDP program was passed unanimously in this House. It was agreed by members of all three Parties that for the first time we had an equitable index which compared the most vital economic statistics in the smallest census regions in the country. The formula that was applied is as equal for the Hon. Member's constituency as it is for every other single constituency in the country. I cannot think of any index, at least I do not know of one that has ever been developed by any Government or by the private sector, that is more equitable or more fair than this particular index.

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LABOUR CONDITIONS

YOUTH UNEMPLOYMENT

Mr. Dan Heap (Spadina): Mr. Speaker, my question is for the Acting Prime Minister. In view of the 34,000 increase in unemployed young people since last month, a man of his generation and mine must know that condemning the unemployed for being unemployed is the biggest lie since Hitler blamed the Jews for the Depression. My question, on behalf of the youth in my riding, and throughout Canada, to the Minister is: will he stop his lying, stop deliberately misleading the Canadian people—

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please. The Hon. Member, I am sure, is aware that it is unparliamentary to accuse a Member of this House of lying. I ask the Hon. Member for Spadina to withdraw the expression he used.

Mr. Heap: Mr. Speaker, I am sure the Minister is well aware of the effect of what he said and well aware that what he said was false. I will only withdraw the accusation if he withdraws the remark he made yesterday.

Mr. Speaker: It is a basic principle of the House that a withdrawal cannot be with qualifications when a reference is made to another Hon. Member lying. This has been established in the case of a senior Member of this House not very long ago, the Right Hon. Prime Minister. I will have to ask the same consideration of the Hon. Member for Spadina.

Mr. Heap: Mr. Speaker, I regret that I am convinced the Minister knew that what he was saying was false when he said it.

Some Hon. Members: Out!

Mr. Heap: I will not under those circumstances withdraw it, Mr. Speaker.

Mr. Pepin: To tell you the truth, Mr. Speaker, I do not care one bit.

Miss MacDonald: You don't care about young people?

Mr. Speaker: The Minister for External Relations made an intervention which the Chair did not hear. Does he care to repeat it?

Mr. Pepin: Mr. Speaker, I said that I was not preoccupied by the insult thrown at me by the Hon. Member. I have learned to judge the quality of an insult by the quality of the person who makes it.

Some Hon. Members: Oh, oh!

Mr. Speaker: I invite the Hon. Member for Spadina to withdraw the word he used, which is clearly unparliamentary.

Mr. Heap: I believe thoroughly that what I said was true and that what the Minister said was false, Mr. Speaker, and I will not withdraw those words.

Mr. Cousineau: Throw him out.

Mr. Speaker: I am sure all Hon. Members of this House are concerned about the decorum of the House. Our rules have been established through the years and apply to every Member. Sometimes the Chair has a little more difficulty in some situations than in other situations, but the Chair appeals to the Hon. Member in the interests of decorum and in the interests of the House to withdraw his unparliamentary word. I ask the Hon. Member to withdraw the reference to lying.

Mr. Heap: With respect, Mr. Speaker, in view of the gravity of the Minister's accusation yesterday I will not withdraw.

Mr. Munro (Hamilton East): Judge not and be not judged.

Mr. Speaker: Mr. Heap, I have to name you for having disregarded the authority of the Chair.

Mr. Pinard: Mr. Speaker, we are all very much aware of the practice in our parliamentary system under similar circumstances. The practice is very clear. I do not have to move a motion to expel the Hon. Member. Beauchesne stipulates very clearly that the House Leader may do that. In the past we have always supported you, Mr. Speaker, and it is clear that today we intend to do so. But I want you to know that we do this because we feel that a minimum of respect is required in this place and it is a shame for any Member to abuse the rule in the way the Hon. Member for Spadina just did. It is even more insulting that what he is doing is jeopardizing the passage of the Cree and Naskapi Bill today. He knows that, and his Party knows that very well.

Mr. Kristiansen: Order.

Mr. Pinard: Mr. Speaker, because we are to have a recorded division it means that we may not be able to deal with the Cree and Naskapi Bill, which we have reached agreement to pass through all stages today.

Mr. Nielsen: And the veterans' allowances, too.

Mr. Pinard: It is too bad that the passage of this Bill may not take place, Mr. Speaker. I see the people interested in it are in the gallery. Thanks to the NDP we may not be able to pass it today.

Therefore, I must follow the tradition of this House. I move:

That the Hon. Member for Spadina be expelled for the remainder of this sitting day.

Mr. Cousineau: What an example to Canadians.

Mr. Speaker: It is moved by Mr. Pinard, seconded by Mr. Munro (Hamilton East), that the Hon. Member for Spadina be expelled for the remainder of this sitting day. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Speaker: Call in the Members.

The House divided on the motion (Mr. Pinard) which was agreed to on the following division:

● (1210)

(*Division No. 53*)

YEAS

Messrs.

Allmand	Foster	Mazankowski
Bachand	Fraser	McDermid
Baker	Gamble	McGrath
Bégin (Miss)	Gauthier	McKinnon
Berger	Gingras	McLean
Blaker	Gray	Munro (Hamilton East)
Blenkarn	Harquail	Nicholson (Miss)
Bloomfield	Hawkes	Nickerson
Campbell (LaSalle)	Herbert	Nielsen
Clarke (Vancouver Quadra)	Hnatyshyn	Olivier
Collenette	Hopkins	Ouellet
Corbin	Irwin	Pepin
Cousineau	Jarvis	Peterson
Cullen	Kaplan	Pinard
Dantzer	Kempling	Prud'homme
Deniger	Kilgour	Reid (St. Catharines)
Dionne (Northumberland-Miramichi)	Lachance	Reid (Kenora-Rainy River)
Ellis	Lapointe (Charlevoix)	Robinson (Etobicoke-Lakeshore)
Evans	LeBlanc	Taylor
Fennell	Lumley	Thacker
Forrestall	MacDonald (Miss) (Kingston and the Islands)	Turner—65.
	Mackasey	
	Marceau	

NAYS

Messrs.

Althouse	Blackburn	Murphy
Benjamin	Broadbent	Robinson (Burnaby)—7.
	Kristiansen	

● (1230)

Mr. Speaker: I declare the motion carried.

In accordance with the motion which has been adopted by the House, will the Hon. Member for Spadina (Mr. Heap) please withdraw from the Chamber?

And Mr. Heap having withdrawn:

Mr. Speaker: The Chair has been given notice of two matters of privilege at this point.

Points of Order

PRIVILEGE

MR. ROBINSON (BURNABY)—PROCEEDINGS IN STANDING COMMITTEE ON JUSTICE AND LEGAL AFFAIRS

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I rise on a question of privilege which stems from the actions which were taken in the last three days in the Standing Committee on Justice and Legal Affairs by the Chairman of that Standing Committee. In my view, those actions very seriously undermined the integrity of the parliamentary committee process as well as the rules of order of this House.

On Wednesday last the Standing Committee on Justice and Legal Affairs was considering Bill C-9, and at that time the Chairman of the Standing Committee—

Mr. Speaker: Order, please. Would the Hon. Member please resume his seat? It is a well established principle of the House, and I quote Citation 76 of Beauchesne's, that:

Breaches of privilege in committee may be dealt with only by the House itself on report from the committee.

The House has not yet received a report from the committee. At this stage, until such report has been received, the Chair cannot entertain a matter of privilege in relation to a matter that has transpired in committee.

Mr. Murphy: Mr. Speaker, I rise on a point of order.

Mr. Speaker: I have been given notice of a second matter of privilege but the Hon. Member who has given me notice is the Hon. Member for Edmonton East (Mr. Yurko) and he is not present in the House. I recognize the Hon. Member for Churchill (Mr. Murphy) on a point of order.

* * *

POINTS OF ORDER

Mr. Rod Murphy (Churchill): Mr. Speaker, I rise on a point of order relating to the statements made by the Government House Leader prior to the last vote in the House. At that time he pointed out that the Cree-Naskapi Bill would be coming up this afternoon. We recognize the importance of that Bill and I rise—

Mr. Speaker: Order, please. Would the Hon. Member please cite the Standing Order that he feels has been violated? The Hon. Member cannot enter into debate at this point. He raises a point of order. Would he please state his point of order?

Mr. Murphy: Mr. Speaker, I rise to ask the unanimous consent of the House to move to Orders of the Day at this time. I have asked for the unanimous consent to make a motion—

Mr. Speaker: The Hon. Member was recognized on a point of order. He cannot move a motion to proceed to Orders of the Day at this point.

Mr. Benjamin: Mr. Speaker, I rise on a point of order.

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I rise on a point of order.

Mr. Speaker: I will hear the Hon. Member for Burnaby (Mr. Robinson) on a point of order. He has already been heard on a matter of privilege which was not privilege.

Mr. Robinson (Burnaby): Mr. Speaker, I move that the Hon. Member for Regina West (Mr. Benjamin)—

Mr. Speaker: Such a motion cannot be entertained on a point of order.

Mr. Robinson (Burnaby): I move that the Hon. Member for Regina West be now heard.

• (1240)

Mr. Speaker: For the purpose of clarifying the rules, to move that a Member be heard there must be a motion before the House and a debate. At the present time there is no motion before the House. Two Members have to rise, in which case there is a dispute as to which one is recognized. The Hon. Member under these circumstances cannot move such a motion. The Hon. Member for Regina West (Mr. Benjamin) is rising on a point of order.

Mr. Benjamin: Mr. Speaker, I move that this House now hear the Hon. Member for Kootenay West (Mr. Kristiansen).

Mr. Speaker: For exactly the same reason which I have just given to the Hon. Member for Burnaby (Mr. Robinson), the Hon. Member cannot move such a motion at this point. There is no motion before the House. A motion that someone be heard cannot be entertained when there is no motion before the House. Is the Hon. Member for Burnaby again rising on a point of order?

Mr. Robinson (Burnaby): No, Mr. Speaker.

Some Hon. Members: Sit down.

Mr. Speaker: In that case, I will move to Presenting Reports from Standing and Special Committees. The Chair will recognize the Hon. Member for Rosemont (Mr. Lachance).

ROUTINE PROCEEDINGS

[*Translation*]

COMMITTEES OF THE HOUSE

JUSTICE AND LEGAL AFFAIRS—FIRST REPORT OF STANDING COMMITTEE

Mr. Claude-André Lachance (Rosemont): Mr. Speaker, I have the honour of tabling, in both official languages, the First Report of the Standing Committee on Justice and Legal Affairs.

[*English*]

TRANSPORT—THIRD REPORT OF STANDING COMMITTEE

Mr. Maurice A. Dionne (Northumberland-Miramichi): Mr. Speaker, I have the honour today to present the third report of the Standing Committee on Transport to which, pursuant to Standing Order 69(13), the Committee requests a comprehensive response.

[*Editor's note: For above reports, see today's Votes and Proceedings.*]

MOTION TO ADJOURN UNDER S.O. 30

[*English*]

Mr. Speaker: I will now call upon the Hon. Member for St. John's East (Mr. McGrath), there being no other motions. The Hon. Member for St. John's East has given the Chair notice of his intention to propose a motion at this time.

* * *

UNEMPLOYMENT

INCREASE AMONG YOUNG CANADIANS

Hon. James A. McGrath (St. John's East): Mr. Speaker, I have served notice under Standing Order 30 to ask leave at this time to adjourn the House on a matter of urgent and pressing necessity. As you know, Mr. Speaker, we have just finished the semester for the Supply period. There are no more Supply days left, no more allotted days.

Today the country was struck with bad news. There is a deepening economic crisis in the country as reflected in the unemployment figures released today. They show a marked increased in unemployment. We now know that there are 800,000 young people unemployed. We know that as of yesterday interest rates are rising. Therefore, Mr. Speaker, we are prepared to sit here all weekend because we believe the matter is one of urgency and should be treated as such. We hope Your Honour will do the same.

Some Hon. Members: Hear, hear!

Mr. Speaker: The Hon. Member for St. John's East has given me the proper notice under Standing Order 30 of his intention to move the adjournment of the House for the purpose of discussing a specific and important matter requiring urgent consideration, namely the critical high levels of unemployment, particularly among youth and women.

As the Hon. Member is aware, applications for emergency debates on the unemployment situation in Canada have been filed with the Chair in the past on many occasions. As my predecessors have consistently ruled, and as Madam Speaker Sauvé did on December 3, 1982, problems of a chronic nature are not proper to be discussed under this Standing Order.

Order Paper Questions

I would refer the Hon. Member to Section 16(a) of Standing Order 30 which reads as follows:

—the matter proposed for discussion must relate to a genuine emergency, calling for immediate and urgent consideration;—

I would draw to the Hon. Member's attention the provisions of Standing Order 46(4) which now allows committees to consider reports of the various Government Departments permanently referred to them. I believe the report of the Department of Employment and Immigration and the Canada Employment and Immigration Commission was referred to the Standing Committee on Labour, Manpower and Immigration on September 29, 1983. I am sure the Hon. Member for St. John's East could find ways to have the matter he has raised considered during the Committee's discussion of the report.

In addition, questions on this matter may be addressed to Ministers on any day during the Question Period. I would draw to the attention of the Hon. Member that he took eight minutes in his exchange during Question Period this morning. The second Member, who put a question on the same subject which included youth unemployment, took five and a half minutes during Question Period this morning.

Mr. Hnatyshyn: How about the answers?

Mr. Speaker: The third question dealt with the same matter. In fact, during the Question Period today I believe all but one question related to the problems of unemployment. Most of those questions touched on the matter of youth unemployment. I offer this as an example of the opportunities which are available to Hon. Members to call the matter to the attention of the House.

For these reasons, I regret that I cannot accept the matter as being proper to be discussed under the provision of Standing Order 30, although it is a matter of considerable importance.

Mr. Cousineau: Mr. Speaker, I rise on a point of order. Since the Hon. Member was ready to stay here over the weekend, I would like to invite him to a golf game tomorrow.

Mr. McGrath: Mr. Speaker, I cannot accept the invitation. I have to attend to the many demands of my constituents who are unemployed.

Mr. Speaker: Order, please.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Maurice Harquail (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, the following questions will be answered today: Nos. 430, 524, 606 and 665.

Order Paper Questions

[*Text*]

EXEMPT STAFF OF SOLICITOR GENERAL

Question No. 430—**Mr. Hnatyshyn:**

1. Are any exempt staff employed by the Ministry of the Solicitor General and, if so, what are their (a) titles (b) positions (c) names?

2. Do any of the staff mentioned in Part I receive income, financial assistance or other benefits related to their employment from sources other than the ministerial budget and, if so (a) which members (b) what are the details of the income, financial assistance or other benefits?

Hon. Bob Kaplan (Solicitor General of Canada): 1. No. The Solicitor General employes exempt staff as follows:

(a) Titles	(b) Positions	(c) Names
Special Advisor	Policy and Correspondence	R. Foley
Special Assistant	Constituency	W. Piovesan
Special Assistant	Scheduling	J. Spanglett
Special Assistant	Special Projects	F. Levine
Special Assistant	Media	A. Caddell
Special Assistant	Legislative	R. Vézina
Special Assistant	Special Projects	S. Fitterman

2. (a) and (b) No.

ROYAL CANADIAN MOUNTED POLICE

Question No. 524—**Mr. Howie:**

How many persons were employed as members of the Royal Canadian Mounted Police in each of the last three fiscal years?

Hon. Bob Kaplan (Solicitor General of Canada): In so far as the Royal Canadian Mounted Police is concerned:

1980/81 — 16,395

1981/82 — 16,904

1982/83 — 17,016

Please note that "members" include regular members, civilian members and special constables.

PUBLICATION "CBC TELEVISION: AHEAD IN '84' "

Question No. 606—**Mr. Munro (Esquimalt-Saanich):**

1. Is there a publication entitled "CBC Television: Ahead in '84" and, if so (a) who authorized its publication (b) how many copies were printed (c) to whom, by what methods(s) and at what total cost was it distributed?

2. What individual(s) or company(ies) prepared the booklet for publication and at what cost?

3. What was the total cost of printing and which company was awarded the contract?

4. What was the total cost of the advertising campaign?

Hon. Francis Fox (Minister of Communications): I am informed by the Canadian Broadcasting Corporation as follows:

1. Yes. (a) The proposal for the brochure was initiated in the Communications department at the Toronto centre, in the summer of 1983 as part of the annual program promotion campaign. It was then approved by the Director of Communications English Networks, the Vice-President of Communications and the Vice-President of the English Television Network.

(b) Ten thousand copies were printed.

(c) The brochure was distributed by mail at a cost of $7,219.99 to key Canadian opinion leaders, Senators and Members of Parliament, commercial sponsors, press, cultural special interest groups, and CBC program sales and distribution contacts.

2. Typesetting—$1,042.10, Robert/William Typographers Ltd., Toronto. Illustration and special effects photography—$1,885. Sloane Square Studio, Toronto.

3. Printing—$24,000. Herzig-Sommerville Ltd., Toronto.

4. $34,147.09.

RCMP—PENSION BENEFITS

Question No. 665—**Mr. Knowles:**

1. On February 14, 1984 how many (a) retired Royal Canadian Mounted Police personnel (b) widows of RCMP personnel or of retired RCMP were receiving monthly pension benefits including their basic pensions and any supplement or supplements added thereto, of amounts within each of the following brackets (i) less than $20.00 (ii) $20.00 to $29.99 (iii) $30.00 to $39.99 (iv) $40.00 to $49.99 (v) $50.00 to $59.99 (vi) $60.00 to $69.99 (vii) $70.00 to $79.99 (viii) $80.00 to $89.99 (ix) $90.00 to $99.99 (x) $100.00 to $149.99 (xi) $150.00 to $199.99 (xii) $200.00 to $249.99 (xiii) $250.00 to $299.99 (xiv) $300.00 to $399.99 (xv) $400.00 to $499.99 (xvi) $500.00 to $599.99 (xvii) $600.00 to $699.99 (xviii) $700.00 to $799.99 (xix) $800.00 to $899.99 (xx) $900.00 to $999.99 (xxi) $1,000.00 to $1,499.00 (xxii) $1,500.00 or more?

2. What is the number of retired RCMP personnel and also the number of widows of RCMP personnel or of retired RCMP personnel presently residing in each province?

3. In respect of how many orphans of RCMP personnel are pension benefits paid and what is the average amount thereof?

Hon. Bob Kaplan (Solicitor General of Canada): In so far as the Royal Canadian Mounted Police is concerned:

1.	(a) Retired RCMP Personnel	(b) Widows
Less than $20 per month	0	0
$ 20 to $ 29.99 per month	1	2
30 to 39.99 per month	4	2
40 to 49.99 per month	6	2
50 to 59.99 per month	3	4
60 to 69.99 per month	1	5
70 to 79.99 per month	7	3
80 to 89.99 per month	7	4
90 to 99.99 per month	8	5
100 to 149.99 per month	31	45
150 to 199.99 per month	44	44
200 to 249.99 per month	82	34
250 to 299.99 per month	108	45

300 to 399.99 per month	247	77
400 to 499.99 per month	267	59
500 to 599.99 per month	343	60
600 to 699.99 per month	401	32
700 to 799.99 per month	428	22
800 to 899.99 per month	341	20
900 to 999.99 per month	333	12
1,000 to 1,499.99 per month	852	25
1,500 per month and over	565	24

2. Province	Retired RCMP Personnel	Widows
Newfoundland	81	17
Prince Edward Island	38	7
Nova Scotia	264	36
New Brunswick	151	12
Quebec	254	30
Ontario	848	108
Manitoba	188	32
Saskatchewan	262	30
Alberta	654	57
British Columbia	1256	187
Yukon	17	0
North West Territories	28	3
Outside Canada	38	7

3. There are 175 orphans of RCMP personnel being paid pensions. The average amount is $74.42 per month.

[*English*]

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

Mr. Speaker: The questions as enumerated by the Hon. Parliamentary Secretary have been answered. Shall the remaining questions stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CREE-NASKAPI (OF QUEBEC) ACT

MEASURE TO ESTABLISH

Mr. Pinard: Mr. Speaker, I rise on a point of order. I apologize for interrupting, but I seek the unanimous consent of the House in order that the Bill can be referred to the Committee of the Whole as opposed to the Standing Committee. We would like the Bill to be passed with one speaker per Party today for all stages.

Mr. Speaker: Is there unanimous consent?

Mr. Hnatyshyn: Mr. Speaker, you will recall that yesterday this matter was first raised with me by the Government House Leader. I consulted with Chief Billy Diamond and other representatives of the Cree and Naskapi with respect to this matter. I had a formal discussion and received a letter from them in which they acknowledged that their original hope was that the matter would be referred to a standing committee. That was the basis upon which I proposed in the course of the House Leaders' meetings that we should deal with the Bill.

Therefore, I was surprised yesterday to hear the Government House Leader suggest that we would not go along with having all readings and all clauses of the Bill dealt with on the floor of the House of Commons.

I would like you to know, Mr. Speaker, that under the circumstances, and with regard to our very traditional and long friendship with the Cree and Naskapi in northern Quebec, we are prepared to do what is necessary to assist this very important part of the population. After further discussions, we have agreed, of course, to let the matter go through all stages today.

Mr. Murphy: Thank you, Mr. Speaker. I also wish to indicate that our caucus will support the proposal of the President of the Privy Council.

• (1250)

Mr. Pinard: I wish to thank all my colleagues in the House for providing this unanimous consent. I would just like to add to what my colleague said by saying it is true that the Cree and Naskapi would have preferred the Bill to go to committee. However, ultimately they wanted the Bill to be passed through third reading on June 8 at the latest. Today is June 8 and that is why this consent was required. I am sure that every Hon. Member will appreciate that.

Hon. Jean-Luc Pepin (for the Minister of Indian Affairs and Northern Development) moved that Bill C-46, an Act respecting certain provisions of the James Bay and Northern Quebec Agreement and the Northeastern Quebec Agreement relating principally to Cree and Naskapi local government and to the land regime governing Category IA and Category IA-N land, be read the second time and, by unanimous consent, referred to a Committee of the Whole.

Mr. Murphy: I rise on a point of order, Mr. Speaker.

Mr. Speaker: The Hon. Member for Churchill (Mr. Murphy) rises on a point of order.

Mr. Murphy: First of all, Mr. Speaker, I would like to apologize to the Minister. We certainly are not trying to prevent him from debating this Bill; we wish to proceed with it immediately. However, I have a question with regard to House business. Is it still the intention of the Government House Leader to deal with Bill C-34, the amendments to the Canada Labour Code, as the first order of business on Monday?

Mr. Pinard: Mr. Speaker, I am not sure I understand why the Hon. Member sees fit to ask me this question at this time. I answered that question yesterday. We are very serious. We want the Canada Labour Code to be passed as early as possible. I wonder if the New Democratic Party has second thoughts about it.

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Mr. Speaker, I also wish to join with my colleague, the Government House Leader, in thanking the House Leader of the Official Opposition, the Opposition critic,

Hon. Members of the Official Opposition as well as my colleagues in the New Democratic Party for agreeing to passage of this Bill through all three stages today. I believe it is an excellent example of non-partisanship that all three Parties are equally concerned with the passage of this Bill, and each Party is supporting it with equal enthusiasm.

I am extremely pleased to be able to address this House on matters pertaining to Bill C-46, which has been more commonly known as the Cree-Naskapi Act. As most Members of this House are aware, the legislation concerns the assumption of the authority and responsibility by the Cree and Naskapi of Quebec for their own forms of local government. This legislation is the end result of the work of many dedicated people. I speak of those representatives of the Cree and Naskapi and those representing Canada who have steadfastly worked toward consensus in the matter of self-government for these Indian peoples.

It is nice to see in the galleries of the House today the Grand Chief of the Cree tribe, Billy Diamond. He and his people have worked strenuously and hard over many years. This is our way of showing we are backing their leadership.

Some Hon. Members: Hear, hear!

Mr. Munro (Hamilton East): Working in concert, over a long period of time, they have fashioned together a resolution to the myriad problems surrounding such a complex subject. The thoroughness of the discussions and negotiations and the reasonable approach taken to the solution of divergent views were in the very best tradition of the democratic process.

When the James Bay and Northern Quebec Agreement and the Northeastern Quebec Agreement were signed, there was an obligation placed on the Government to recommend to Parliament special legislation relating to local government and lands administration on the lands held by Canada for the use and benefit of the Cree and Naskapi. Indian self-government, over the past few years, has been a subject in which I have taken a very special interest. The way of the future, I am convinced, is for Indian Nations to have increasing control over their own affairs. I would like to continue my review of this proposed Act with this interest in mind. In negotiation respecting the Cree-Naskapi Act, self-government was a central theme, indeed central to all discussions and negotiations that have taken place since the signing of the agreements.

The Grand Council of the Crees have described negotiations leading to the proposed Cree-Naskapi Act as a follow-up to the James Bay and Northern Quebec Agreement. They have emphasized the importance of this legislation to Cree self-government. There was no implication that this legislation should be a mode. On the contrary, they have made it clear they explicitly rejected assumptions that this proposal would be used as a model for self-government legislation, although other Indian Nations would, of course, be free to adopt appropriate elements. These views were recorded in the special committee report on Indian self-government in Canada.

The federal response to the parliamentary committee's report made reference to the Cree-Naskapi Act this way, and I quote:

> In accordance with the principle of flexible accommodation of different government arrangements, the federal Government is moving ahead with the Cree-Naskapi legislation pursuant to the terms of the James Bay and Northern Quebec and Northeastern Quebec Agreements.

The nature and scope of the legislation has been largely pre-determined by the Agreements. In addition to the provision and establishment of local self-government, the Agreements provided these groups with specified land rights; hunting, fishing and trapping rights; establishment of native-controlled health and education authorities; measures relating to policing and administration of justice; continuing federal benefits; and cash compensation.

As Hon. Members will have noted, the contents of the Bill are designed to provide and to ensure both a legal and financial basis for the Cree and Naskapi assuming authority and responsibility for their own forms of self-government. The legislation is so written as to take into consideration the special and distinct needs and aspirations of these particular groups of Indian people.

I would like to address, for a moment or two, some of the aspects of the legislation. Perhaps the most important objective of the Indian people is the recognition and protection of their rights through constitutional provisions. The rights of the Cree and Naskapi obtained from the Agreements, many of which are repeated in the Cree-Naskapi Act, are given such protection by Section 35 of the Constitution Act, 1982.

Second, the Cree and Naskapi bands will have full powers of local government so they can govern their land in the way which they consider best for them.

Third, the role of the Minister of Indian Affairs will be drastically reduced in the supervision of local government as it exists in the Indian Act. My role as Minister is to be responsible to Parliament for the legislation in that I must affirm that the provisions of the Act are being met with respect to the role of band governments as the first level of authority over its members, and the requirement of the band governments to act in a responsible manner for and to their members. In speaking of this, the special committee recommended that the legal capacity of Indian governments be clarified so that they may operate within their own spheres of jurisdiction, interact with other governments, make contracts, and take legal action. Bill C-46 has provided for this by giving the bands status as legal corporations.

Issues such as land base, ownership of natural resources, both renewable and non-renewable, access to lands, and the application of certain specific provincial laws are part of the agreements and are incorporated into this new legislation. These differ somewhat from the aims and desires of other Indian nations but it must be realized that co-operation with the provinces is an essential requirement for effective Indian government.

Regarding the funding to support the proposed Act, I will mention the establishment of accounting criteria to be met by

each Indian government. It has been incorporated into the proposed Act and will detail the provisions for accountability of band governments to their memberships.

Finally, the proposed legislation anticipated the recommendation to reject the Indian Act membership criteria as a basis for establishing political participation in Indian government and relies instead upon a membership provision proposed by the Cree and Naskapi under the comprehensive Agreements. In its final report released on November 3, 1983, the special committee on Indian self-government specifically supported the initiative of the Cree-Naskapi Act in that it is intended to address the needs of these bands. I wish, Mr. Speaker, to thank sincerely all of the members of that committee and Mr. Penner, its Chairman, for its support.

In conclusion, Mr. Speaker, the hopes and aspirations of the Cree and Naskapi and the results of months and years of discussion and negotiations are before us in this Bill. I call on my fellow parliamentarians to follow through as quickly as possible on our obligation arising out of the James Bay and Northern Quebec Agreement.

[*Translation*]

The Acting Speaker (Mr. Herbert): Order. It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

[*English*]

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, I rise this afternoon to participate in the debate on the Cree-Naskapi Act, known as Bill C-46. This particular Act has been long awaited. It has been under negotiation for approximately eight years now. There have been extensive consultations between the Cree, the Naskapi and the Government. Thanks to the leadership and driving force of Grand Chief Billy Diamond of the Cree, the chief of the Naskapi, their very efficient staff, along with the negotiators and staff of the federal Government within the Ministry of Indian Affairs and Northern Development, these consultations have come to fruition. I want personally to extend my congratulations and thanks to them.

I would also like to thank the Minister for the very kind remarks which he made this morning publicly as well as privately. I appreciate that. I congratulate the Minister for honouring his commitment to have this legislation tabled in the House before the end of the session. I congratulate him because it is the only commitment he has been able to keep so far, and this just made it under the wire at that. One of the candidates running for the leadership of the Liberal Party said that you should not go to the locker room before the game is over. I can assure you that the Minister has not gone to the locker room, he was in the House this morning and presented the Bill. I do not think he has gone to the locker room, although he may have this afternoon because he is not here, as yet.

We had a misunderstanding over the last couple of days regarding this Bill. It was decided that it would receive first and second reading, go to the Standing Committee on Indian Affairs and Northern Development, and then return to the House for third reading. This was agreed upon by all Parties and the standing committee. The chairman of that committee insisted that this should happen to this Bill. Neither the chairman nor the vice-chairman was available this week. I am sorry that they were not available so that this Bill could be examined in committee after that agreement was made. This is a fairly extensive Bill. I feel badly that the negotiations which were agreed to were, by necessity, changed rather quickly. I hope that in the future when we are dealing with legislation such as this, when agreements are made they will be adhered to.

This Bill is a very significant Bill. It is composed of some 120 pages and some 200 clauses. It deals with a significant portion of the unfinished business stemming from the James Bay and Northern Quebec Agreement. It institutes Section 9 of that Agreement. It enables the Cree and Naskapi to become the local government authority on Category IA and Category IA-N land. This encompasses an area of approximately 1,300 square miles in the Province of Quebec.

● (1410)

This historic Act, which I believe it is, will apply to eight Cree communities in Quebec and the Naskapi of Quebec. Because I believe this is a historic time for the Cree and the Naskapi, permit me to read into the record the bands and the names of the present Chiefs of those bands: the Great Whale River Band, Chief Robbie Dick; the Chisasibi under the leadership of Chief James Bobbish; the Wemindji under the leadership of Walter Hughboy; the Eastmain Band, Chief Ted Moses; Rupert House, Chief Bill Namagoose; the Nemaska Band under the leadership of Chief Lawrence Jimekin; the Waswanipi under the direction of Chief Abel Kitchen; and Chief Mathew Coon-Come of the Mistassini Band. Of course, there is the Naskapi of Schefferville and their Chief, Joe Guanish.

There are two other people who should be mentioned. They have been very much involved in the negotiations and in encouraging the development of this Bill. They are Philip Awashish, who is the Executive Chief and one of those who was involved in the original negotiations on the James Bay Agreement, as was Chief Ted Moses. Another individual who should be mentioned is Johnny Jolly, who has been the main Cree co-ordinator over the last eight years and has done a marvellous job as well. I felt it fitting that their names should

be read into the record because of the significant contribution they made.

The bands covered by this legislation will have significantly greater power than those falling under the Indian Act. In effect, this legislation will be the mechanism by which the Cree will control their own lands and their own affairs. The Indian Act will virtually no longer apply to the Cree bands or the Naskapi bands, with the exception of certain sections. Many of the concepts of the principle of Indian self-government are reflected in this legislation.

The James Bay and Northern Quebec Agreement, signed on November 11, 1975, was an important first step in agreements of this nature. However, we are all aware of the problems that were encountered with the implementation of that Agreement and we must not let the same type of thing happen in this instance. As we know, there was a Bill presented in the House in 1977 which received Royal Assent, I believe, on October 31 of that year and which confirmed the James Bay Agreement of 1975. That Agreement established a unique relationship between the bands and the federal and provincial governments. I think the present Bill will further that unique relationship.

Although the proposals in this legislation are not—I should emphasize this—a result of the report on Indian self-government and this should not be considered a model for self-government, I am sure everyone will be watching this particular piece of legislation and its implementation with great interest.

Under the present legislation the bands will be incorporated and membership will continue to be defined as in Section 3 of the James Bay and Northern Quebec Agreement. The present legislation will further cover those Indians who were not previous Cree beneficiaries but became so between 1975 and 1984. This Act confers upon the band the power to make by-laws of a local nature for the good government on category 1A lands of the inhabitants of those lands, and in areas concerning the administration of band affairs and the internal management of the band; the regulation of buildings and other structures for the protection of public health and safety, health and hygiene, public order and safety; by-laws for the protection of the environment, including natural resources, and for the prevention of pollution; for taxation for local purposes; by-laws for roads, traffic and transportation; and parks and recreation, just to name a few.

Bands will also have the power to make by-laws with respect to land and resource use and planning, zoning, subject to the approval of the electors, for hunting, fishing and trapping, and the protection of wildlife. Band elections, meetings and referenda are also provided for and the powers of the chief, committees of council and band bodies are set out.

The powers and responsibilities of the bands in the area of financial administration are spelled out. The Bill sets out the budgetary requirements, such as record keeping and disclosure requirements, for the bands. Audit requirements are spelled out as well as provisions for the procedures to be used in cases of serious financial disorder. Each band must have a budget for each fiscal year. Residents and access rights on 1A and 1A-N lands are detailed.

Although ownership in these lands is still vested in Quebec—I believe it is called naked ownership in the law—the bands have exclusive rights to the uses and benefits of these lands. They can use them as if they are their own. The mineral, subsurface and mining rights are retained by Quebec, but only with the approval of the band and with compensation to the band can any material be extracted from these lands. The band will have the exclusive right to forestry resources, subject to provincial approval.

With this legislation, a Cree-Naskapi commission is to be established. This commission will review the implementation of the Cree-Naskapi Act and report to Parliament. As I understand it, the commission will have the power to investigate complaints in any area covered by the Bill. The chairman of this commission is to be designated by the Governor in Council and the members of the commission are to be appointed by the Governor in Council on the advice of the Cree regional authority and the Naskapi bands. I feel very strongly and hope that some of this commission would be made up of Cree and Naskapi and probably the elders of those bands.

All this is to say that this is a very extensive, comprehensive piece of legislation which will allow the Crees and the Naskapis to preserve their traditions and at the same time allow for their political and economic evolution.

The Crees of Quebec have been managing and administering their education, social and health services very successfully for a number of years. These matters were vested in regional bodies, the Cree Board of Health and Social Service of James Bay and the Cree School Board. I am confident that they will handle the balance of their responsibilities with equal competence.

The unique relationship between the Governments of Quebec and Canada and the Cree and Naskapi people is one that has taken a great number of years and long hours of negotiation to arrive at. Some 20 pieces of provincial legislation have had to be amended or introduced in the Province of Quebec and the federal Government has finally introduced this Bill, as it was permitted to do. All the hard work and long hours have resulted in a workable agreement and legislation that has been agreed to by all interested parties.

I think it is fair to say that this is an example of how, through negotiation and hard work, we can arrive at a suitable agreement which will allow our aboriginal peoples to take control of their own lives once again. I think it is also a signal to the aboriginal peoples of this country that the Party which I represent is dedicated to continuing the process of returning responsibilities for their future to the Indian First Nations across this country. I want the public record to show today that, despite some of the concerns and opposite opinions that have been expressed across this country, our Party is dedicated

to negotiating with the Indian people their rights of self-government. I look forward to this process hopefully coming forward in the not too distant future.

• (1420)

While I shall have some questions during the Committee of the Whole procedure, I want to say that our Party is proud to support this Bill and we will assure its passage this afternoon so that we can celebrate what I think is a very historic Bill in the House of Commons.

Some Hon. Members: Hear, hear!

Mr. Rod Murphy (Churchill): Mr. Speaker, I am happy to speak on this very important Bill which is before us today. It has been called the Cree-Naskapi Act. I believe it is an important piece of legislation. It is the only piece of legislation upon which this House has acted which grants more in the way of legislative rights to the native people of Canada, at least to one group of native people within Canada.

I would like to point out it is unfortunate that the Indian Act as it is now written makes it necessary for us to have to pass particular legislation in this area. Native people throughout this land face a very restrictive piece of legislation in the Indain Act. Other groups within society do not have to appeal to the Parliament of Canada for their own self-government, to determine their own education authorities and to have the necessary facilities for their health and economic development. It is unfortunate that the Indian people of this land have to come to Parliament for that kind of authority. The House committee on Indian self-government has said that we should be moving in this area, that this House should be passing legislation and this nation should be passing constitutional amendments to ensure the rights of native people to self-government.

In addition to that, Mr. Speaker, we must also move on the very important area of providing adequate funding to native people. One of the items discovered by the committee on Indian self-government was the complete lack of adequate funding for education, for self-government, for health and for economic development. Many of the conditions in which all native people find themselves are completely unacceptable to the majority of Canadians.

In the Province of Manitoba, on a different matter, it is interesting to note that the Department of Indian Affairs spends on the education of Indian children only two-thirds of the money which the Province of Manitoba spends on the education of people in other parts of northern Manitoba.

What we have is not only a need for legislation for the Cree-Naskapi people, but a need for this Government to bring about constitutional change, changes in the legislation affecting Indian affairs and changes in the actual funding of money that goes to the native people throughout this land.

James Bay Agreement

In my Province of Manitoba there have been attempts by the bands to come to an agreement on band funding, a funding formula which would provide the necessary money for the bands to carry out educational and health services so they can administer their own self-government within their communities. That agreement has not been forthcoming. Over two years of work have been done by the chiefs and the budget committee of the chiefs of Manitoba to try to get this Parliament to act and get the Minister of Indian Affairs and Northern Development (Mr. Munro) to come to some agreement with them on funding. Similarly, the tribal councils in Manitoba have had a problem moving in this direction.

Mr. McDermid: All tribal councils have.

Mr. Murphy: Tribal councils throughout Canada have been trying to get some agreement so they can have the necessary funds to act. Some tribal councils have some funding. Other tribal councils, like the Island Lake Tribal Council in my riding, have no adequate funding with which to act.

While I am glad to see this legislation before us today, and I will be speaking in favour of it, it is only one piece of legislation in a long list of legislation promised by the Minister of Indian Affairs. He has promised legislation on self-government, on amending Section 12(1)(b) of the Indian Act. He has promised funding for recreation, for tribal councils and for the proper administration of band councils for the needs of the people. None of that has taken place.

I see the Minister is in the House and I would like to make that point again. We must have him act not only on this promise but on a whole litany of promises that he has made to the native people over the last four years. This House has only two and a half weeks to go before the summer recess. I do not think we have enough days left to meet even half the promises which the Minister has made. I do wish, if time permits, that he would stand up and explain to us whether he has any other legislation affecting Indian people that he plans to introduce before this House recesses. If not, he should let the bands know. He should tell the bands and the native people what he is going to do to provide funding for health care, for education and for proper band administration over the next little while.

With regard to the legislation before us, I want to congratulate the leadership of the Cree and Naskapi people for getting this legislation into the House. Even though it has taken seven to eight years for this House to act, they are one of the few groups in Canada which have got legislation before it. I believe what they have achieved is only rightfully theirs. As I said, it is something in terms of administration which all other Canadians have already. It is a major achievement for the leadership of the Cree and Naskapi people. Our critic, the Hon. Member for Cowichan-Malahat-The Islands (Mr. Manly) has been very active in this House and in the committee on Indian affairs. He has spoken about the needs of the people.

I am glad to see this legislation today. I do not want to slow down proceedings. I hope we can pass this legislation, as we have promised, in the next short while.

[*Translation*]

Mr. René Gingras (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I am particularly anxious to say a few words about the Bill before the House this afternoon, because this legislation affects the Cree in my riding.

First of all, I would like to say it gives me great satisfaction to be working as Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mr. Munro).

With great enthusiasm—

Mr. Deputy Speaker: The Parliamentary Secretary will forgive me but—

[*English*]

Mr. Deputy Speaker: Order, please. I should have informed the House that if the Parliamentary Secretary speaks at this time, he closes debate on second reading.

Mr. McDermid: Mr. Speaker, we basically agreed that we would have one speaker per Party. The Parliamentary Secretary has committed himself to giving a very short speech. I know the Cree and Naskapi are in his riding and that he is very interested in this legislation. That is fine with us and we will proceed to Committee of the Whole when he finishes, which I hope will be very soon because we do have some questions.

[*Translation*]

Mr. Gingras: Mr. Speaker, the Hon. Member is right, but I would not wish to close the debate before taking these few moments to say that I appreciate the work that has been done on all sides of the House, and especially the work done by the Minister. I would like to stress particularly the work done by two great chiefs, Joe Guanish and my friend Billy Diamond, who represent the Cree in my riding.

We are writing a new page in the history of our country. I am very pleased to be among those who will have helped to give the native people in my riding more justice and equity.

So as not to delay the debate any further, Mr. Speaker, I would like to say, in concluding, that I thank the Chair and the Opposition for allowing me to say a few words in connection with this Bill.

• (1430)

[*English*]

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Corbin in the chair.

Mr. McDermid: Mr. Chairman, I rise on a point of order. Rather than go through the Bill clause by clause, since we have some 218 clauses and just going through them could keep us here all weekend, perhaps we could have the unanimous consent of the House to discuss the Bill under Clause 2. If this is permissible and we obtain the unanimous agreement of the Committee of the Whole, we could cover all aspects of the Bill and then approve it on a total basis. Would that meet with the approval of the committee?

Mr. Pinard: Mr. Chairman, I think that is a wise suggestion. I understood that we would not debate it at this stage, after the three speakers, but perhaps the division on Clause 2 could apply to all other clauses in the Bill. Perhaps we could agree to that and that would solve the problem.

Mr. McDermid: That is the same thing.

Mr. Hnatyshyn: Mr. Chairman, I am always very cognizant of what the Government House Leader says. My ears perk up whenever he makes a statement. I listen carefully and I want to make sure that the record is straight and clear. Certainly, if there was ever any undertaking given about not speaking during the course of committee stage, it never came from my lips. We had intended to ask certain questions. It is a very voluminous Bill, but we will pass all stages this afternoon. It was always contemplated and intended that we would have some questions and answers, especially since the Minister is present. It is a pleasure to see him back for a day.

Mr. Munro (Hamilton East): Thank you.

Mr. Hnatyshyn: We thought that during the course of the afternoon we would be able to ask a few questions, with the benefit of senior officials from the Department. However, I can assure the Government House Leader that we will expedite the passage of the Bill and that this matter will be dealt with today.

Mr. Pinard: I think that is fair. I never intended to muzzle my hon. colleague. I always like to hear him sing on Friday afternoon. Nevertheless, my proposal could still apply.

Mr. Hnatyshyn: Absolutely.

Mr. McDermid: Yes.

Mr. Pinard: Questions could be asked on Clause 2 and once the division has taken place on that clause, the same vote could apply to the other clauses of the Bill. We could discuss the Bill under Clause 2, that would be fine. Once again, I never intended to prevent Hon. Members from asking questions, except I understood that one speaker per Party would be enough. Provided we have the Bill passed this afternoon, it is fine with me.

Mr. Murphy: Mr. Chairman, on behalf of my caucus I should like to indicate that we are quite willing to follow the procedure as outlined. We will deal with all clauses of the Bill under Clause 2, and the vote on Clause 2, could apply to the other clauses.

* * *

BUSINESS OF THE HOUSE

Mr. Pinard: I would like to rise on a point of order very briefly concerning House business. I should just like to inform the House that on Monday we will be dealing with Bill C-34 but, contrary to what I indicated yesterday, starting Tuesday morning, Wednesday, Thursday and so on, we will be dealing with Bill C-9.

Mr. Hnatyshyn: Surprise, surprise!

* * *

CREE-NASKAPI (OF QUEBEC) ACT

MEASURE TO ESTABLISH

The House resumed consideration in committee of Bill C-46, an Act respecting certain provisions of the James Bay and Northern Quebec Agreement and the Northeastern Quebec Agreement relating principally to Cree and Naskapi local government and to the land regime governing Category 1A and Category IA-N land—Mr. Pepin (for the Minister of Indian Affairs and Northern Development)—Mr. Corbin in the chair.

Mr. Taylor: Mr. Chairman, I rise on a point of order. In the Alberta legislature we quite often followed the practice of taking the title, Clause 2 and the preamble together, and unless a member asked for any other particular clause, agreement was given to passing them all. In that way no one had a comeback to say later that he did not have a chance to speak on Clause 24, Clause 28 or whatever.

The Chairman: There being no further points of order, the Chair will take it for granted and make it an order that the discussion on Clause 2 will encompass discussion on all other clauses, and when the question is put on Clause 2, it will apply to all remaining clauses.

On Clause 2—*Definitions:*

Mr. McDermid: Mr. Chairman, I have a series of questions which I should like to direct to the Minister this afternoon. The Cree and Naskapi represent about 25 per cent of the Department's regional office in Quebec. Because of the fact that the area involved is isolated, perhaps the figure is slightly higher. I should like to find out from the Minister whether, with the passing of this Act, any person-years will be decreased within the Department. What kind of monetary saving from a departmental point of view will take place? This concerns the entire area of self-government and the taking over of responsibility for their own affairs by the Cree and Naskapi, which they have so ably demonstrated they can do. What in fact will happen within the Department? Will the person-years be reduced?

Mr. Munro (Hamilton East): Mr. Chairman, I just want to say to the Hon. Member for Brampton-Georgetown that we very much hope after a few months to reduce the personnel of the Department. That is my desire and it is the general aim of the Department.

It can be said that the Cree and Naskapi, even before this legislation, were already exercising a *de facto* type of Indian self-government, knowing that this was the spirit of the James Bay Agreement, knowing that both levels of government agreed, and knowing that there was almost unanimous support in the standing committee for this, as expressed by the Hon. Member, his colleagues and Members of the NDP. We stretched the Indian Act to its outer limit in this particular case in order to accommodate the self-governing practices of the Cree and Naskapi. We must keep that in mind when we say that much of the personnel of the Department, unless almost specifically invited by the Cree to involve themselves in some area, was not preoccupied with matters of the Cree and the Naskapi because they were self-governing in many real ways.

Mr. McDermid: I do not want to put words in the Minister's mouth. He may want to correct what I have to say. Is he saying that when the Cree took over their own responsibilities as far as education, health and social services were concerned, in fact there was a reduction in man-years in the Department for the Quebec region? I think that was what the Minister was alluding to, that that has already been done and, therefore, do not expect any further reduction in manpower staff.

• (1440)

Mr. Munro (Hamilton East): Mr. Chairman, not only will there be further reduction, but the case is even better from the Hon. Member's view. During the last few years we have been reducing personnel quite dramatically. I will get the figures for the Hon. Member. For example, we closed the Val d'Or office completely in my colleague's constituency. Before all this occurred it was a very active and significant office. We have been cutting down all along and intend now to accelerate the process as a result of that.

Mr. McDermid: Mr. Chairman, if that is the case, could it not be reflected in the manpower of the Department which over the last few years has in fact increased? Although the Val d'Or office was closed, those jobs were not lost. Those person-years were shuffled to the regional office and to the head office in Ottawa. What should have happened did not happen.

Mr. Munro (Hamilton East): Mr. Chairman, I will carve out for the Hon. Member how this applies to Quebec in particular. Over the last four to five years we cut the personnel of the Department in absolute numbers by 1,200 people. That is the over-all reduction in staff. I suppose a rough rule of

thumb is that if you take Quebec on the basis of its Indian population, you are probably talking about 200 people. I will get the specific figures for the Hon. Member.

Mr. McDermid: Mr. Chairman, I have one final question on this point. We cannot then expect any further reduction in manpower, or can we? Will there be a further reduction because of the responsibilities that are being assumed by the Cree and Naskapi which, I might add, will be better administered because things will be done by themselves on a local basis?

Mr. Munro (Hamilton East): Mr. Chairman, I cannot give a precise number. I can give an undertaking that there will be a reduction in Quebec. In Quebec there are now only 12 personnel involved with the Cree and Naskapi. It can be seen that we are paring down. If we pare down much further, in terms of the Cree looking for certain responses that they want, they will complain if there is a further reduction.

Mr. McDermid: Mr. Chairman, I will go to another subject which is important, namely funding. It has not been discussed in the debate so far. As the Minister well knows, there were some implementation problems with the James Bay Agreement from time to time. Can the Minister enlighten the Committee on the funding agreements? How will this be carried out? He might also wish to talk about the funding and how it will be guaranteed over the next number of years.

Mr. Munro (Hamilton East): Mr. Chairman, counting operation and maintenance, it will be roughly $11 million a year, at least for this fiscal year under the Act. It is now $3.7 million. We anticipate through undertakings to the Cree that under the provisions of the Act there will be a further $8 million, making a total of $11 million a year.

Mr. McDermid: Mr. Chairman, could we have some of the details? Is that given in a lump sum or a certain percentage at the beginning of the year? How will that happen? Will it be directed through the Quebec offices or directly to the Cree and Naskapi? Will the Minister go into a little more detail so that I can assure myself that the mechanisms set up will not be heavily bureaucratized and unduly hold the process up?

Mr. Munro (Hamilton East): Mr. Chairman, this level of support is basic. You build on it each year. It is subject to negotiation each year, but it cannot drop below this level. I understand the first payment will go out in the next week or so. It will be a direct payment from the federal Government to the Cree.

Mr. McDermid: Mr. Chairman, therefore the Minister does not envisage that the Quebec regional office will be in any way connected with this, that it will be pretty well handled from the federal office. The Minister said the first payment is going to be made. What is the agreement between the Department and the Cree and Naskapi on percentages as to how this will be funded? There must be some agreement as to how much of the total budget for the year will be given to them at the start of the year for their operations. How is that going to operate?

Mr. Munro (Hamilton East): Mr. Chairman, I am told that the moneys are paid directly to the Cree by the federal Government, that 75 per cent is up front and there is a holdback of 25 per cent until the accountability features of the Act are met, naturally, and then they flow. It is a one-time payment.

Mr. McDermid: Mr. Chairman, will there be any new structures created within the Department to deal with the Cree and Naskapi or will it be business as usual with people in the Department?

Mr. Munro (Hamilton East): Mr. Chairman, there are no new structures to be created in the Department. We already acceded in a sense almost independently of this Act at the request of the Cree secretariat to handle their concerns and channel them into action, in terms of negotiating things through the bureaucracy and getting a result without undue delay. That secretariat has two or three personnel. We intend to continue it because they are rather insistent that we do so. We acceded to their demand, much to their relief. That secretariat is already there, but we do not anticipate any new ones.

Mr. McDermid: Mr. Chairman, my final questions are with regard to the commission to be set up. The Minister might expand a bit on what the commission intends to do, the estimated cost per year of the commission, what its powers are to be, if it will have any powers, and how it will report to Parliament. How does the Minister envisage that that will be carried out?

Mr. Munro (Hamilton East): Mr. Chairman, perhaps the best way to handle this would be to refer to Part XII of the Bill. It sets out the membership, that the commission is responsible for the implementation of the Act and the terms of the members. The over-all mandate of the commission is to be responsible for the implementation of the Act and to prepare reports to Parliament. The duties of the Commission are clearly set out rather concisely on page 78, Clause 165. It states:

> The Commission shall
>
> (a) prepare biennial reports on the implementation of this Act, . . . investigate any representation submitted to it relating to the implementation of this Act, including representations relating to the exercise or non-exercise of a power under this Act and the performance or non-performance of a duty under this Act. . . .
>
> (3) The Commission may refuse to investigate—

That is the operative section in terms of the duties of the commission. As far as the cost is concerned, the cost of the Commission is estimated to be $1,597,000 to be spread over four years plus an upward adjustment for the Cree-Naskapi commission to be funded through contribution agreements with terms and conditions to be negotiated. May I repeat that figure? It is $1,597,000 over the four-year period of 1984-85 to 1988-89.

• (1450)

Mr. McDermid: That is funded separate from the agreement by the Department; is that correct?

Mr. Munro (Hamilton East): That is over and above the $11 million to which I referred earlier.

Mr. McDermid: Mr. Chairman, my next question deals with the appointment of members of this commission. Without naming specific names, perhaps the Minister could relay to us his philosophy regarding the make-up of that commission and who he would see as sitting on that particular commission.

Mr. Munro (Hamilton East): Mr. Chairman, those are Governor in Council appointments. However, the agreement is quite clear, although it is not reflected here or in any other Act, that we will consult with the Cree and there will be an agreement with them about who will be on the commission. As we deal with a commission like the CLC or various other bodies of that kind which deal with their own affairs, we would consult with them and try to arrive at an agreement as to personnel. The appointments would then go through as Governor in Council appointments.

Mr. McDermid: Mr. Chairman, the Minister will excuse me for asking that question but I did wawnt to get that answer on the record. From time to time some of the appointments that are made by the Government to some of these boards and commissions are questionable. The Minister for External Relations is questioning me with a puzzled look. However, he knows very well what I am talking about. I wanted to get the Minister's answer on the record to ensure that consultations would take place with the Cree and Naskapi regarding that commission.

Mr. Munro (Hamilton East): Mr. Chairman, I am glad the Hon. Member did that because he has now served the interests of the Cree by getting the assurance on the record of *Hansard*. However, it is also contained within the Bill itself. Clause 158 which can be found on page 76 of the Bill reads in part:

—a maximum of three individuals appointed by the Governor in Council on the recommendation of the Cree Regional Authority and the Naskapi band.

Mr. Taylor: Mr. Chairman, I would like to ask one question of the Minister. Could the Minister briefly outline what the major difference will be, once this Act goes into effect, between the self-government provided for in the Bill and the self-government of a municipality?

Mr. Munro (Hamilton East): Mr. Chairman, may I say that that is a very tough question because it calls for a very detailed and long answer. I will do my best to answer the question in a short time.

The powers given to the Cree-Naskapi are more extensive than those given to a local government, and I think if the Hon. Member would look at the Bill he would be inclined to agree with me about that. Clause 45 of the Bill deals with those powers.

I will simply read through some of my quick notes. They have the power to pass by-laws respecting the administration of band affairs, the internal management of the band, the regulation of buildings and other structures, the sanitary conditions of public and private property, the regulation of waste disposal, the establishment and operation of fire departments, the prohibition of the sale or exchange of alcohol, the possession and consumption of alcohol, the protection of the environment, the prevention of pollution, taxation for local purposes, the regulation of roads and transportation and the regulation of hunting, fishing and trapping.

Part of the whole essence of the Bill is the administration of lands and those powers are very extensive. I would say that in that area alone the powers are much more extensive than those given to municipalities. I would say that the bands have the responsibility of a government of a local municipality plus, and I would underline "plus".

Mr. Murphy: Mr. Chairman, I have one short question to ask. I realize that we wish to pass this legislation quickly. I am sure the Minister agrees with me that the housing, education, health, water and sewage conditions on most reserves throughout Canada are completely inadequate. I wonder how he sees this piece of legislation helping to bring those conditions in these regions up to a standard that is closer to the national norm. How does he see that happening through this piece of legislation?

Mr. Munro (Hamilton East): Mr. Chairman, we are looking for the appropriate section of the Agreement now. The Hon. Member will recall the urgings of the Cree and Naskapi during the hearings of the standing committee. They felt, and legitimately so, that we were not living up to the spirit and intent of the Agreement. In the Agreement we said that as we went down the road, we should improve the infrastructure substantially for the Cree but that statement was not couched in wording that could cast a specific legal obligation.

In living up to the spirit of the Agreement, we made some $61 million in additional funds available. Much of that money was designed for the type of infrastructures just identified by the Hon. Member for Churchill. We tried to live up to that spirit.

I suppose one could say that the entire Agreement required the federal Government, as part of its obligations under the Agreement, to pay a greater degree of attention to and put a greater call on its financial reserves for the Cree, and perhaps that is the situation across the country generally. However, the Cree have every right to that special attention as a result of the Agreement that was negotiated. Much of that money has been spent and more of it is to be spent. Most of the $61 million has already been paid out, as the Hon. Member will recall from hearing that review announced.

The most relevant section of the James Bay and Northern Québec Agreement is Section 28.1.1 which reads as follows:

28.1.1 Programs, funding and technical assistance presently provided by Canada and Québec, and the obligations of the said governments with respect to such programs and funding shall continue to apply to the James Bay Crees on the

same basis as to other Indians of Canada in the case of federal programs, and to other Indians in Québec in the case of provincial programs, subject to the criteria established from time to time for the application of such programs, and to general parliamentary approval of such programs and funding.

• (1500)

The allegation was that we were not doing that with them, we were not spending the same degree of program moneys for the Cree as we were for other Indians, because we charged against that anything they had won under the Agreement. Of course, we had to agree with them that that was fair.

Mr. Murphy: Mr. Chairman, my question is of that general nature. If I understood the Minister correctly, we are granting—and I hate to use the word "granting" because I believe that they should have self-government—but, because of the stipulations of the Indian Act, we are passing another Bill which will grant them self-government. But we are not really sure if they will have adequate funding for health care, education, water and sewage and housing, which will enable them to provide an adequate government for their people. Are we not, in that case, building in failure by not providing adequate funding at the same time?

Mr. Munro (Hamilton East): Mr. Chairman, I do not know whether the Hon. Member knows the Cree leadership as I do, but I do not think they would have been urging us and pressuring all of us to pass this Cree-Naskapi Act if they had not thought that they had reached a pretty successful set of negotiations with the federal Government as far as funding is concerned. That might be unduly depreciating to their bargaining abilities. That is a dangerous type of depreciation, believe me.

The funding has been negotiated. I referred to the $11 million, which is a base. Price increases, inflation and so on will come to bear in succeeding years. It is subject to renegotiation. It cannot go below that level. The elements of the funding position have been agreed upon between the parties.

Mr. Murphy: Mr. Chairman, does the Minister believe that the level of funding is adequate to provide the people of that area with adequate education, water and sewage, services and housing? Does he really believe that that money—considering how far behind they are in terms of health care, education, etc.—is adequate?

Mr. Munro (Hamilton East): Mr. Chairman, if you look at the Tait report and the $61 million which has been negotiated and then you look at this fund, then I say, yes. The answer is yes, I do. In terms of comparability and taking into account the area and so on, yes, it is adequate. My hope would be that we could do the same—quite frankly, we do not have the money; it would undoubtedly be hundreds of millions of dollars—elsewhere in the particularly stark and depressing areas of the country. Billy Diamond and the Cree leadership are fully aware of that. It depends on what one compares it to. If we compare it to the funding in other areas in which Indian people live, it is far more adequate than some are receiving, I am sorry to say.

Mr. Nickerson: Mr. Chairman, I have a very brief question. The taxing authority which is to be granted to bands under Clause 45(1)(h) will not be effective until such time as the Governor in Council has issued regulations. The Minister is undoubtedly aware of this. Could he tell us what progress has been made with respect to these regulations?

Mr. Munro (Hamilton East): I would like to say through you, Mr. Chairman, to the Hon. Member for Western Arctic, that we must sit down and have further discussions with the Cree as to what those regulations should be. We have not had very much time. We have been under a lot of pressure lately, not only with this legislation but with Indian self-government. We will not pass the regulation until we have had thorough consultations with the concerned parties. Obviously those regulations are designed to ensure uniformity and fairness. Those are the two principal criteria which we try to ensure in any type of taxing law.

Mr. Nickerson: Mr. Chairman, I take it then that no work as yet has been done on the regulations as required under Clause 45(4). Clause 45(6), contemplates the collection of taxes in a form other than money. Could the Minister please tell us what he means by a form other than money?

Mr. Munro (Hamilton East): Mr. Chairman, this is a feature that the Crees themselves wanted to include in the Bill. It would give the band administration the flexibility to levy taxes against one of their members. If that member had some substance or article other than money, and it was acceptable to the band in payment of taxes, they would have the flexibility to accept it as payment.

Mr. Nickerson: Does that clause contemplate the payment of taxes in labour? Are we going back to the old seigniorial system?

Mr. Munro (Hamilton East): Mr. Chairman, after listening to statements made by the Hon. Member in the House, I dare say that I think the Cree are probably as progressive as he is, and perhaps more so. I do not know whether the Hon. Member is accusing them of running a feudal state, but I suppose it is possible. The person is not required to render a community service or labour. If he offers it in lieu of payment and the band wants to accept it, I guess they have the right to accept it.

Mr. Nickerson: Mr. Chairman, I have a further question which deals with expropriation of the so-called lands IA and IA-N. The Province of Quebec as well as several other public bodies are to have expropriating authority. Could the Minister tell us what public bodies other than the Province of Quebec will have powers of expropriation over these lands?

Mr. Munro (Hamilton East): Mr. Chairman, if the Hon. Member would look at page 56 of the Bill, Part VII sets out the parameters for this type of expropriation. It flows directly from the agreement entered into between the Government of Quebec, the Cree and the Government of Canada. Those powers of expropriation are stipulated in that part. "Other public bodies" obviously refers to entities and institutions such

as Quebec Hydro. The degree and the parameters to which they can exercise their expropriation powers are set out on pages 56 to 58 of the Bill.

Mr. Nickerson: Mr. Chairman, I can read Part VII as well as the Minister can. In reading Part VII, the immediate question which jumps to mind is: What are these other bodies which have powers of expropriation? The Minister has informed us of one, namely, Hydro Quebec. Would we be correct in thinking that the James Bay Corporation or some other corporation might have the same power of expropriation? We are looking for a list of the bodies which have expropriating powers now.

Mr. Munro (Hamilton East): Mr. Chairman, if the Hon. Member would look at Clause 118(b), it reads:

—any public body having the power of expropriation under the laws of the Province and specifically authorized by Quebec to carry out the expropriation in question.

• (1510)

That was agreed to. This just reflects what has already been in the agreement for some time.

Mr. Nickerson: You do not list the bodies.

Mr. Munro (Hamilton East): The agreement did not list the bodies. Therefore, the Act does not list the bodies. But I do not believe it would stretch anyone's imagination to know that it is boards such as Quebec Hydro and government agencies of that kind in Quebec as in other provinces which are given these powers. I will be pleased to supply the Hon. Member with a list of these types of public bodies if he is not already aware of them.

Mr. Nickerson: It is evident, Mr. Chairman, that the Minister does not know the answer to that question. If he would be kind enough to make a list and have that list circulated at a future date, I am sure we will be most grateful.

My final question, Sir, deals with the applicability of the Income Tax Act to residents of these lands, people who would be beneficiaries. Am I correct in assuming that income tax would not be payable by people resident on these 1A and 1A-N lands who are otherwise beneficiaries under the Act?

Mr. Munro (Hamilton East): Mr. Chairman, they have to be Indian. They have to be Cree. They are covered here, obviously. And they have to be Indians living in 1A land. It does not apply to 1B land.

The Chairman: Is the House ready for the question?

Some Hon. Members: Agreed.

The Chairman: Pursuant to the unanimous agreement expressed earlier, I will now put the question on Clause 2, and its resolution will apply to all clauses up to Clause 218, inclusive.

Shall Clause 2 carry?

Some Hon. Members: Agreed.

Clauses 2 to 218 inclusive agreed to.

Clause 1 agreed to.

Preamble agreed to.

Title agreed to.

Bill reported, read the third time and passed.

* * *

[*Translation*]

WAR VETERANS ALLOWANCE ACT

MEASURE TO AMEND

Hon. Jean-Luc Pepin, for the Minister of Veterans Affairs, moved, seconded by Mr. Ouellet, that Bill C-39, An Act to amend the War Veterans Allowance Act, the Civilian War Pensions and Allowances Act and certain other Acts in relation thereto, be read the second time and referred to the Standing Committee on Veterans Affairs.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt this motion? The Minister of Labour (Mr. Ouellet).

Hon. André Ouellet (Minister of Labour): Mr. Speaker, on behalf of my colleague, the Minister of Veterans Affairs (Mr. Campbell (Cardigan)), who is in Europe to take part in ceremonies commemorating the landing of Allied troops in Normandy, I have the pleasure of presenting this Bill which, I hope, will receive the approval of all Members of this House.

The amendments we intend to propose today will be of considerable benefit to veterans and their families.

Mr. Speaker, the changes we are proposing today will have a short and long-term impact on thousands of Canadians. The proposed amendments will provide, starting this year, for additional assistance to veterans who are in greatest need. They will release the necessary funding so that the Department can meet the needs of aging veterans.

Mr. Speaker, all these objectives can be achieved provided we have sound and careful management. I believe we can achieve a great deal by implementing programs that are not only desirable in human terms but also less costly than other options. The Government is therefore proposing amendments to the War Veterans Allowance Act and the Civilian War Pensions and Allowances Act. The amendments, however, go beyond the purview of these two Acts. The most significant expenditures approved by Cabinet concern the Aging Veterans Program. These expenditures were not approved by the House because only a change in the regulations was required.

Nevertheless, I think it is important to provide details on improvements in the Aging Veterans Program, because they are so important and because we feel they are definitely preferable, as far as the program's effectiveness is concerned,

to all the measures proposed today, which, we hope, will be adopted. That is to say, we could improve the program offered to veterans, a program that is in their interest and also in the interest of Canadian taxpayers, in such a way that, with amendments, it will be possible to harmonize two programs administered by two separate departments.

The Minister of Veterans Affairs would certainly have preferred to be in the House himself today to propose increases in the benefits paid to more than 40,000 recipients of War Veterans Allowances and Civilian War Allowances. Those people are under 65, but right now they do not receive as much federal assistance as do the recipients of those allowances who, because of their age, are eligible for old age security benefits and the guaranteed income supplement. Parliament acknowledged the unfairness of the situation as early as 1980 when Bill C-40 was passed. As a result of the adoption of the Bill introduced today, parity between both groups of recipients will become a reality in April 1986, after a series of annual increases. In the opinion of the Government, parity must be achieved immediately. We recommend that, as of July 1 next, recipients under 65 now receiving the single rate allowance be entitled to $20 more a month, and that married rate recipients be entitled to $25 more a month. This way, all veterans allowance recipients will be on the same footing regardless of age.

• (1520)

I am convinced that Hon. Members will support this Bill. It is obvious that recipients under the aid program for veterans less than 65 years of age do need additional financial assistance, particularly the 26,000 veterans now receiving the single rate allowance and the 13,000 widows who need that additional assistance. There is no need to emphasize that the veterans allowance is the main source of income of those people. It has been estimated that earlier parity will cost $16.8 million. Such expenditures are in keeping with the Government's commitment to give priority to the most needy.

The Minister is proposing other amendments to the Wars Veterans Allowance Act and to the Civilian War Pensions and Allowances Act. It is a matter of technicalities in most cases and, with your permission, Mr. Speaker, I will not go into that. However, I should like to say more about one of those amendments to the Civilian War Pensions and Allowances Act which will enable merchant marine personnel who served in Korean waters between 1950 and 1953 to apply for allowances.

Under the existing legislation, civilians who served aboard Canadian or Allied ships in Korea are not eligible for the civilian war allowances. That is unacceptable since civilians with similar service in dangerous waters during World Wars I and II are already eligible for such veterans allowances. That is why we want those servicemen or persons who were in Korea to be eligible as well.

Hon. Members will appreciate that department officials must adapt their administrative procedures concerning veterans affairs to those of the Department of National Health and Welfare so as to implement more equitably the old age security and guaranteed income supplement programs.

Mr. Speaker, the proposed amendments will certainly entail considerable savings while making it possible for allowance recipients to maintain their special relationship with the Department of Veterans Affairs which serves them and, of course, to continue to avail themselves of the services of officials who represent and defend them within the Department of Veterans Affairs. I would like to mention that these changes will make the program easier to understand and more accessible.

I want to remind Hon. Members that, in all programs designed for senior citizens, simplicity is a major factor. In addition, Mr. Speaker, a great many allowance recipients, at present and in the future, will benefit financially from this new formula. Let me explain how we shall be able to provide better services while greatly reducing the red tape involved.

At the present time, an allowance recipient who also gets the guaranteed income supplement and old age security pension must file a separate statement of income, first with the Department of Veterans Affairs, and then with the Department of National Health and Welfare. These two Departments process the statements separately, even though they contain virtually the same information. This overlapping of efforts must be eliminated, and the sooner the better. This is why the amendments we are suggesting will eliminate this duplication. Beginning April 1, 1986, all allowance recipients who get both the old age security pension and the guaranteed income supplement will present a single statement to the Department of National Health and Welfare. These veterans will therefore have one form less to fill in, which means that Government interference in their lives will be reduced.

The data collected under the two programs can then be directed to the Department of Veterans Affairs by way of transfers between the data banks. We are at the age of electronics and computers, and I believe that these can be used in the best interests of Government administration.

I want to emphasize that allowance recipients will not be cut off from the Department of Veterans Affairs. The Department will continue to assess eligibility according to length of service and the War Veterans Allowance Board will continue with its important process of examining and hearing the appeals independently. In addition, the Bureau of Pension Advocates will offer for the first time its services to those who apply for allowances and also to recipients, which will enhance in my opinion the relationship between these veterans and their Department.

Mr. Speaker, the major changes will include a switch to the calendar year for the allowance programs, as is already used for the old age security pension and the review periods for the administration of the guaranteed income supplement. This change will benefit most recipients of veterans' assistance. At

the present time, the Department uses the current calendar year to determine income while the Department of National Health and Welfare refers to the income reported by the taxpayer for the previous year. By using the same method as Health and Welfare Canada, it is estimated that $2.5 million more will be paid out to needy veterans. It should also be noted that the formula used to determine the guaranteed income supplement is not as involved as the one used by the Department of Veterans Affairs.

Mr. Speaker, only allowance recipients who are eligible both for the old age security pension and for the guaranteed income supplement will file a statement of income with Health and Welfare Canada in 1986. Those who are under 65 years of age will continue to provide all income-related information to the DVA. In order to bring both programs into harmony, the forms used in connection with the War Veterans Allowances Program will be simplified to meet GIS standards. All War Veterans Allowance recipients, whatever their age, will enjoy the benefits of the new income filing methods.

• (1530)

Indeed, Mr. Speaker, War Veterans Allowances recipients will get the best of both worlds. They will continue to have their casual earnings and interest income exempted, something other GIS recipients are not entitled to.

To implement these changes will cost some $3 million in subsidies and contributions, in addition to $3.5 million in operating costs. These expenses are a careful use of public funds, because they will result in major savings in the forthcoming years. We expect for instance that when the War Veterans' programs, Civilian War Allowances programs, GIS and OAS programs have been brought into harmony, by 1988-89, the administration of all these programs will require 157 fewer person-years.

As I said, Mr. Speaker, these changes will allow the Department of Veterans Affairs to re-direct its funds, in order to meet better the increasing needs of veterans for health and social services.

I would like to say to the House that there are many more amendments of a housekeeping nature. When one refers to Bill C-39, one can realize that an effort has been made to improve the entire administrative mechanism and to ensure the satisfactory operation of the services made available to veterans.

I should also add that the Department of Veterans Affairs, once some savings are made, will be ready to extend the program to aging veterans. It is perhaps the most important aim, the priority of the Department and its minister at this time. Indeed, as the expenditures related to the administration of allowances are reduced, thanks to administrative and technological changes, we will be in a position to earmark more resources to assist ageing veterans to live with dignity and self-dependency.

The Hon. Members will remember that an innovative program was created in April 1981 under the principle that aging individuals wish to remain as independent as possible as long as possible. Every indication is to the effect that most veterans would rather receive some assistance which would allow them to live at home rather than in a hospital or a nursing home.

The assistance provided under the program can be very simple or very complicated. The problems vary as much as the services made available by the Department. Some veterans need the care of a nurse or a physiotherapist at home. Others will have to be treated at a clinic or will merely need to have snow removed at their door in the winter or the grass cut in the summer. In some cases the handicapped may need a wheelchair ramp.

The whole range of services to assist aging veterans is, and will be in the years to come, a continuing priority for the authorities of the Department of Veterans Affairs. Over 2,000 veterans have already welcomed enthusiastically the benefits of this program. I need only mention the enthusiastic and determined support of all veterans' associations. The only cloud, as it were, is that the program does not reach enough veterans.

Today I can announce, on behalf of my colleague, the Minister of Veterans Affairs, that many veterans will become eligible for the benefits provided under the Aging Veterans Program over the next five years. The program's range will be broadened in four stages. First of all, starting October 1, 1984, it will be available to veterans of 65 or over, receiving a disability pension and a veterans allowance. It will also be offered to veterans over 75 who are receiving an allowance, but not a pension.

Second, starting January 1, 1986, all other beneficiaries under this program between the ages of 65 and 74 will be eligible.

Third, after January 1, 1983, applications will be accepted from veterans who are 65 or over and receiving a disability pension but not receiving assistance from Veterans Affairs because of the benefits provided under the Old Age Security Act.

Finally, Mr. Speaker, on January 1, 1988, the program will provide assistance for veterans of 65 and over, who are not receiving a disability pension but who did service in a real war theatre and can not receive assistance from Veterans Affairs because of the Old Age Security Act.

Mr. Speaker, the program will be offered to a greater number of veterans. It will also offer a wider range of services. It will provide transportation services for eligible veterans. This new benefit is very important to people who would otherwise be confined to their homes. The program will provide up to $600 annually to defray transportation expenses of veterans who must leave their homes occasionally to go shopping or to carry out any of the transactions that are

customary in the course of our lives and which these veterans, having reached a certain age, are no longer able to do alone. Consequently, the $600 per year for transportation will certainly be very useful. Moreover, we will improve on present services, namely home care, out-patient care and institutional care.

All things considered, expanding the Aging Veterans Program will cost about $101 million. This is a very substantial amount, but I believe that all the Hon. Members will recognize that such expenditures are fully justified, not only in human terms, but also in terms of financial responsibility for the Government of Canada.

What are the alternatives to the Aging Veterans Program? In 1981, 67,000 veterans were over 76 years of age. This figure will double within the next few years. You do not have to be an expert in gerontology to understand that many of these people are not as self-sufficient as they used to be. There is also no doubt that the need for chronic care beds will increase dramatically during the next fifteen years. We believe that, with respect to the care given to older people, there is too much emphasis placed on institutional care in the health and social service field and not enough on the services which can be provided to these people in their own homes. I believe that, in due course, we shall have to shift the emphasis to home services away from institutional care.

Mr. Speaker, expanding the Aging Veterans Program also offers another avenue which will be much less costly for the taxpayers. Government officials have estimated that, in 1991, $57 billion will be spent under the Aging Veterans Program to provide assistance to about 14,000 veterans. In other words, if the same amount were used to help veterans in hospitals, we would be able to help only 1,200 of them, while we shall be able, under this new program, to provide assistance, not to 1,200, but to 14,000.

Mr. Speaker, over and above the financial benefits provided by the program for the Government and the Canadian public, I believe that older people much prefer to be helped in providing for their own needs under the program we are proposing today.

During the debates on the Canada Health Act, a large number of Members of Parliament from both sides of the House have urged the Government to consider new methods and approaches to the whole issue of health care. The high cost of hospitalization has often been mentioned throughout the debates. Federal and provincial authorities were urged to find alternatives. In my opinion, it can be said the Department of Veterans Affairs has indeed been a leader in that field. The Aging Veterans Program meets their obvious needs, as it does those of elderly Canadians as a whole.

Mr. Speaker, I am sincerely convinced that the people who are concerned about the aging Canadian population and who are already making plans for the day when the majority of Canadians will be over 60 or 65 years old will review with interest and attention the results of that program administered by the Department of Veterans Affairs. Veterans will grow older faster than the rest of Canadians. By helping them today, we are preparing ourselves to help other Canadians, and a good many of our existing social programs were set up in the first place to help veterans and their families. I think that the Aging Veterans Program is in keeping with that tradition, and what we want to do today for those veterans is what we shall be doing tomorrow for all Canadians.

Mr. Speaker, the program I have just described is probably the last of a long series of measures Canada will have to take to fulfil its commitment towards veterans and their dependents. Our country looked after its veterans when they returned from the war zone. It cared for their war wounds. It helped them reintegrate civilian life, it gave them support when they were raising their families. Today, those veterans and spouses in many cases are or will soon be senior citizens. Canada has an opportunity to help them at the end of their lives. We owe them that much, it is a challenge we should meet.

Mr. Speaker, the War Veteran's Charter is a document that was prepared prudently by members from all parties in this House. It was supported from all sides. I am convinced the House will be happy to enact proposals that will add a noble chapter that will do credit to all members in this House, because I am confident they will unanimously support the bill.

• (1540)

[*English*]

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, I am somewhat puzzled as to how the House can get this Bill through this afternoon. We shared time on the two Bills that were here, but we had not foreseen that the NDP would waste so much time getting the Hon. Member for Spadina (Mr. Heap) thrown out of the House on a trumped up case of using unparliamentary language. That was time we could desperately use now to get this Bill through.

I would like to thank the Minister for his presentation of the facts about the Bill. No doubt his speech was prepared by senior departmental officers. Listening to it I found that it came through well and I believe some of the detail he has filled in will be useful to have on the record. Bill C-39 is the first piece of veterans legislation to be introduced by the current Minister of Veterans Affairs (Mr. Bennett). It is a shame that his other duties have precluded him from being here to speak on the final veterans Bill which this Government will ever pass. Part of the Bill is niggling in its attitude and a lot has been left out. If we were trying to get this Bill through the House in the normal course with its being referred to committee, we would have had an opportunity to move many amendments that we would like to have made to it. But in the interest of getting half a loaf rather than none, we are willing to forgo that part of the proceedings.

This Bill includes a number of provisions which address serious inequities in the way in which veterans of different age

groups, veterans' widows and orphans are dealt with under the current legislation. One of the good things is that the Bill gives veterans access to the legal assistance which they need in order to initiate appeals to the War Veterans Allowance Board, giving war veterans allowance recipients some of the resources available to veterans disability pensioners. The Bill includes a number of housekeeping measures which amend the Act in order to initiate the action which will integrate the War Veterans Allowance Program with the Old Age Security Program for all veterans over 65, and to do this by 1986.

The Minister's announcement of this legislation was coupled with an announcement that the Aging Veterans Program was to be made available to a larger number of veterans, and that some additional types of costs would be covered under the program. This is commendable, but we had expected considerably more. We expected to see some attention to the issue of eligibility for war veterans allowance for those who volunteered to serve their country but were not sent overseas. We hoped that the Minister would finally take action which would have permitted those needy Canadian veterans living outside the country to apply for war veterans allowance without incurring the expense of returning to Canada for a token 12 months. Those who can afford to come back to Canada for 12 months usually do not need the war veterans allowance as badly as those who cannot afford to come home for the year. We believed the Minister would remain true to his promise to increase the interest income deduction for veterans so that they would be able to save what they can without losing part of their allowance as a consequence.

● (1550)

This legislation does not accomplish any of these things. The Minister has made much of the fact that Bill C-39 will finally rectify an injustice which the Government formally recognized but did little about in 1980. Veterans under age 65, both married and single, have been receiving substantially less under the War Veterans Allowance Program than have their comrades who are over 65. In 1980, the Government decided to reduce the shortfall, which amounted to over $1,000 per year for married recipients, by the princely amount of $12 per month for these veterans each year for seven years. Now, after requiring these veterans to suffer through five years of these paltry increases, and a full year after the Minister promised to eliminate the shortfall, the Government has seen fit to do what should have been done in the first place—bring the WVA ceiling for veterans under age 65 to the same level as that which applies to their comrades over 65.

We have been calling upon the Minister for three full months to clarify his policy in regard to the GIS supplement increase. He has been unable to give a straightforward answer in the House or in committee. Now, less than a month before the first GIS increase of $25 is to be put in place, the Minister has finally announced his plans to pass on this increase to single veterans.

Many of the amendments to the War Veterans Allowance Act contained in this Bill are intended to make the provisions of the Act more equitable. One will reinstate the right of a widow to an allowance if a second marriage breaks down, without concern for the length of the second marriage or the reason for the termination. This is a commendable initiative on the part of the Minister. Traditional family structures are being challenged in our society and, as unfortunate as that trend may be, it is imperative that it be recognized and provision made for its victims.

A question arises with respect to this aspect of the legislation. We would like the assurance of the Minister that all veterans' widows will be eligible to take advantage of this provision, regardless of when a second marriage took place or was dissolved. In other words, we would like to know that those veterans' widows who are currently ineligible for reinstatement of their allowance because of the circumstances associated with the termination of the second marriage, will be eligible for reinstatement of their benefits on the day on which the Act comes into force.

The Bill provides, in addition to its duties under the Pension Act, that the Bureau of Pensions Advocates shall provide a counselling service and assistance to applicants for allowances and recipients with respect to appeals to the War Veterans Allowance Board. The Minister has recognized that WVA recipients are by definition unable to afford their own legal counsel in order to undertake appeals to the board. There is no indication that he has taken into account the fact that the Bureau of Pensions Advocates is encountering great difficulty in fulfilling its obligations to disabled pensioners who have been its clients in the past. To add to the mandate of the bureau, while at the same time failing to increase its resources, will result in the same sort of backlogs in the allowance appeals system as veterans are currently encountering in the pension appeal system.

The Minister will know that this matter has been raised in committee. The representative of the Bureau of Pensions Advocates was unable to indicate that the resources of the bureau had been increased. The Minister must ensure that neither disability pensioners nor WVA recipients are forced to wait months until their claims are adjudicated.

Another provision of the Bill will make it possible for a couple forced to reside apart by circumstances such as the need for hospitalization to receive WVA at twice the single rate. In fact, the Minister made public reference to the fact that he had implemented this very reasonable policy as long ago as May, 1983. Now he has introduced the legislation to put it in place. What has been the policy over this period and under what authority has the Minister been acting, one might ask?

Another provision in the Bill removes all reference in the Act to the level of interest income which can be earned by a recipient without a reduction in his allowance. Yet, in May, 1983, in speaking to the Pacific Command of the Royal Canadian Legion, the Minister stated that the proposal for an increase in the amount of allowable interest income was under close scrutiny. More recently, on March 14, 1984, the Minister

made a definite statement in this regard. In answer to a question which I put to him in the House, the Minister said:

> With respect to increasing the interest reduction, as I have indicated to the Hon. Member, I will be proposing a number of legislative amendments to the War Veterans Allowance Act as a follow-up to the study which was conducted over the past number of months, and a provision to increase the interest earnings deduction will be one of those proposals.

This Bill does not live up to the promises of the Minister. The interest earning deduction is not increased. The Bill simply deletes reference to the limit on interest income from the War Veterans Allowance Act. Henceforth, the limit will be set by regulation, and there is no indication that the Minister intends to increase the limit when he draws up the necessary regulations. We cannot be sure what the Minister's intentions are because, although these regulations will have to be in place when the Bill comes into force, the Minister has not made their contents known to the House.

The Minister has gone on at length about the increased flexibility which will be available to him when he is able to adjust the interest income limit without having to introduce legislation. Parliamentarians would be much more in favour of according the Minister the control he would like, if we had some reason to believe that he will be more prepared to amend regulations in the future than he has been to amend legislation in the past.

While we had been led to expect more from the Minister in some areas, the provisions of the Bill devoted to changing the way in which the Act is administered and to integrating the War Veterans Allowance Program into the Old Age Security Program for veterans over age 65 were unexpected.

The responsibility of the district authorities in adjudicating initial applications for WVA is to be transferred to the Minister or, more realistically, to officials of his Department in district offices. This represents a fundamental change in the principles governing the application and appeal system of the program, and it has a potentially negative impact upon the interests of veterans. The right of veterans to appeal negative decisions made by administrators is an integral component of the program and must be protected from political or bureaucratic interference, and it is not. Similarly, the rights of all veterans across Canada to a consistent interpretation of the Act must be safeguarded by both the Minister and the War Veterans Allowance Board.

One of the most serious and urgent issues associated with the War Veterans Allowance Program is completely neglected by this legislation. Specifically, no effort has been made to clarify or broaden the criteria for eligibility for the War Veterans Allowance Program. A couple of months ago I drew to the attention of the Minister the inconsistency in the decision of the War Veterans Allowance Board concerning the admissibility of travel to Prince Edward Island as service in a theatre of actual war. I suggested that it was time the whole concept of service eligibility was reviewed. After extensive discussion of this issue in committee, I had hoped to see some initiative in the Bill which would have clarified the matter once and for all. I would like to see all those who volunteered for overseas service and who served for a year or more made eligible to apply for the allowance without regard to where or in what capacity they served their country. Another omission from the legislation is any consideration for the needs of Canadian veterans living overseas.

In omitting to deal with these matters in this so-called overhaul of the program, the Minister is negligent in the performance of his duty. It is his duty to represent the interests of all Canadian veterans, including those who are unable to represent themselves. The Minister accompanied his introduction of this Bill with the announcement of a phased-in extension of eligibility under the Aging Veterans Program to recipients of war veterans allowance. I am pleased the Minister will be making the program more accessible to WVA recipients, but I should like to see this done immediately, without the four-year phase-in. All needy veterans over age 65 should be eligible now.

There are inconsistencies in delivery at the local level. The Minister cited administrative limitations as the reason for the decision to phase in the extension of the program to those veterans who need it most. We expect, therefore, that the Minister will take steps to ensure that a comprehensive policy manual will be designed to enable his officials to administer the program with a full understanding of its principles and a consistent application of the relevant regulations.

In his announcement which accompanied the Bill, the Minister made reference to the eligibility of disability pensioners who receive WVA or are unable to receive it because of their old age security benefits. One assumes that those disability pensioners who now receive assistance under the program will continue to be eligible. However, the Minister gives no indication that he is prepared to assist other disability pensioners to maintain self-sufficiency in their own homes.

Many elderly disability pensioners are not eligible for the Aging Veterans Program at present because their difficulties are not directly related to their pensioned condition. Disability pensions are deducted dollar for dollar from the war veterans allowance, so that single pensioners who receive a pension at the 60 per cent level are ineligible for WVA.

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. I see that we are approaching four o'clock, at which time we would normally adjourn government business for the day.

• (1600)

As my colleague from Victoria has pointed out, we are anxious to see this Bill go through all stages this afternoon, notwithstanding the delay we have been faced with on the business of the House. There have been some discussions. I have certainly discussed this with my colleague who is bringing forward a Senate Private Members' Bill in Private Members' Hour. There might be a disposition in the House to not see the clock to allow us to proceed through all stages on the understanding that, at the conclusion of this legislation, we proceed to Private Members' Hour, at which time, I understand, the Bill being presented by my colleague will also receive the approval of the House in all stages this afternoon.

Mr. Evans: Mr. Speaker, that is the understanding that has been discussed, that we would not see the clock and that we would continue. Certainly the Government is of the view that this Bill should receive all three readings today and be passed into law. We would ask that you not see the clock but that we proceed with all stages of the Bill now before us. Upon completion of the Bill, we will proceed to Private Members' Hour and deal only with the Senate Private Members' Bill. Upon completion of all stages of that Bill, we will adjourn the House.

Mr. Benjamin: Mr. Speaker, we agreed with the proposal made by the Hon. Member for Saskatoon West (Mr. Hnatyshyn) and the Member who just spoke on behalf of the Government. We are prepared for the Chair not to see the clock until we have completed both Bills.

Mr. Deputy Speaker: It is sometimes difficult for the Chair not to see the many clocks in the Chamber. Is it agreed?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: It is so ordered.

Mr. McKinnon: Mr. Speaker, I thank the House for its wisdom and generosity. I was speaking about the difficulty of disability pensioners. I can perhaps sum it up by saying that if their disability is 60 per cent, they are unable to get on the war veterans allowance, which in turn means that they cannot get the assistance allowance of up to $6,000 per year which might permit them to remain in their own home, as they could if they were on war veterans allowance. It is a kind of Catch-22 situation. The disability keeps them from getting WVA, which in turn keeps them from getting the assistance that would allow them to maintain their own homes, which would be cheaper for us all in the long run.

The Minister made reference in his announcement to the upgraded services to be offered under the program. A transportation allowance can now be paid to a maximum of $600 per year. What the Minister's announcement does not make clear is that all other maximum payments under the program remain fixed at the levels that were established in 1981. Statistics Canada figures for March, 1984 indicate that the dollar now has a purchasing power of 82.5 cents in comparison with the 1981 dollar. Veterans cannot pay 80 cents on the dollar for the home care or home modifications which they require.

There are some shortcomings in the Pension Act as a result of this which I would like to point out. Much has been made of the fact that this Bill amends the War Veterans Allowance Act to make it consistent with the Pension Act with regard to the treatment of dependent children and the right of veterans to legal counsel. No effort has been made to address other inconsistencies in these two pieces of legislation.

Under the War Veterans Allowance Act, the widow of a deceased veteran who had been receiving WVA at the married rate may continue to receive the allowance at this rate for a full year following the death of the veteran. This permits sufficient time for a bereaved spouse to recover from the emotional shock of her loss. Many fixed expenses, particularly housing, cannot be easily adjusted in the space of a month. Other contractual arrangements which have been made for the care of the veteran can only be terminated without notice by the payment of a penalty.

The Pension Act, which governs the payment of disability pensions and other special allowances to veterans suffering from medical conditions related to their service, does not recognize the needs of newly bereaved widows. Under these provisions, any pension or allowance received by a disability pensioner ceases to be payable on the first day of the month following the death of the veteran. If the Minister were to have addressed the inconsistencies in these two Act, he should have amended the Pension Act to ensure that the widows of disability pensioners receive the same consideration as the widows of war veterans allowance recipients.

We would like to see the full disability pension of the veteran continued for a year following his death in those cases. Similarly, we would continue the attendance or the exceptional incapacity allowance received by some of the most severely disabled veterans for a full year following the death of the veteran.

Another amendment of the Pension Act which we would have liked the Minister to have included in this package, and this is very important, would entrench the principle that the 100 per cent rate of disability pension should reflect parity with the average wage of five unskilled categories of public servants or the increase in the consumer price index, whichever is greater.

In 1972, there was mutual agreement by a joint government-veterans committee established by the Minister of Veterans Affairs that the disability pension at basic single rates would be tied to a composite of five unskilled categories of public servants' rates of pay. Since then the Government has passed legislation increasing the basic rate effective July 1, 1973 and July 1, 1978, aligning it with the average of these five categories. However, this is not enshrined in the legislation and the veterans have to come cap in hand to get it each time that they have fallen behind, often quite a distance; it has been up to $600 per year.

As far as the Dieppe veterans are concerned, we had hoped the Minister would include a provision in the Bill to increase the allowance payable to those Canadian veterans captured at Dieppe who were imprisoned for years under extraordinarily harsh conditions. We would like it raised to 40 per cent of the full disability pension. The Minister, and many other Members of this House, are aware of the studies by Mr. Justice Thane A. Campbell in 1953 and Dr. J. Douglas Hermann in 1973 which described the conditions endured by the Dieppe veterans. Now the Dieppe veterans are forced to demonstrate on Parliament Hill in an effort to make their needs known to the Government. The Progressive Conservative members in this House recognize the needs of these veterans and condemn the Minister for his failure to address this important matter.

We on this side of the House welcome this legislation. It is long overdue. It rectifies a number of serious inequities in the War Veterans Allowance Program. It neglects a number of other equally serious problems which we would have expected to see dealt with in a piece of legislation touted by the Minister as a major overhaul of the program.

This Bill does nothing for the veterans receiving disability pensions or for their widows. It completely disregards the serious problems which I have identified today and which other members of my Party have brought to the attention of the Minister in committee. The Minister's announcement made no reference to these disability pensioners. He did not even clarify their status with respect to the Aging Veterans Program. His silence on the subject of the long delays which these veterans are encountering in the pension appeal process is quite deafening. However, we are not prepared to delay passage of the Bill despite our reservations about its shortcomings.

We would have had a dozen amendments had there been time available. However, we are worried. We can see the calendar as well as the clock. This Bill must get through before the end of June. There are few days left. For that reason, I do not intend to present any amendments to the Committee of the Whole stage.

Mr. Les Benjamin (Regina West): Mr. Speaker, I agree with the Minister and the Hon. Member for Victoria (Mr. McKinnon) about the need to get this legislation through even though, as the Member for Victoria said, it is not good enough and does not go far enough. In light of the calendar, it is better to have this amount of the loaf than nothing.

I will touch on only two or three items. Before doing that, I draw to the attention of the House, and I know this will be greeted with agreement and approval, the contribution made since 1942, when our veterans were the Armed Forces, both in Canada and overseas being fought for, stood up for and advocated by the Hon. Member for Winnipeg North Centre (Mr. Knowles) who is in the Chamber today. He has spent many years working on behalf of the veterans of this country.

Some Hon. Members: Hear, hear!

• (1610)

Mr. Benjamin: Mr. Speaker, I would like to touch upon two or three points regarding the matter of war veterans allowances for those veterans who do not reside in Canada. I have never been able to understand the departmental reasoning behind requiring such veterans to return to Canada for one year in order to remain eligible to receive benefits. We received one answer to that question as recently as June 6.

My colleague, the Hon. Member for Beaches (Mr. Young), raised a question regarding veterans being denied the benefits received by every other eligible veterans simply because they cannot return to Canada and live in Canada for one year. Believe it or not, Mr. Speaker, the executive director to the executive assistant of the Minister of Veterans Affairs (Mr. Campbell) as quoted by the Hon. Member for Beaches, said that the only reason these veterans must return to Canada for one year is so that the Department of Veterans Affairs can get to know them. I would presume that the Department of Veterans Affairs got to know these veterans before it gave them a war veterans allowance.

Once a veteran qualifies for war veterans allowance, the country in which he lives is of no significance. Canada has reciprocal agreements with many other countries for old age pensions, guaranteed income supplements and Canada pensions among others. The place of a veteran's residence should have absolutely nothing to do with his ability to receive the war veterans allowance. I would be quite happy to stay here another 10 minutes so that the Minister could quickly draft an amendment to add to the Bill so that we may discuss it when we go into Committee of the Whole in a few minutes' time. Such an amendment would put an end to that kind of nonsense.

A problem that I have run into ever since I came to Parliament in 1968 and a problem that all other Members face is the length of time it takes for the Government to make decisions. It does not matter whether or not the decisions to be made deal with disability pensions, war veterans allowance or widows' pensions. It takes a great deal of time. I once dealt with a case that took four years to resolve. The Government finally agreed with the case as it was presented in the first place and the veteran received $28,000 in back benefits. However, it took four years for that to happen.

The Hon. Member for Kootenay West (Mr. Kristiansen) wrote to the Minister of Veterans Affairs (Mr. Campbell) on May 28, 1984. I must say in passing that I sincerely regret the Minister's inability, for whatever reason, to pilot his Bill through the House because it is so darn seldom that this ever happens and it takes so darn long to have a veterans' Bill put before the House.

My colleague, the Hon. Member for Kootenay West, wrote to the Minister on behalf of a veteran, Mr. Joseph Wrangler, who has been pursuing his settlement since 1952. That is more than 30 years. This veteran recently received a letter from the Bureau of Pensions Advocates in Vancouver, which was dated February 13, 1984. However, he received that letter on May 15, 1984. One immediately wonders about the efficiency of Canada Post, but it turns out that the delay was not the fault of Canada Post.

When the representative of the Vancouver office was questioned about why the letter took three months to reach Mr. Wrangler, his reply was that inexperienced staff were causing a backlog. The submission to Ottawa and the letter advising of it did not get mailed from the Vancouver office until a full two months after it was written. That is surely no way to serve veterans, whether their cases are justified and legitimate or not.

The Hon. Member for Victoria brought up the question of the means test and the matter of interest income. If a veteran is entitled to a disability pension or a war veterans allowance or if his spouse or orphaned dependants are entitled to such benefits, those benefits should be exempt from any kind of

means test. If, as rarely happens, the recipient of such benefits is extremely well to do, he will hopefully be paying a lot of income tax on all of his other income, regardless of its source. Surely such benefits which are paid to recipients by the Government of Canada should not be subject to means tests.

An interest income amounting to $500 a year is not extremely uncommon these days. If a veteran who is receiving benefits is able to save money and earn a few hundred dollars a year in interest, I submit that he should be able to keep that income without having anyone looking over his shoulder and hitting him up for payments under the tax system.

The benefits of a veteran who is drawing either a disability pension or war veterans allowance should have nothing to do with his benefits under the old age pension or GIS. The benefit that is received from the Department of Veterans Affairs should not be deductible from the GIS. Again, a recipient of benefits will pay tax on those portions of income that are taxable. Should a beneficiary of the Department of Veterans Affairs happen to be well to do, he will be paying taxes for other reasons.

I do not know whether or not the war veterans allowance should be integrated with the GIS and old age assistance plans. At first blush, I do not think that they should be integrated. Prior to coming to Parliament, I experienced such an integration where I was employed. We thought we would be able to receive the benefits of both a company pension plan and the Canada Pension Plan. We thought that they would be stacked, and they ended up being integrated, so we received a little bit of each instead of all of both.

It seems to me that any benefits that veterans are entitled to receive should be exempt from deduction from any other benefits like old age assistance, pension, guaranteed income supplement or Workmen's Compensation Board payments. Of course, incomes earned outside of those kinds of benefits will be taxed in the normal manner.

Although the Government has yet to act on it, we support, as do all Members of the House, the increase to the pensions received by the Dieppe veterans, and particularly those who were held in shackles as prisoners of war for months and months. We believe that even 40 per cent of the pension would be little enough. We are only asking that that benefit be raised from the present 20 per cent to 40 per cent. We can do no less than that for those veterans.

Finally, I would like to mention that just two days ago ceremonies were held and tributes were paid in this House, all over Europe and particularly in Normandy, regarding D-Day. It is not only D-Day that we were commemorating. It is a large number of other occasions, whether it was Hong Kong, Vimy Ridge, Dieppe, Normandy, Monte Cassino, Sicily or wherever. For those who did not come back, we must see to it that what they did was not done for nothing. We must see to it that those who did come back are entitled to more than what we are presently providing. Even though we are doing relatively well compared to other countries, it is nothing to brag about. Mr. Speaker, as sure as you are sitting there and I am standing here, if those who did not come back were here now, they would be saying on behalf of those who did come back that we must do more than what is done by this Bill.

• (1620)

If you walk, Mr. Speaker, among the gravestones of a cemetery of Canadian veterans, you will see that, whether they be 17, 18, 19, 21 or 22 years of age, they come from all parts of the country. There are English, French, Indian, Ukrainian and other names of the soldiers buried side by side. The first thing which went through my mind is that we must see to it that what they did was not done for nothing. Whether it is for peace or for the welfare and good order of our country, and most particularly the welfare of our veterans who did come back, we can do no less than that. This is the fourth, fifth or sixth occasion in 16 years on which we have dealt with amendments to veterans legislation. Every time it has been chintzy governments who have held back. They could find a lot more money to spend on a lot of other things. However, they always held back, chiselled, or would not do what Members from all sides of the House would have supported in record time.

I would like to comment briefly on the subject of our Indian veterans. Anyone who lived in rural Canada where there were Indian reservations knows about the activities over the decades of some, if not most, of what were then called Indian agents. Most, if not all, are now gone. The Indian veterans were inadequately treated, compared to the rest of the veterans, but treated even worse once they returned to the reserve. I know that there are not many involved, but even if there are only a few hundred, it seems to me that there is room for special consideration to make up for what was either prevented from happening or should have happened a few decades ago.

I hope we can deal with this Bill in the next few minutes. We will support it. It would be difficult, if not impossible, for the Hon. Member for Victoria or myself to move any amendments, because that would call for the spending of money and we are not allowed to do that. I just wish that the Minister who presented the Bill on behalf of the Minister of Veterans Affairs would bring in one or two minor amendments that would improve the legislation. If that could happen, the Government would be surprised how quickly the House would give its approval.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time, and, by unanimous consent, the House went into committee thereon, Mr. Corbin in the Chair.

Mr. Chairman: Shall Clause 1 carry?

On Clause 1—

Mr. McKinnon: Mr. Chairman, I hope this is the only time that I will rise during this stage of the Bill. I am sorry to have to put the House to so much trouble over one simple question.

Clause 1(10) of Bill C-39 amends the definition of the terms "widow" and "widower" in subsection 2(1) of the War Veterans Allowance Act. Subsection 2(3) of that Act describes those who may be deemed to be the spouse or the widow of a veteran as one who has been residing with a member of the opposite sex to whom he is not legally married.

There may well be cases in which a veteran has a legal spouse, for whom he has a legal or at least a moral responsibility, but has been living with another individual who is deemed to be his spouse under the definition of the Act. Clause 9 of the Bill amends Section 15 of the Act to enable the Minister to intervene in cases in which the recipient of an allowance is not maintaining any person for whom he has a legal responsibility.

What is the situation with respect to the payment of a widow's allowance in those cases in which the veteran has left a legal widow for whom he was responsible before his death as well as a deemed widow as described in the Act? I think there has been an omission which will mean that some veterans will have left behind two widows, and there would be a responsibility on the part of the state for both of those widows under the Act as it now reads.

Mr. Ouellet: Mr. Chairman, I understand that the Department is entitled to pay only one allowance. The general practice has been that the money would normally go to the person who spent the longer period of time with the veteran. In other words, if the second marriage had only been for a period of one year, and the first marriage had been for a period of 25 years, it is clear that the first widow would receive the allowance.

In cases in which the two widows have lived with the veteran for an equal number of years, that obviously creates a more difficult problem. However, in most cases I understand that the majority applies and the allowance would be given to the person who had spent a longer period of time with the veteran.

Mr. McKinnon: Mr. Chairman, I have no further questions.

● (1630)

Mr. Benjamin: Supplementary to the question just raised and the Minister's response, I know of a case which has been referred to the Department in which a veteran's widow, who is drawing benefits, has had her benefits split in half between herself and a previous spouse. The previous spouse is called "a divorced widow". I have checked with a couple of lawyers and have found that there is no such thing as a divorced widow in law. Before the veteran died, he had remarried, so how can the first wife be a divorced widow? Surely the second wife is the widow. But 10 or 12 years after the fact, after his death, the benefits drawn by that veteran were divided equally between a "divorced widow" who had already received a full property settlement, half of all the property, and $80,000 in cash settlements, and his real divorced widow. This is 12 or 14 years after the fact. How many divorced widows can a veteran have? It is not that they can do much about it after they have gone up to the great Flanders Fields, but how many divorced widows can a veteran have? Where does this end? There may have been some veterans who married and remarried three or four times and so there would be three or four widows. You are either divorced or are a widow, but you are not both. In this case the veteran remarried and, after some 10 or 12 years of marriage, he died, and his benefits are going to someone he would not have even seen for 15 years. Where does the Department get the jurisdiction or justification for that? It seems to me that if that veteran, or any others like him, had the funds to take you to court, they would probably win.

Mr. Ouellet: Mr. Chairman, obviously, if the Hon. Member is accurate in his facts and if the lawyers of the person could go to court and win, I am sure that they would go to court and win. I do not see this, therefore, as a case which is the rule. It is probably very unique and an exception. I even wonder if it is under this Act, if it is not under the Canada Pension Act. I would like to know more of the details of the case before giving an opinion. I appreciate the Hon. Member's point, but I would just like to find out if it is really a living case or a hypothetical case.

Mr. Benjamin: It is a living case.

Mr. Ouellet: If it is a living case, we will follow through on it and will see what can be done.

Mr. Peterson: Mr. Chairman, I appreciate the circumstances in which the Minister finds himself today, but perhaps his officials could be of some assistance. There are a number of senior citizens in Canada today who have come to our country from other countries which were allies of Canada during the Second World War. There are not a great number of these people. However, these people find they have to live in Canada 15 years before they can receive the pension which would otherwise be available to Canadians who served in the same circumstances. Many of these people find themselves in very impoverished circumstances. I am wondering if any thought has been given to changing the law so that these people can get their pensions sooner? Has any thought been given to the question of how many people would be involved in this particular group? I do not think it would be very many. Also, has any thought been given to what the additional cost would be to the federal Government to extend the benefits to these people after a shorter period of time of residency in Canada?

Mr. Ouellet: I am sure, Mr. Chairman, that the Hon. Member will be happy to learn that the period is ten years residency. It is no longer 15 years.

Mr. Peterson: I made a mistake. It is ten years. You are quite right.

Mr. Ouellet: Obviously, I will pass on his representations to my colleague who will look at the possibilities of further reducing the period of eligibility.

Mr. Peterson: The Minister is quite right, Mr. Chairman. It is a period of ten years now. I appreciate very much his support for this representation and I look forward to working with him and his officials in the future in order to be able to accomplish something constructive in this area.

Mr. Murphy: Mr. Chairman, like many Hon. Members, I suppose, I find myself in an awkward situation. I had hoped that this Bill would go through the normal process rather than be passed in one day without what I consider to be a very adequate committee study. I believe, like many Hon. Members of Parliament, that we do have individual situations where we would like to get the Government to move on some amendments. Obviously, if we are going to go with the procedure which was outlined earlier, we are not going to have that opportunity.

I also find it unfortunate that the Minister of Veterans Affairs is elsewhere and not in the House at this time. I know where he is and I recognize the importance of those celebrations, however, I do believe that there are a number of veterans and their families who are not receiving full justice from the House of Commons because of the procedure which we are following today.

My own father was one of the people who, I believe, was mistreated by the Department in the past. Both of my parents worked for the Deer Lodge Hospital when it was a Veterans Affairs institute. I used to visit them quite often and I got to meet many veterans who certainly felt that the Government did not have their best interests at heart. I regret that we are passing this legislation so quickly. This is the type of legislation which affects a number of people who very often do not have their concerns raised in the House of Commons.

However, I have a specific question. It is my understanding that people who served in the British Merchant Marine do not qualify for any veterans' assistance in Canada. I was wondering whether the Minister, or his officials who are before us today, could respond to that.

Mr. Ouellet: Mr. Chairman, in response to the Hon. Member I would like to say that indeed the Minister of Veterans Affairs (Mr. Campbell) is in Europe with an important group of veterans. He is participating in the ceremonies in Normandy. I am sure he would have liked to have been here in the House today to participate in the debate on this Bill. However, I believe that he and all the other veterans who are in Europe will be very happy to learn that Parliament today passed Bill C-39. This Bill will go a long way in helping a number of veterans and their families.

In relation to the Hon. Member's comments, I believe the answer to that is, no, they are not included. I will indeed ask my officials to review this matter and see what could be done in this regard.

Mr. Murphy: Again, Mr. Chairman, I appreciate the Minister's response. It is unfortunate that we do not have the "real" Minister—if I may use that term—here today. I recognize where he is and the importance of the occasion. However, I do believe that with a bit of effort the Government could have arranged its business in such a way that this Bill could have received fairly speedy passage on a day when the Minister was here and when we could have had some opportunity, perhaps, to convince the Minister of the need for amendments such as the one which, obviously, I would want to make in this particular case. I understand that people who served in the Canadian Merchant Marine do qualify for Canadian pensions. I understand that people who served with the British Army and Navy also qualify for Canadian pensions. It is obvious that people who now live in Canada who served in the British Merchant Marine had a very dangerous time of it. Obviously they should be given some consideration. The fact that we are dealing with this legislation quickly and without the Minister here means that we cannot make that type of presentation to the Minister and propose the necessary amendments which, I suspect, the Minister might have even favoured had he been here at this time.

• (1640)

Mr. Ouellet: I share the view of the Hon. Member that the timing of the passage of this legislation is probably a little awkward. I am sure that the Minister of Veterans Affairs would have wished to be here. The Hon. Member is one of the Three Wise Men who decide on the schedule of the House. He sometimes acts as House Leader for his Party with our own House Leader and the Opposition House Leader. Bill C-34, which deals with Labour Code amendments, will come before the House next Monday. It could have come today and Bill C-39 could have come before the House next week. That would have probably satisfied myself and would certainly have satisfied the Minister of Veterans Affairs. That is not the case. I am here today on behalf of the Minister and will be here Monday for my own legislation.

In relation to the specific question of the Hon. Member, I want to remind him that any allied veterans who have resided in Canada for 10 years can qualify. I hope this has not escaped him. Indeed, any allied veterans who have lived in Canada for 10 years can qualify.

Clause 1 agreed to.

Clauses 2 to 32 inclusive agreed to.

Title agreed to.

Bill reported, read the third time and passed.

Amalgamation of the Wesleyan Church of Canada

PRIVATE MEMBERS' BUSINESS—PRIVATE BILLS

[*English*]

THE WESLEYAN CHURCH OF CANADA

MEASURE TO ESTABLISH

Mr. Jack Ellis (Prince Edward-Hastings) moved that Bill S-15, an Act to provide for the creation by amalgamation of the Wesleyan Church of Canada, be read the second time and, by unanimous consent, be referred to a Committee of the Whole.

He said: Mr. Speaker, I am particularly pleased and indeed proud to be the sponsor in the House of Commons of Senate Bill S-15, which is an Act to provide for the creation by amalgamation of the Wesleyan Church in Canada. The purpose of the Bill is to provide a legislative framework under which two churches, the Pilgrims Holiness Church of Canada and the Wesleyan Methodist Church of America in Canada, may amalgamate their corporate structures. I should make the point in passing that ecclesiastically, these churches have been joined for some time. What I as sponsor and the principals of the two churches are requesting of the Commons today is the legislative completion of their bonding.

I want to put on record a brief explanation of the two churches which are requesting this legislation. It is interesting to realize how the teachings of two English church priests, John and Charles Wesley, have spread. Last weekend in Belleville I took part in the one hundredth anniversary of the United Church of Canada which also amalgamated portions of, or branches of, the church which they helped to form.

The Wesleyan revival that swept England under the leadership of John and Charles Wesley in the years following their conversion to Christ in 1738 were extremely interesting. Both Wesleys were ordained priests of the Church of England. It was not their intent to originate another denomination. However, the major portion of those touched by their teaching were from the lower working class without any formal religion and mostly illiterate. Largely rejected by the Church of England, the Wesleys and their followers formed Methodist societies, a name derived from their methodical approach to the instruction of their converts. The Methodist societies maintained some connection with the Church of England until the death of John Wesley in 1791, after which they organized under the name of the Wesleyan Methodist Church.

At that time England was experiencing the beginning of the Industrial Revolution. Some historians have gone so far as to credit the moral, political and social reforms that arose from the Wesleyan revival with saving England from the blood-bath that was the French Revolution. Even then, when they sent out missionaries from England initially to the American colonies, they represented the lower-class people.

● (1650)

In 1839, a large anti-slavery group within the Church made representations against slavery at the general conference and was expelled from the conference by the bishops. This group formed the Wesleyan Methodist Church of America in 1843. They then stepped further away from the episcopal government of the Church to adopt a more congregational government.

The men and women who originally formed the Methodist Church of Canada, which ultimately became the founding of the United Church of Canada, came with the arrival of the United Empire Loyalists. In addition, English missionaries arrived representing the Wesleyan Methodist Church of England. The congregation that is involved in this private legislation today, was the third wave of Methodism to arrive in Canada, the Wesleyan Methodist Church of America in Canada. Its missionaries arrived to carry out their evangelical duties in the Ottawa Valley in the 1890s, and the resulting Church was incorporated 50 years later by a private Act of the Parliament of Canada.

The Pilgrims Holiness Church of Canada is an heir to the Holiness Movements associated with early Methodism in the Wesleyan Church of America and its growth in the pioneer camps. Out of the Holiness Movements arose many independent churches and groups. The growth of their number increased inversely with the decline in emphasis on holiness in the Mother Church. Later, many of these independent churches and groups, all Methodist in doctrine and tradition, were to convene and merge for their mutual supporting growth. One denomination that emerged was the International Holiness church based in Agusa, California, a Church whose doctrine continued to emphasize the evangelical and holiness aspects of historic Methodism. In Canada, the International Holiness Church fathered congregations principally in western Ontario. These were incorporated by letters patent under the Companies Act of Canada in 1920. The International Holiness Church in the United States has since become the Pilgrims Holiness Church. The Canadian Church became, in 1928, the Pilgrims Holiness Church of Canada.

In 1968, the Wesleyan Methodist Church and the Pilgrims Holiness Church voted to merge both in the United States and in Canada into one Wesleyan Church. The ecclesiastical merger was consumated immediately, but for various reasons the legal perfection of the merger in Canada has had to wait until this year, and indeed until this day. The Bill, which I am pleased to sponsor today, is the legislative measure necessary in order to allow the merger to take place in law.

I am all the more pleased at being asked to sponsor this piece of legislation as the Reverend Walter Jewel, President of the Wesleyan Methodist Church of America in Canada, the Pilgrims Holiness Church of Canada, and District Superintendent of the Wesleyan Church of Canada, has been a personal friend of mine for many years. I knew Walter Jewel many years before he became the Reverend Walter Jewel, and I have cherished him as a friend ever since. I am pleased to tell the House that his dedication to his tasks and in the service of his constituents is far greater, in my opinion, than that of any Members in this House, including myself.

While it is unlikely that any Members of this House have had an opportunity to deal with this Bill in any depth, I want to spend a few moments on the details perhaps to forestall any questions that might arise.

For some moments last week there was brief concern that a church in New Brunswick bearing the same name might raise a conflict, but that church has now indicated in writing that it will not only allow the name to be used, but indeed will dissolve its charter and become part of the new church. I should also point out that the Bill does not amalgamate the two corporations but, rather, allows them to amalgamate. Within a certain period of time they have to file their amalgamation with the Ministry of Consumer and Corporate Affairs in a form acceptable to the Minister. Because of this, by-laws have been pre-cleared with the Department so that there will be no delay in this regard.

It was pointed out in the Senate committee, where I attended earlier this week, that, historically, theologically, and organizationally, the two Churches are exactly the same. They operate under a common book of discipline which carries over 44 districts in continental North America and approximately 130 congregations with 8,000 adherents. The final authority of the Church really rests with the local churches since it is a representative type of government and elected from the bottom up, rather than the top down. From Canada now they do send missionaries abroad working through the International Fellowship of Wesleyan Churches in approximately 34 countries.

Once again I want to say how pleased and honoured I am to have been asked to sponsor this Bill in the House of Commons, and I ask my colleagues to join in giving this Bill passage through all three readings this afternoon so that Reverend Walter Jewell, who is in the gallery this afternoon, may take it to their quadrennial general conference which convenes next week and report there the final legal joining of these two Churches in Canada. Thank you, Mr. Speaker.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, the House went committee thereon, Mr. Corbin in the chair.

Clauses 1 to 10 inclusive agreed to.

Preamble agreed to.

Title agreed to.

Bill reported, read the third time and passed.

* * *

BUSINESS OF THE HOUSE

Mr. Evans: Mr. Speaker, I rise on a point of order. Given that we completed Bill C-39 earlier this day, I should inform the House that that has some impact on the order of business for Monday. The business for Monday will now be Bill C-34. The back-up Bill will be Bill C-10.

• (1700)

Mr. Murphy: I presume that Bill C-10 is the Divorce Bill. Now that we have just performed a civil marriage between two churches, we will be dealing with divorce in the latter half of Monday. Is that correct, Mr. Speaker?

Mr. Evans: Mr. Speaker, if that is the offer of a deal, then certainly if the Hon. Member wants to handle Bill C-10 in all stages during the latter half of Monday, we are prepared to go along with that.

Mr. Nickerson: Mr. Speaker, originally the back-up Bill that was to be brought in on Monday was the Bill dealing with the financing of the Freshwater Fish Marketing Board. Is it still the intention of the Government that the Freshwater Fish Marketing Board Bill be dealt with during this session of Parliament?

Mr. Evans: That is the information I have, Mr. Speaker.

[*Translation*]

Mr. Deputy Speaker: Order. The time for consideration of Private members' business has now expired.

It being five o'clock, this House stands adjourned until Monday next at 11 a.m., pursuant to Standing Order 2(1).

The House adjourned at 5.01 p.m.

HOUSE OF COMMONS

Monday, June 11, 1984

The House met at 11 a.m.

• (1110)

GOVERNMENT ORDERS

[*Translation*]

CANADA LABOUR CODE

MEASURE TO AMEND

Hon. André Ouellet (Minister of Labour) moved that Bill C-34, an Act to amend the Canada Labour Code and the Financial Administration Act, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

He said: Mr. Speaker, I have the honour of tabling for second reading the proposed amendments to the Canada Labour Code. I must emphasize that these proposals are the result of close and, I would say, very successful consultation with labour organizations and employers' associations.

Mr. Speaker, the Canada Labour Code is the main body of federal legislation that governs the very important business of work. The Canada Labour Code has always shown the way for all other labour legislation in this country, and other official authorities have always used it as an example in drafting their own legislation. Some 600,000 workers are subject to the provisions of the Code, and I am referring to the provisions on occupational safety and health.

Mr. Speaker, we acknowledge the responsibility we have as the leader in this field, and in doing so, we are aware of how important it is to present legislation that considers the obligations of employers and the rights of employees, the need for modern labour standards and the incredible rate at which the job environment and the labour force in Canada are changing, the possibility of letting the collective bargaining process take its course but also the legislated intervention that is available to us. However, Mr. Speaker, the balance we are seeking cannot be imposed, either through legislation or any other means.

I repeat that the amendments we are proposing today are the result of close consultations, during which these proposals were discussed at length with labour and management representatives. The amendments were prepared in co-operation with experts in the field. They have been the subject of discussions, negotiations, revisions, and finally, I would say, of an agreement. Mr. Speaker, all this took time. I do not think it was time wasted, because I believe that today, in the House, we have a piece of sound legislation in which the interests of all Canadians are served to the best of our ability. We have, I repeat, been able to balance the interests of workers with those of employers, at a time when it is imperative for our economy and Canada's industry that all parties should work together.

Last Tuesday, on June 5, I gave a fairly complete summary of the main clauses of the draft amendments to the Canada Labour Code. I do not intend to repeat today all the points I have already explained. A transcript of my comments may be found in *Hansard* of June 5, 1984, on pages 4363, 4364, 4365 and 4366, where Hon. Members will find a detailed description of the amendments to three parts of the Canada Labour Code, namely Part III, Part IV and Part V.

• (1115)

Without wishing to repeat the explanations I gave last week, Mr. Speaker, I would like to spend some time this morning on the proposed amendments to Part IV of the Canada Labour Code, which deals with occupational safety and health, one of the major concerns of the labour world today, which requires urgent action. According to the preliminary data for 1982, in Canada more than fifteen million work days were lost because of accidents on the job and occupational illness, which is more than two and one-half times the number of days lost owing to strikes and lock-outs. The amount of compensation paid was nearly $2 billion in 1982; this does not include the indirect cost, estimated at an astonishing $7.8 billion, which, Mr. Speaker, is hardly something for this country to be proud of. Aside from the obvious human suffering, it is clear that the impact on the economy and productivity is enormous. Since regulations and inspections provided by the Government to improve occupational safety and health have their limitations, it is becoming increasingly necessary to obtain the active co-operation and direct participation of labour and management in the regulatory process.

Mr. Speaker, with this legislation the Government hopes to give both management and labour an opportunity and the requisite motivation for increasing their involvement in occupational safety and health programs set up in the work place itself. We earnestly hope to create a climate in which all participants will work together to resolve occupational safety and health problems.

Mr. Speaker, we are committed to making some very real progress in this area. First of all, we believe that all workers

under federal jurisdiction should enjoy the same rights with respect to occupational safety and health. At the present time, the federal Government's legislative authority is based on a large number of Acts, which engenders uncertainty and creates considerable differences in the type of protection offered to workers. Repeatedly various groups have tried to put an end to this fragmentation, and I am thinking of the Special Committee of the House of Commons on Regulatory Reform, the Economic Council of Canada, and a number of labour organizations.

To correct this situation, the Bill before the House today provides that occupational safety and health provisions will apply also to all employees under federal jurisdiction. Mr. Speaker, this means that about 300,000 more employees will now be protected under Part IV, if the Bill is adopted. In fact, what we are proposing is that Part IV of the Canada Labour Code should now cover all employees in marine, air and railway transport and all employees working for interprovincial pipelines or on offshore oil rigs on the east and west coasts and in the North.

Needless to say, the existing procedures for ensuring safety of operations and public safety remain unchanged. Furthermore, the federal Government proposes to amend the Financial Administration Act, in that as far as occupational safety and health is concerned, the federal Government will no longer be a self-regulating employer. For the first time, the Government of Canada, in its capacity as an employer, will be subject to the rules imposed by Parliament on other employers. Consequently, Canadian public servants will enjoy the same rights as employees in the private sector.

• (1120)

Although they are important, the proposed changes are, I feel, only the first step towards creating a climate of cooperation at the national and local level, with a view to preventing accidents in the work place and occupational illness.

At the national level, involvement in developing programs will be increased through the creation of an advisory council, composed mainly of union and management representatives. Its mandate will be to advise the Minister of Labour on policies, the administration of the Act and the development legislation.

At the local level, direct involvement in the compliance process will be achieved through joint safety and health committees. A few committees are already in place. To broaden representation and consultation in this area, the Bill before the House today provides for the establishment of committees in all businesses where twenty or more workers are employed. The committees shall be composed of an equal number of employer and employee representatives. In cases where the nature of the work is relatively risk-free and it is possible to prove there is no risk of accident or illness, exceptions may be considered.

Mr. Speaker, I must say that these compulsory committees will have a very important role to play in encouraging employers and employees to recognize their responsibilities and to make an effort to prevent accidents in the work place.

In small businesses with fewer than twenty workers and where committees are not compulsory, we still want a representative to be appointed who will act as liaison officer between employees and the employer. With more or less the same powers and responsibilities as the committee, the representative shall ensure that employees participate as required in resolving occupational safety and health issues.

Another amendment to Part IV concerns the right to refuse to work in case of imminent danger. When in 1978, it was suggested that workers be given the right to refuse to do work that might put their safety or health at risk, there was some concern that there might be abuse. That I think explains the very conservative wording of the Act.

However, experience at both federal and provincial levels has shown that workers have exercised this right responsibly. However, the wording of Part IV, and especially the expression "imminent danger", has created some ambiguity as to the kind of work one might refuse to do. For the sake of clarity, we are proposing in this Bill to delete the qualifier "imminent" while the word "danger" will be defined in the Definitions section of the Act.

Furthermore, provisions concerning normal occupational risks and cases where public safety takes precedence over the exercise of this right have been reformulated to be compatible with the expanded application of the Act.

The provisions concerning enforcement, as well as the administrative policies with respect to those provisions, have been revised to improve compliance with Part IV and thus prevent accidents in the work place and occupational illness.

Those legislative provisions have been drafted so as to take into consideration the Canadian Government's policy to decriminalize federal laws. In keeping with that policy prepared under the auspices of my colleague, the Minister of Justice and Attorney General of Canada (Mr. MacGuigan), the Government undertakes to limit its recourse to the Criminal Code.

Therefore, Part IV will promote among employers and employees voluntary respect for the law and the joint settlement of issues. If need be, the provisions concerning respect for the law will also be reviewed so that they will be used more properly.

We firmly believe that work safety problems will be solved and accidents at work considerably reduced through good will and joint responsibility of both employer and employee. No matter what kind of legislation we have, it stands to reason that accidents cannot be eliminated through laws, but we feel that the approach we recommend in this Bill is good and will

enable Canadians to reduce absenteeism through improved work safety.

Mr. Speaker, I repeat that all the amendments I have just mentioned concerning Part IV as well as others to Parts III and V are the result of long consultations with unions and businessmen. Their purpose is to promote even more the spirit of cooperation and the sense of responsibility among all parties concerned.

Mr. Speaker, these amendments to the Canada Labour Code have been the subject of several interventions in the House last week and we have heard quite a few comments about them both inside and outside the House. Many people are waiting and hoping that the amendments will be adopted. I think it is fair to say that the amendments we are proposing are not only desirable and necessary, but that they are also quite appropriate. We can only conclude that they have drawn wide support both inside and outside the House.

Therefore, Mr. Speaker, I have no hesitation in strongly urging Hon. Members to adopt them as quickly as possible so that they will become part of the Canada Labour Code.

• (1125)

[*English*]

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, it is with regret that in studying this Bill we have come to the conclusion that it does not adequately address the concerns of Canadians regarding health and safety, and that it fails to address the concerns of women in the workplace. As well, the Bill provides no hope for the unemployed youth of this country and fails to recognize the rapidly changing nature of the workplace, particularly with respect to technology. If it fails in these four basic objectives—health and safety, technology, women and youth—it is not much of a Bill. That is my opinion of the Bill. That is my assessment of the Bill in its broadest terms.

• (1130)

This Bill is not a blueprint for labour, for business, for productivity or for Canadians. It is unsuccessful and a disappointment for Canadian workers and Canadians as a whole. It does not project the kind of future for our workplace we must have to meet the basic aspirations of all Canadians. It seems to me that what we are discussing today is a labour amendment code, and "code" is a very significant word because, surely, it suggests a type of guideline, a statement of values which points in a direction towards those values. A code should lead and be a strong statement of principle and direction; it must arise from current conditions in the workplace today and point towards conditions as they ought to be. I suggest it does neither.

This Bill is brought before the House of Commons, before the people of Canada, at a time, Mr. Speaker, when labour, our working Canadians, are concerned. They are concerned about jobs, about the creation of new jobs, and that those new jobs will be secure. In other words, those who are on the unemployment rolls want some hope of a secure job, not a six-week, 11-week or 12-week make-work program. It is not the hope of the unemployed that they survive for six weeks or 12 weeks. Their hope is that they can find a secure job which projects towards long-term, permanent employment.

Is this Bill pointing in the direction of giving job security to Canadians? I do not believe so, and it is a disappointment that it is not. Canadians are reaching out for jobs now. They want some leadership from the Minister of Labour (Mr. Ouellet). Instead they will get a minor extension of social benefits, a wishy-washy definition of sexual harassment, and little else, Mr. Speaker.

Canadians want job creation and job security. To get that job security we have to be assured of stability in the workplace, minimal work stoppages and strikes. How do we do that? We do that when in fact labour feels it is being treated in a just and equitable manner and when management feels that labour is trying to increase productivity at a time when productivity is decreasing. These are the kinds of conditions which have to exist and we must have a code, a guideline, which encompasses major labour code amendments. We have 1.5 million unemployed Canadians today, according to statistics, but that really represents only those who are looking for work. It does not represent—as has been revealed in the House of Commons—those on welfare, those who have ceased to look for work, who have just given up—

Mr. Darling: It does not even represent part-time workers.

Mr. Wenman: —and those part-time workers. The Minister made the excuse that our youth are lazy. What a pathetic condemnation! Our young people are not lazy. In fact, the current generation have a new work ethic instilled into them. There may have been drop-outs in the 1960s and 1970s but our new generation has concern and conviction. They want jobs and are willing to work hard at those jobs. That is how the majority of our young people feel today.

By the Minister's own statistics there are 800,000 young people with no jobs and with no hope of finding one in our country today. Labour is very concerned about that problem. How do we create a labour code, a guide, which will give hope to those young people? There must be a guide and direction for the labour force which will exist in the next five years and ten years.

In his speech the Minister did not talk about that, Mr. Speaker. He failed to put forward a guideline toward hope and opportunity for our young people. That is not to say that the opportunity cannot be there; but you have to create through the Labour Code those conditions in order to increase the capacity to produce through a working and expanding labour force.

Right now the labour force is chasing after a declining amount of work. So instead of the hope that somehow we are going to have an expanding economy, a larger pie with more jobs, we have a labour climate whereby labour itself is saying that the pie is getting smaller, more people will have to work fewer hours, and we will have to recognize that fact. But that

is not the answer. The answer is that we must increase our productivity to create more wealth and power. Since this Government has come to power, Mr. Speaker, Canada has dropped its share of world trade by about 3 per cent, and 1 per cent of world trade represents a half million jobs. Three per cent represents 1.5 million jobs. That decline in world trade, that failure of this administration, is a major reason why we do not have an expanding economy and enough jobs.

There should be some hope in this Bill that we will have a safer workplace where there are not so many injuries with the accompanying loss of production hours. We should provide adequate social benefits so that people feel they are receiving justice and equity in the workplace. If we can create those kinds of conditions we will enhance productivity and inspire our workforce to meet that challenge. We can, in fact, accomplish those kinds of things, and if we can give confidence to our workers so that they believe it, and if we can regain our share of world trade, then we will be able to create the kind of labour climate where management can increase its profits, where labour can increase its wages and social benefits, and where our nation can again take its rightful place in the world economy. And I am not only suggesting that we can do just as well as we did before this Government came to power. I feel we can do more than just as well; I believe we can do better.

● (1140)

Our workforce is better educated. Unfortunately, it is not better trained to understand the reality of changing technology. Technology should be boosting this nation through research and development but it is not. The impact of technological change is a burden on our society instead of lifting it into the next century. This is where it really starts—the vision of more jobs in an expanding labour market, better working conditions, better wages and more profits for all elements of the workplace. But there is not hope, not from this Government. It has created the conditions I have described today. To quote from the Vancouver *Sun*:

> At 30 years of age, Richard Bell of Castlegar can't remember the On-To-Ottawa trek by unemployed workers in 1935, but he has heard a lot about it from some of his neighbours who did make the long journey. Bell, himself an unemployed carpenter, is the spark plug of a new expedition by the jobless—this time dubbed the Off-To-Ottawa trek—that is preparing to leave Vancouver June 8.
>
> Their goal is to arrive in Ottawa June 14 in time for the Liberal leadership convention, to convene a "gathering of the unemployed" to lobby the politicians for a jobs program.

They are coming here to lobby us for a jobs program, Mr. Speaker. That is what this is supposed to be leading to and setting the tone for. Canada will soon go to the polls and the number one campaign priority will be, as the Hon. Member for Central Nova (Mr. Mulroney) noted, "jobs, jobs, jobs" and the economic climate which first has to be created to allow jobs to happen. The Minister and his Government have failed to give that inspiration and leadership in the form of legislation. To go out in the country and meet with the leaders of our union and business communities, to inspire them to achieve what can and must be ours; to create a positive attitude through labour, management and government working together in a co-operative manner building towards those national goals; that is what the Government should be doing.

I can go into considerable detail, and I will cover some of those areas in a moment, but I want to say that I am pleased the Bill has come to second reading. There seems to be general agreement that it should go to committee where we can hear from those concerned. It has been suggested that everyone seems to go along with this. Well, what is seemed to go along with is something that is very little. I think when we get into committee we will find in this Bill many loopholes and areas which need change. Perhaps through that democratic process there will be some changes to make this legislation somewhat more acceptable. But there is not the time to develop the direction that Canadians need to underpin any code.

The Minister suggested that everyone thinks this Bill is a good one; therefore we should proceed quickly and pass it as it is. I do not think that is necessarily so. I, too, have received telegrams, not just the two in favour, and I think those should be recorded. I have a telegram here from Shirley Carr of the Canadian Labour Congress. She is an important spokesperson for labour in Canada and I recognize that importance by reading her telegram first:

> I have to bring your attention most urgently to the following emergency resolution passed unanimously today by the 2300 delegates at the 15th biennial convention of the Canadian Labour Congress in Montreal.
>
> Whereas Bill C-34 . . . was introduced in the House of Commons on May 15th, 1984 and;
>
> Whereas the NDP have consistently supported the adoption of this health and safety legislation before the end of the session, and;
>
> Whereas the Government and the Official Opposition have failed to promote the passage of this legislation before the end of the session . . . to give the health and safety of Canadian workers the highest priority and commit themselves to adopt Bill C-34 before the summer recess.

I can agree with that last paragraph, Mr. Speaker, all the way through. We should try and pass such a bill. It is with some regret that we have to have the partisan format, and I would plead with the CLC to make labour issues less and less of a political issue and more and more of a national issue. I am not going to get into the partisan criticism implied by the telegram except to express regret for that part of the telegram while I agree with the substance.

I have another telegram, this time from Don Montgomery, regional action co-ordinator, Public Service Alliance of Canada. It reads as follows:

> On behalf of twelve thousand members who work throughout southern British Columbia for the federal Government and are members of the Public Service Alliance of Canada we urge you and your colleagues to pass Bill C-34 without further delay. It promised us legal health and safety protection. There are only a few days left in this session. We do not want to be denied this protection which we badly need. You have previously received the Public Service Alliance of Canada "black paper" and we are certain you will agree the health and safety of Canadian workers should not be a partisan political issue. Put aside party politics and adopt Bill C-34.

I think that is a positive telegram, in keeping with the spirit which should exist here today, and I commend those who sent it. But the Minister only read the supportive telegrams. He failed to read the others; I know he has them because I have copies of what was sent to him. The first is from Mr. Masters, chairman of FETCO, who said:

It is our understanding that Bill C-34 will be before a parliamentary committee in the near future and FETCO members in the airlines, trucking, marine, longshoring, rail and communications sectors would all like to be heard before the committee concerning the principles of Bill C-34. It would be appreciated if you would advise us with whom to communicate on this issue.

I hope we will hear these groups as they have requested and in the manner they have requested, and I will certainly be recommending that to the committee. The next telegram comes from the Canadian Federation of Independent Business, which says:

The Canadian Federation of Independent Business is extremely concerned about reports that you plan to pass the proposed amendments to the Canada Labour Code without referring them to a parliamentary committee for public input. Given the devastating implications for job creation and productivity contained in several of the measures, business representatives and other concerned citizens must be given the opportunity to comment on these measures. After all, the proposed amendments were only tabled on May 15th.

We spoke of the late timing and tabling of this Bill in an earlier debate. The telegram continues:

The debacle of the November 1981 Budget illustrates the problems created by proceeding with legislation without adequate public input. Your press release announcing the proposed amendments, describes the proposals as "the culmination of extensive consultation", but we were never consulted.

I would appreciate your undertaking that these serious measures will receive the usual careful parliamentary committee review.

It is signed by Jim Bennett, Executive Director, Legislative Affairs, Canadian Federation of Independent Business. I want to hear his views, Mr. Speaker, because he is concerned that there are devastating implications for job creation and productivity. I know the workers of Canada want job creation; they want to increase productivity because they recognize the benefits which flow to society as a whole. I know that they want these things. If there are devastating implications, as is indicated here, I hope they will in fact be heard so we could make our own judgment as to these devastating implications.

● (1150)

The next telegram comes from R. M. MacIntosh, President of the Canadian Bankers' Association. The telex states:

—the chartered banks consider Bill C-34 such a major piece of legislation that it is imperative that employer and employee groups be given every opportunity to comment at the committee stage.

As a major employer of over 150,000 Canadians, vitally concerned with the implications of this Bill, the chartered banks seek your assurance that full consideration will be given to our request to present a brief and to others wishing to appear before the committee to express their views.

I have another telegram from Roy A. Phillips, President of the Canadian Manufacturers' Association. It states:

The Canadian Manufacturers' Association has reviewed and analyzed Bill C-34, an Act to amend the Canada labour Code. Because the Bill proposes substantive amendments to the code, which will have significant implications for private and quasi public employers, it should be subject to thorough assessment and analysis by members of Parliament and by interested and affected parties, before passage. Therefore, CMA urges that following second reading Bill C-34 be referred to the House of Commons Standing Committee on Labour, Manpower and Immigration for detailed study. Interested organizations should be invited to appear. CMA requests the opportunity to present our views to the committee regarding the following matters:

—The cost, extent, application and feasibility of proposed new labour standards,
—The extension of compulsory arrangements under occupational health and safety and the expanded right to refuse dangerous work,
—Impact on collective bargaining and individual rights, and ways in which stability could be improved.

It is imperative that these groups be heard, whether it is labour or various sectors of the business community. For that reason I have read all of the telegrams that I have received into the record. I know that the Minister has received many more. I read them into the record to emphasize that it is important that we get an input from the public.

On that basis, I am hopeful that these measures will pass second reading stage today so that we may proceed to the committee stage. Hopefully we will hear their true concerns about these measures at committee stage and that, time permitting, this legislation can come back to the House of Commons for a final decision.

I and my Party look forward to these measures going to the committee. We look forward to hearing the representations of all interested parties and to hearing their views on improving this legislation. As far as we are concerned, we are willing to meet as often and as long as necessary to complete such hearings. I look forward to discussing with the chairman how these matters may be dealt with.

I have further considerable information on various aspects of this Bill that I was going to put on the record. I have already talked about youth unemployment to some degree. In addition, there are the ramifications of technological change. The Conservative Party has not simply talked about these major concerns but has studied these concerns as a result of the establishment of a task force which investigated and reported concrete steps that the House should be taking in recognition of technological change and the necessity of retraining. My colleague from Calgary led that task force. He will report on the implications of technological change and what must be done to meet those changes. This is an important aspect of this legislation that must be discussed in committee. I will leave it to my colleague to discuss the ramifications of these technological changes.

Another extremely important aspect of this legislation concerns women's issues in the workplace. The Canada Labour Code is of great concern to the women of this country who are often the first victims of cut-backs. Women are presently a great resource in the Canadian workplace. As our population ages we will increasingly need that resource in the workplace. Therefore, retraining and working conditions for women is an important issue not only to women but to the entire nation. It is extremely significant to recognize their input and to give them special consideration and concern.

My colleague, the Hon. Member for Kingston and the Islands (Miss MacDonald), who has been a strong advocate, a strong leader and a strong voice in understanding and expressing these concerns, will demonstrate that care today. She will demonstrate the importance of women in the workplace and describe their great potential. We must recognize the potential of all our workers, be they young workers who face no hope

and no jobs, middle-aged workers who perhaps are only forty years old but have been unemployed and fear that they will never be employed again, or older workers who recognize that they have much left to give from their experience.

Will there be places in our labour force for these people? How will we adapt our workplace? These are issues for which leadership should be coming from the Minister and the Government. However, it is that failed government and failed leadership that have resulted in our current unemployment levels and the desperation that exists in the labour force of Canada. That desperation has not been addressed by this legislation and has not been addressed in Parliament.

I do not want to delay the House for long today because I want to move this Bill to committee where we can hold hearings. I appreciate that the Bill has been brought forward by the Government but I wish that it had been brought forward sooner. Of course, we will deal with it now as best we can and in a manner that is just, equitable and fair to Canadians and the Canadian workplace.

Mr. Rod Murphy (Churchill): Mr. Speaker, in opening debate on Bill C-34 on behalf of the NDP, let me reiterate what we have said a number of times in the House. We are in favour of the passage of this legislation prior to the June recess for two obvious reasons. First, there is no guarantee that we will be back after the June recess.

Mr. Hnatyshyn: With NDP, I can believe that.

Mr. Blenkarn: The NDP will not be back.

Mr. Murphy: I can understand the humour that certain Conservative spokesmen feel toward this labour legislation but it is a very serious piece of legislation to us.

Mr. Blenkarn: It's you.

Mr. Murphy: While the jackal to my right continues to heckle, I will continue with my serious speech.

As I was saying, the passage of this important legislation is necessary because it will protect workers' health and safety. It will protect the lives of workers in Canada. We recognize that with less than three weeks before the June adjournment, with every possibility of an election either this summer or fall, this legislation must pass in the next two and a half weeks.

The offer that has been stated a number of times by our House Leader, the Hon. Member for Hamilton Mountain (Mr. Deans), is that we would deal with this legislation at second reading in one day. We would refer the matter to committee for extensive study, with public presentations from management and labour, but we would guarantee the legislation coming back to this House for final disposition before the adjournment on June 29. That is the essence of the House order. It allows for public participation, amendments and discussion. It guarantees that this House will deal with this important legislation. I again ask members of the Liberal Party and the Conservative Party to stand up in this House and say that they will guarantee that this legislation will pass prior to the June recess.

• (1200)

As I said earlier, this legislation deals with health and safety. It deals with people's lives. For the last four years Canadian labour spokesmen and workers have been waiting for this legislation. It is unfortunate that we are dealing with it on June 11, 1984. This legislation should have been introduced over a year ago. We should have had time for extensive study, discussion, and extensive work on improving the legislation. Sadly, that is not the situation. By dealing with this Bill on June 11 we are forced into a situation of dealing with it quickly or not dealing with it all.

The Conservative member who just spoke talked about all sorts of discussion, about the need for jobs, the problems of youth and the need to be concerned about work stoppages. I heard also from the Conservative spokesman about the need to improve productivity in Canada. Those are all valid concerns but they should not be used to prevent the passage of legislation which is so essential to Canadian workers.

I would be the first to admit that the proposed legislation is not perfect. Later on I will discuss some of the problems that exist in the legislation. I would also be the first to say that there are amendments which must be made to improve this legislation. Again, I will deal with that later on. There are, however, some improvements in this legislation. There are some guarantees in this Bill which will protect the lives, the health and safety of Canadians. That is very important, Mr. Speaker. This House for political reasons or for reasons of various special interest groups should not delay passing it.

One of the improvements that we see, and it is a minor amendment to the Labour Code, is that from now on handicapped people will not be subject to less than the minimum wage. The all-Party task force on the disabled many years ago reported to this House and asked for that change to be made. The Hon. Member for Beaches (Mr. Young), our spokesman on that all-Party task force, has often risen in this House to ask for that change. We believe it is a change that reflects both the necessity of handicapped people to earn a reasonable income and it also reflects the fact that there should be justice for all in our society. To allow the disabled to be paid less than the minimum wage is an act of injustice. I am glad to see that improvement in this Bill.

I am also glad to see the improvements for child care for both the mother and adoptive parents in this Bill. Those are social needs for which we have waited some time. Again, I hope that House will be in a position to act before the summer recess to ensure those improvements become part of Canadian law.

We are also pleased to see the amendments which would bring the Public Service of Canada under the federal Labour Code. We find it ironic that Liberal and Conservative Governments in the past have excluded federal Government employees from the protections of the Labour Code. Spokesmen for various Liberal and Conservative Governments have

said: "We have Treasury Board directives which protect federal Government workers." That is not good enough, Mr. Speaker. These people deserve the same legislative protection as the workers, and that legislative protection is much more extensive than Treasury Board directives which can change at the whim of any government. People who work for the Government of Canada and for the people of Canada deserve to have the same legislative protection. The same thing goes for people who work on ships, on trains and for the airlines. The same thing should apply to those who work for Atomic Energy of Canada and the various elements of the uranium and nuclear industries. Those workers deserve legislative protection and they deserve to be able to go to the Minister of Labour to ask that Canadian legislation be enforced, that inspections take place and that their lives, their health and safety, be protected by the laws of Canada.

One of the problems this Bill does not address is the need for adequate inspection by representatives of the Department of Labour. In numerous committees of this House the Minister of Labour (Mr. Ouellet), the President of the Treasury Board (Mr. Gray) and others have been asked why there are so few inspectors in Labour Canada. They have been asked why it is impossible for inspectors from Labour Canada to get to most worksites under federal jurisdiction; why miners in communities like Flin Flon and Snow Lake who come under federal jurisdiction almost never see a representative of Labour Canada acting as an inspector. Why, Mr. Speaker, is that the case? Why has the Government of Canada refused to provide adequate inspections to enforce the Labour Code as it stands at the present time? The improvements before us today will require even more inspectors, making visits more often to the worksite. If we do not have federal Government inspection, regardless how good the law is, regardless of what improvements we pass into law, we will not meet the needs of safety and the health of workers in the workplace.

Let me give you some idea of the problems we face in Canada, Sir. I want to take some information from Labour Canada's own figures for 1981. There were 830 fatalities in workplaces. Total work injuries amounted to 1.21 million out of 9.34 million workers, or 12 per cent. There were 585,000 people who suffered disabling injuries. The total cost, benefit payments and indirect costs, was over $9.2 billion.

The union issued a "Black Paper" for the Public Service for 1982-3. Despite the misunderstanding many Canadians have, it is not safe to have a job working for the federal Government in Canada. There were over 20 fatalities in 1982-83. There were 31,000 reported injuries and the cost in workmen's compensation alone was $40 million.

As you can see, Mr. Speaker, there are many needs and many reasons for passing legislation to protect both workers who come under the Labour Code at the present time and those who do not. This House on a number of occasions has talked about the *Ocean Ranger* incident, the tragic loss on February 15, 1982, of 84 lives. One of the reasons that tragedy occurred was the failure to solve the jurisdiction problem between the federal Government and the provinces. Another reason for those deaths is that the federal Government did not bring the operation of drilling rigs under the jurisdiction of the Canada Labour Code.

A report has been made public in the United States on the *Ocean Ranger*. Of course, in Canada we are still waiting for the investigation to be completed and for the report to be issued, even though it is well over two years since the incident took place. The major reasons for the accident cited in the American report was the lack of adequate training for the crew with regard to safety and operational procedures in dangerous times. That lack of training in terms of safety and that lack of knowledge in terms of operating in treacherous waters caused 84 deaths.

• (1210)

I could give other examples, such as the death of a worker in a silo. There had been inadequate inspection by the federal Government which resulted in Paul John Jovanov being buried alive and dying of suffocation. I could talk about lead smelter operations with poor ventilation. Workers are subject to acid fumes, dust and smoke. Again there has been lack of protection because of inadequate inspection and inadequate enforcement. I could talk about workers on federal Government sites. They work in a sealed environment with a lack of air exchange. They are suffering from respiratory problems, nausea, headaches, eye and ear irritations, and quite often have a high rate of abnormal births. I could talk about people who work in CN maintenance shops. They work with lava-like lead with only heavy canvas gloves and aprons for protection. I could talk about the increased use of video display terminals and the resulting eye strain, back fatigue, birth defects and miscarriages. There has been a failure to implement or suggest any legislative controls in terms of radiation screens, hours of work on VDTs and continuous exposure within a small area.

Recent statistics also show that over the last two years VDT users were absent from work three times as much as non-users. That study was conducted by the New York Mount Sinai School of Medicine. There are a number of examples of people dying and suffering from health problems. Also they are faced with safety problems, with miscarriages and with abnormal births. This has been caused by a lack of adequate inspection, adequate legislation and adequate standards within Canada.

We require legislation to be in place. It must be followed up with adequate regulations and inspections. As I said earlier, the best legislation in the world is of no value if it cannot be enforced. It is of no value if we do not have standards by which to measure the legislation.

I should like to deal with some other aspects of the Bill for a few minutes. There is a need for improvement in the legislation. We will make a number of amendments at committee stage. One area in which the Government is moving very slowly and inadequately is in the matter of sexual harassment. The proposed amendments only compel employers to attempt to keep the workplace free of sexual harassment. We would like some federal guidelines to explain what is and what is not acceptable behaviour. We would also like to see the Human

Rights Commission automatically investigating charges of sexual harassment, and when there is an organized workforce, we would like to see the union involved being granted the right to represent workers in those hearings. We believe that sexual harassment is a growing problem, a problem which is being recognized more in the workforce each year. The proposals under the Canada Labour Code are completely inadequate in terms of dealing with it.

There are other areas of weakness in the legislation. One proposal would allow the Minister to exclude from the legislation workers in various areas of the atomic energy field. We recognize that in certain areas it may be of benefit to workers in that they may come under stronger provincial legislation. If that is the case, we can accept the purpose of the amendment. However, knowing the history of the Government and of the Atomic Energy Control Board, I would worry that some workers in the industry will be kept out of the Canada Labour Code, not because of better provincial legislation but because it is inconvenient for AECL, the mining company, or whatever agency is the employer, to grant adequate protection to workers.

I should like to cite some evidence of my concern. Just a few months ago the Atomic Energy Control Board held hearings which resulted in increasing by five times the amount of radiation to which women workers would be exposed. It increased a number of other levels affecting workers as well. We had to fight to make those meetings open to the press, even on an occasional basis. I rose in the House three times to ask the Minister of Energy, Mines and Resources (Mr. Chrétien) to intervene in order to open the hearings of the Atomic Energy Control Board, even for the presentation of labour briefs. The board was reluctant but finally the hearings were opened on a limited basis. This control agency, the Atomic Energy Control Board, was rather reluctant to hold public hearings on matters of safety.

How can we allow the Minister the right to exclude workers in the atomic energy field, especially with these recent precedents before us? If he wants an exclusion of workers coming under provincial legislation because that legislation might be stronger, that makes sense. However, if he wants a blanket right to exclude workers in that field, it is unacceptable to us.

We are very worried about the Minister being allowed to exempt employers from the requirements of health and safety committees if he feels that the workplace is safe. As much as I have some respect for the Minister of Labour, I do not believe he knows which workplace in Canada is safe and which is unsafe. One of the purposes of setting up those committees is to guarantee that the workers and managers get together to look at potentially dangerous sites. For the Minister, presumably on the basis of some lobbying by management, to say that a particular industry is a safe one and does not require a joint committee is a dangerous exception. We will certainly oppose it at committee stage.

Similarly we are upset that the Minister talked about excluding ships from workplace safety committees. I think we all would agree that working on board ships can be just as dangerous as working on land. Those committees should exist on ships, and I do not think the Minister has the right to say that ships will not be included as far as workplace safety committees are concerned.

In the area of technological change, we see a very minor amendment. The amendment proposed by the Minister indicates that where there is a significant number of employees, the required notice period shall increase from 90 days to 120 days. The definition of "significant number" is left to the Labour Relations Board. That is not good enough. Employees right across the country should know what types of units will be used to determine whether or not this amendment is in effect.

• (1220)

We are concerned that the definition of technological change is very narrow. It might be possible for many companies to claim that technological change is not really taking place and, therefore, they do not come under the purview of this legislation. We are concerned that by laying off workers in small numbers over a period of time, employers will not have to be concerned about the proposed amendment. In the past when certain employee groups tried to negotiate technological change amendments, they have been unsuccessful. Many employers have resisted it. With that in mind, it is important that there be much stronger amendments to the legislation.

In closing, there are changes that must be made but the legislation is important. We want to hear from representatives of both the workers and the employers. We want to see this legislation acted upon before we adjourn. I reiterate the offer made by our House Leader, the Hon. Member for Hamilton Mountain, that New Democrats will agree to pass this Bill on second reading in one day. We will meet morning, noon and night to hear representatives of workers and employers to study this legislation.

We will be introducing amendments as we go through the committee process, but we would like the other Parties in this House to guarantee that this legislation and any amendments to it will be disposed of prior to the June recess. Without that, more lives will be lost, more people will suffer injury, more children will be born with abnormalities. The House of Commons will have failed those people and their unborn children. We will have not met the concerns of people who have a right to expect us to act for their safety and, indeed, their very lives.

Mr. Maurice Foster (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, I am pleased to have the opportunity to say a few words on the Canada Labour Code amendments, Bill C-34. I am particularly encouraged by the amount of agreement there seems to be in the House to deal with this Bill before the end of the current session. We have been waiting for this Bill for a year or two. We are delighted to see it on the table, to see the number of amendments that it makes and to see the encouraging sign that the Opposition, although not totally satisfied, seem to want to move the Bill to committee for more detailed study. Hopefully we will see it pass before the end of the current session at the end of June.

One clause which I find encouraging and on which we have had a number of representations from various groups is the consolidation of the various areas of occupational health and safety within the Department of Labour. It now not only includes uranium mine workers, those in the transportation industry and in banks, but as well employees under federal jurisdiction involved in shipping, trains, offshore drilling and so on. Through complementary amendments to the Financial Administration Act it will apply on an equivalent basis to public servants with regard to occupational health and safety.

I wish to indicate my support for the improvements to the right to refuse work, strengthening the provision where the question of imminent danger is removed. Collective bargaining health and safety committee can function as the committees for occupational health and safety without being structured under some new basis. This brings the Bill into line with legislation in the provinces, including the Province of Ontario.

As the Member for Algoma, I have been lobbying very hard for several years to have this legislation brought into effect. Within the next week an agreement will be reached between the United Steel Workers, the Elliot Lake Uranium Mines, the mining companies themselves, the Atomic Energy Control Board, the federal Department of Labour and the Ontario Department of Labour to enshrine under an order of the Atomic Energy Control Act the Ontario occupational health and safety regulations. When that agreement is reached it will represent a most historic event.

There has been a jurisdictional problem there for several years. It was not clear exactly who had jurisdiction. Up until about 1978 we thought the Province of Ontario had jurisdiction. In a ruling at that time the law officers of the Crown said that conventional health and safety was under federal jurisdiction, as is the question of radiation. Therefore, this jurisdictional problem has existed since that time. An agreement was reached between the concerned bodies. The Ontario occupational health and safety legislation will be referenced to the Atomic Energy Control Act. Therefore, uranium miners in Elliot Lake will operate under equivalent provisions to those in other mining operations such as Inco and Falconbridge in the Sudbury basin. This Bill makes provision for that kind of an agreement. Clause 80.1 provides, and I quote:

> The Governor in Council may be order exclude, in whole or in part, from the application of this Part or any specified provision thereof employment on or in connection with any work or undertaking that is regulated pursuant to the Atomic Energy Control Act.

That provision provides the needed flexibility for referencing of the Ontario occupational health and Safety Act. It dovetails more conveniently all the other provincial government jurisdictions dealing with boilers and other regulations relating to the operation of the mine. There is good provision for this in Bill C-34.

The Bill provides some improvements relating to technological change. That is important in this fast-moving period of technological change. It is fast moving, making jobs obsolete. It is therefore important that these provisions be in the Bill.

A lot of the responsibility for technological change will remain with the employer. There has to be some give and take regardless of the agreements that are reached, such as collective bargaining agreements. They must take into account changes that occur over the two or three-year period of a collective bargaining agreement. A recent example in my constituency is where Canadian Pacific Railways brought in the manual block system, replacing train order people with a radio system so that train orders could be issued by radio operators rather than the train order operators, as was done in the past. This, of course, is a technological change and we do expect technological changes to occur. In the long term, I suppose it makes for a more efficient system. At the same time we would expect large companies like the CPR to operate like good corporate citizens.

● (1230)

The case that was brought to my attention was that of McKerrow where there were three train order operators who had put in an average of 37 to 40 years of service with the CPR. In April of this year their jobs in that location were made obsolete. Even though these operators had 37 or even 40 years of service, they had only reached the age of 58 and their collective bargaining agreement did not provide for an early retirement before reaching the age of 59. In one case the operator was shifted to a new location requiring the family unit to split up for the next year. When people with less than two years of seniority are bumped, their jobs may not be secure in the future.

In this case, three people are losing their jobs because of technological change. They have an opportunity to work in another location but if they do not take that oppportunity their pensions will not become effective at age 59 or 60, as is provided in the agreement, but in fact will become effective at age 65. They have the choice either to move away after 38 or 40 years of service or lose their pensions for seven years. It is an archaic arrangement and a company as large as CPR should not treat its employees like that. I find it unbelievable.

If any Member of the House had an employee working for him for 38 or 40 years who happened to be one year short of being eligible for pension, the Member would do one of two things. Either he would keep the employee on for safety considerations to oversee the operation of the new technological change—and in the case to which I referred, it is very important that dispatchers be secure—or the Member would allow the employee to take his retirement one year sooner. Surely anyone would expect a company as large as the CPR to operate on that basis.

I find it unbelievable that the CPR would force these families to split up and move to another location for such a short period of time or to forgo their pensions for seven years. I think it is important that this matter has been raised in the Bill and it is important that the Government is moving on it. I think it is equally important that the representations that have been made by the union, by the employees themselves, by myself and by other Members of Parliament should not fall on

deaf ears but that the CPR should take on its corporate responsibility in a much more positive way, rather than shucking off employees who have put in so many years of good service.

There are a number of very important changes in this Bill about which I will not go into any great detail. I have already mentioned the consolidation of the various federal responsibilities for occupational health and safety. I believe that the provisions regarding major projects are very important because, as we come out of the recession, major projects are being undertaken all across the country. The Blair-Car report and the provisions flowing from that report are very important. The provision of the union dues check-off and the use of the Rand formula which is much more enlightened and forward looking is important. I will not attempt to deal with all of the provisions in the Bill because of time constraints.

Surely the Bill contains important provisions relating to women in the workforce. It contains provisions for leave for childcare responsibilities and for dealing with the question of sexual harassment. There are provisions dealing with the guaranteeing of incomes for handicapped and disabled persons and there are provisions related to people not being demoted, suspended or disciplined for being away from the job because of sickness or injury.

All in all, I believe there are a number of important provisions in the Bill which commend themselves to the House. In committee I am sure Hon. Members will want to make amendments to strengthen the legislation. I believe this Bill is a good start and I am pleased to see that there is much support for having this legislation implemented. We have waited a number of years to see the Bill brought before the House and I would certainly hope that it would be adopted by the end of this month and then implemented so that the employees across the country who work under federal jurisdiction could benefit from it.

The Acting Speaker (Mr. Herbert): There follows a 10-minute period for questions and comments. Does anyone wish to put a question?

Mr. Murphy: Mr. Speaker, I would like to ask some questions of the representative of the Liberal Government who just spoke. He mentioned the experience that he and I have had when trying to get some clarification regarding which jurisdiction the workers in Algoma fall under. We have tried to find out whether they fall under federal law or provincial law or under regulations pursuant to the Atomic Energy Control Act or the Labour Code. He said that he felt very positive about the amendment that is proposed here.

Would he not agree that, for the purposes of those in Elliot Lake, it would be better to say that the Minister could exclude them from coverage under the Canada Labour Code only where they fall under the legislation of the province as agreed to? I am afraid that we are going to end up with another situation in which many workers will be excluded from the Canada Labour Code without falling under the provisions of adequate provincial legislation.

While the Hon. Member is on his feet, perhaps he could explain on behalf of the Government why the Government feels that people who work on ships should not receive the benefit of health and safety committees. It seems to me that the 50, 60 or 100 employees on a ship are working under dangerous conditions just the same as anyone who works on land. If the rest of the provisions of the Act are to apply to these people, why should they not be entitled to the benefit of health and safety committees?

As well, perhaps the Hon. Member could explain to me why the penalties being imposed under this piece of legislation will actually make it easier and cheaper for an employer in fact to violate the law? The most obvious example of that is that the financial penalties for violating the Act to be imposed on both the employer and the employee will be exactly the same. It seems to me that a penalty of $2,000 or $3,000 that is imposed upon an individual can be quite severe but a penalty of $2,000 or $3,000 that is imposed upon Hudson Bay Mining and Smelting or another company like it would obviously be only a token penalty. It may well pay these companies to continue to ignore the law.

Mr. Foster: Mr. Speaker, I cannot believe that any Government would exclude any group of workers by order under the provisions of the Occupational Health and Safety Act. The Hon. Member is concerned that that might occur, but I do not see any problem with the amendment. I am speaking off the top of my head because I have not looked at the amendment, but I do not see that as being a problem. The important provision is that this law provides for cases such as the one which has been experienced in Ontario in which there was a jurisdictional problem.

● (1240)

Writing regulations over the years which related to the Labour Standards Code became very, very involved, cumberson and difficult. However, the United Steel Workers, in Elliot Lake, the two mining companies, the Ontario Department of Labour, the federal Department of Labour and the Atomic Energy Control Board reached an agreement. There is a provision to exclude them under this Bill which will allow them to continue that agreement. In saying that, I would like to pay tribute to the tremendous efforts which were made both by the steelworkers and by the companies. Without the goodwill that has existed over the past four or five years, there would have been many more difficulties. The agreement is clearly a model of the way in which labour relations should be carried out in the future.

With regard to the question of the Hon. Member which related to health and safety on ships, I believe the provision indicates that there would be one individual appointed rather than a committee. Arguments could be made that a committee would be better than a safety officer, but I think that those are details which should be dealt with in the standing committee rather than in the House. Perhaps representations could be made to the Minister as to whether or not it should be a committee or a single individual. Obviously, it depends on the

size of the ship. I believe that the current law requires 20 employees for a committee situation. It would depend on the situation, the size and so on.

I must say that I am pleased with the agreement that has been reached. It will be beneficial with regard to the jurisdictional problem of uranium miners. This Bill will dovetail in with that and make it possible to implement that kind of agreement. We hope to see that agreement reached during the next week.

Mr. Taylor: Mr. Speaker, I have two points which I would like to raise. Having been raised in a coal mining area, I believe I have a fairly good background with respect to safety and health committees. I am glad to see that the Bill provides for them. The only thing which bothers me is the fact that only half of the safety committee is made up of employees. The employees are the ones who take the brunt, and the employer is the one who pays.

Many coal mine operators realize that every accident which is prevented saves them a great deal of money. At one time mining was the most hazardous industry. I know of a mine operator who offered three $100 prizes for those employees who did not have an accident. They placed the names in a hat and the $100 prizes were given to some very needy families. This was an incentive. Through the safety committees and that incentive, accidents in the coal mine were cut by more than half. Those safety committees were composed of employee, along with the fire boss who was the representative for the employer.

One other example which indicates that an incentive will work is that of an international trucking firm which is located in Calgary. It realized that every accident which was prevented saved the company money. At the end of the year, all those who did not have an accident would receive an expensive jacket. As well, the company provided a banquet to honour those who had not had accidents. The safety record of that firm is still outstanding. The incentive was there. People went the extra mile not to have an accident.

In this Bill there does not appear to be any particular incentive. One could say that the incentive is that employees will not be injured. But if there is another incentive which could be provided in the Bill along with the safety committees, I think it would help to reduce accidents and to prevent accidents. That is really what we are trying to do.

The Acting Speaker (Mr. Herbert): Are there any further questions or comments? For continuing debate, the Hon. Member for Kingston and the Islands.

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, when the Parliamentary Secretary was addressing himself to Bill C-34, an Act to amend the Canada Labour Code and the Financial Administration Act, he said that this particular piece of legislation had been in the works for the past year.

Mr. Foster: For several years.

Miss MacDonald: He says now that he said several years, but I think he did say for the past year. I would like to point out to him that there have been a number of us who have been urging the Government for a much longer period of time to bring forward this important piece of legislation. In fact, when looking through committee records and debate in the House, I saw questions that were raised with the Government on this issue. I came across a committee report from May 21, 1981, which was over three years ago. At that time, in committee the Hon. Member for Don Valley West (Mr. Bosley) asked the then Minister of Labour, who is now the Minister for International Trade (Mr. Regan), when members of the committee could expect amendments to the Canada Labour Code to be brought forward. For the information of the Parliamentary Secretary, I would like to read the response of the then Minister of Labour. With respect to the review of the Canada Labour Code, he said:

> This review, which in my opinion has been painstaking and comprehensive, will shortly emerge as a package of amendments to the code and will substantially involve employment safety, conditions of employment, improving matters of specific concern to women and minority groups, and dispute settlement.

He went on to say:

> At this particular stage, I would seek the indulgence of the Hon. Members if I do not go into the exact details of the package. The appropriate place for this . . . will be its introduction in the House which I hope will be in the near future.

That was in May of 1981. He asked the indulgence of Members to await the introduction into the House in the near future of the details of the amendments. He must feel that the indulgence, patience and forbearance of Members can be stretched to the ultimate limit. That is what the Government has done in the past three years with regard to amendments to the Canada Labour Code. It has delayed them in the face of questions, urgings and pleadings which have been raised by members of the Official Opposition over and over again.

The result is that we have before us, in the dying days of Parliament, a very complex set of amendments to the Canada Labour Code. These are amendments which are of great interest to labour organizations, business firms, women's groups and people who want to examine them in detail. I think I can say at the outset that this is the major criticism which we have with this particular piece of legislation. It has been delayed so long that it allows so little time for substantial examination, study and improvement in committee.

● (1250)

Improvements do have to be made to this legislation, Mr. Speaker. There is no question about that. We have stated that, as we did the other day when we introduced an Opposition day debate so that we could urge the Government to bring this legislation forward. We are concerned about it. We want to see it get into committee. We want to see it passed. However, we also want to see it improved.

This Bill does go some way toward improving the rules and regulations which govern work standards and occupational health and safety as well as the general framework of labour relations for industries under federal jurisdiction, such as transportation, communications and banking. It also includes

employees of some 40 Crown corporations and all employees in the Public Service. Those workers come to approximately 10 per cent of the Canadian labour force. That is how many will be directly affected by this legislation.

However, the importance of the legislation is just not in the number of people who will be affected. It is also vital in that it has the capability of a demonstration effect. It will show what can be done in those areas of federal jurisdiction to improve the situations in which people work, and it will set an example for industry, not only in the private sector but with respect to people who are employed in provincial jurisdictions. If that demonstration effect is carried out, then actions will really speak louder than words. However, as I said, Mr. Speaker, these actions have been a long time in coming.

Not only is this Bill slow in being brought forward, but in looking at the various amendments which are being put forward I would say that it is much stronger in dealing with some issues than it is with others. There are certain areas in this Bill which are notably weak. I have, as I mentioned the other day, particular concern about the way this Bill deals with issues which are of particular concern to women. It does take into cognizance the fact that there has been a tremendous growth of women in the labour force, a growth which has happened in all areas of the labour force. Women now account for over 40 per cent of the present labour force and it is interesting to note that it is predicted that in the decade ahead of us at least six out of every ten new entrants to the labour force will be women. It is important that we come to grips with some of the issues which affect women the most.

One of the issues which is dealt with in this particular Bill is the increased possibility of sexual harassment. That becomes more of a possibility as we see women entering into non-traditional sectors of the workplace. It is, therefore, vital that we not only come to grips with this issue but that we try to define the problem in a way in which it has not been seriously addressed in the past. If we can come up with the proper definition and the proper processes of carrying that definition through, it will be then more possible than it has been in the past to have cases of sexual harassment referred to the Human Rights Commission and dealt with under the Human Rights Act. The importance of coming to grips with this issue, Mr. Speaker, cannot be underestimated.

What is needed is to provide a formal process for action against sexual harassment and to also include employers in anti-harassment programs, because they are on the front lines and are able to develop and implement appropriate programs. Therefore, employers have to be involved in this whole area.

I want to point out, however, Mr. Speaker, that it goes beyond what we can set down in terms of definitions, and even legal processes, because sexual harassment is an affront to a person's dignity. There is no question about that. It not only diminishes the individual herself but it can also have a tremendous impact on the way in which that person is able to perform her work. It has an impact on the conduct of work and on the way that an individual is able to behave. That in turn has a very direct correlation to a person's promotion and the way in which a person is able to be advanced in the workplace. All of these factors are interrelated. That is why it is so very critical.

I would say to the Minister that these amendments are a good first step, but they are only a first step. I want to add a note of caution because there is no single definition or single set of legal processes which will eliminate this problem overnight. It is going to take education and it is going to take time, we know that. That is why I wish these amendments had come in three years ago when they were first promised. We would then be that much further down the road toward the elimination of sexual harassment. However, it is a very critical issue and I want to see it dealt with.

Another area which the Bill addresses to some extent, and one I am happy to see being raised, is the area of proposed amendments to the child care provisions. The present requirement of 12 months' continual employment prior to being eligible for maternity leave is being reduced to three months. In addition, there is a proposal for a further 24-week period of unpaid leave, so that employees, whether male or female, have the choice to assume the responsibility of caring at home for a new child, whether natural or adopted, during those first critical six months. Also of note is that the 24 weeks may be split between the two parents. I feel that is a truly fair provision which reflects the dual responsibility of parents in the raising of children. It is only fair also that when an employee is away on child care or pregnancy leave, pension and health and disability benefits, as well as seniority and opportunities for promotion, continue if the employee so chooses.

Finally, Sir, the childcare leave would be at the discretion of the employee, and that is a good move. No employer could dismiss, suspend, demote or lay off an employee who chooses to take leave. There can be little doubt that these amendments relating to childcare or pregnancy leave, as well as those I mentioned relating to sexual harassment, more adequately reflect the role of women in the workforce. It puts an end to the present set-up which not only fails to protect women but, I would say to you, Sir, in fact penalizes them for having children or, indeed, even for being female. Therefore, I see these amendments as an improvement. However, what is unfortunate is that similar progressive amendments are not proposed in other areas of the labour force which are undergoing tremendous change.

I see that it is one one o'clock, Mr. Speaker, and I will continue with that matter later.

[*Translation*]

The Acting Speaker (Mr. Herbert): Order. It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

THE LEADER OF THE OPPOSITION

TRIBUTE TO LEADERSHIP

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, almost one year ago today the Hon. Member for Central Nova (Mr. Mulroney) was elected Leader of this Party. As a Canadian from western Canada, permit me to offer three reasons why I believe most voters in all four western provinces will elect his candidates in the upcoming election, whenever it comes.

First, he has already articulated our major economic needs—an energy policy which unites provinces, industry and consumers in common cause; freedom of choice for grain producers instead of compulsory and over-rich payments to the CPR and CNR; opening Canada for business again, particularly in increased exports to America and Pacific rim nations; and retraining Canadians.

Second, under his leadership an outstanding group of men and women have already won fiercely contested PC nominations throughout the West. There is at best now the possibility of a PC victory in every western constituency in the upcoming election, given the NDP drop in support.

Third, my leader has the competence, personal integrity, experience, candidates, and programs to get our economy moving again at high employment levels. The current flurry of pre-election activity by the Liberals in the West and elsewhere can only remind people of the man who abused his wife for years until the day she won a large lottery, and he then arrived with a box of chocolates. In short, the voice of the West will only be heard effectively—

Mr. Speaker: The Chair hesitates to interrupt the Hon. Member, but his time has expired.

* * *

LABOUR CONDITIONS

YOUTH UNEMPLOYMENT—EMPLOYMENT MEASURES ADVOCATED BY LEADER OF THE OPPOSITION

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, during the 16 year tenure of the Liberal Party, youth unemployment has escalated almost beyond belief. In one short year as a Member of Parliament, the Leader of the Official Opposition (Mr. Mulroney) has compiled innovative policy to take young people off the streets and put them back to work. The Leader of the Progressive Conservative Party has good reason to celebrate his first year in the House of Commons. Through his genuine concern for Canada's youth, the bedrock of our society, he has exposed the sham which has become the Liberal Government. There are over 800,000 young people looking for employment. Read it and weep, Mr. Prime Minister, whoever you will be.

While the Liberals propose to apply a mustard plaster to cure the symptoms of fever run amuck, this Party is prepared to treat the cause of the illness. Our Leader has pledged this Party to follow six main principles to aid Canadian youth before it is too late. They include greater co-operation at all levels of government, a more creative approach to the UIC, local action and community self help, accent on the individual, challenging the private sector, and the dissemination of timely and relevant information. There is not time now to explain each measure in detail, but rest assured herein lies the answer that the Liberals have been vainly seeking for 16 years. The Progressive Conservatives have it, and are ready to use it.

* * *

THE LEADER OF THE OPPOSITION

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I read with interest an interview with the Leader of the Official Opposition which appeared in the weekend Ottawa *Citizen*. He was asked would he rather run against John Turner or Jean Chrétien. The article says:

"It's really six of one, a half dozen of the other", he says without any hesitation.

"I believe people want a fundamental change and they know they are not going to get it with either of them."

He was then asked:

But are Mulroney and Turner not saying a lot that is identical?

His response was:

"John Turner has said absolutely nothing he didn't take from me. Just look at my book, my speeches, my leadership campaign.

It's all there. Word for word."

Mr. Speaker, if the Leader of the Official Opposition is correct, then how can the public expect to get a change if Mr. Turner is copying verbatim what Mr. Mulroney is suggesting? It seems the only question left unanswered is not which is Tweedle-dum, but which is Tweedle-dumber?

* * *

MINES AND MINING

MINERS MEMORIAL DAY—TRIBUTE TO CAPE BRETON COAL MINERS

Mr. Dave Dingwall (Cape Breton-East Richmond): Mr. Speaker, as a Member from a coal mining area, one that is proud of its coal mining tradition, I wish to say we approach Miners Memorial Day, June 11, 1984, with a sense of pride and a sense of sorrow. On this date we are reminded of the history of coal mining in Cape Breton and of the role coal mining has played in the shaping of our community. Mining

on the Island dates back to 1720. Many technological advances have evolved since then. While mining methods have changed over the years, the unique qualities of the miner, which can be best described in one word, courageous, have not.

The struggle of the miner has not been without adversity. We remember the fight to bring in the United Mine Workers of America and the infamous strike of 1909-1910; the six years of protest culminating in the strike of 1925, and the tragic death of William Davis, killed 58 years ago.

We also remember the No. 12 Mine explosion of 1917, more recently the explosion in 1979, and even more recently the fire at No. 26 Colliery some months ago. Over the years there have been triumphs and disasters. At this time we remember the contributions made by all miners and their families, and honour those who lost their lives.

* * *

EXTERNAL AFFAIRS

CANADA-UNITED STATES RELATIONS—CONDEMNATION OF GOVERNMENT POLICIES

Mr. Gordon Towers (Red Deer): Mr. Speaker, like most Canadians I am growing weary of the Liberal Government's favourite indoor sport of plucking feathers off the American eagle. We have had the gratuitous "I'm all right, Jack" statement by the Minister of Finance (Mr. Lalonde), and the Prime Minister's (Mr. Trudeau) flippant remarks at Uplands Airport on the weekend.

The U.S. is our closest neighbour, greatest friend, and most significant trade and defence partner. Were it not for the disastrous policies of the present Canadian Government, we as a people would be able to take advantage of the downstream benefits of the economic recovery in the U.S.—the boom in manufacturing and productivity, the recapture of lost jobs, and the addition of hundreds of thousands of new jobs. Instead of constantly bad mouthing the U.S., the Government should begin to practise better diplomatic relations and economic ties.

Our Leader has been giving this message and advice to this Government for the last 12 months, but apparently neither the Prime Minister nor any of his Cabinet have been listening. It is a downright shame. Canadians deserve better. We need jobs.

* * *

CANADIAN PACIFIC RAILWAY

TREATMENT BY GOVERNMENT

Mr. Gordon Taylor (Bow River): Mr. Speaker, during the life of this Liberal Government the CPR has been the recipient of special favours. Here are two of many examples. During public hearings on the abandonment of the Rosedale-East Coulee branchline before the prairie section of CTC, I asked the railway to give me the depreciation figures on this branch line since its construction. The railway refused, but the CTC chairman ordered the CPR to provide me with the figures. I wanted this information as I am convinced that the CPR has depreciated this branch line several times. I waited in vain, and finally the CTC wiggled out of the order. The Liberal Government condoned the CPR's hiding this information from the public.

• (1410)

Again, prior to the Crow debate Dr. Gilson recommended that the shortfall be paid to the farmers so they could pay the increased freight rates. The Bill provided for the freight increases for the farmers, all right, but the Government gave the total shortfall to the railways, with the CPR getting the lion's share. Then the other day the Minister of Finance (Mr. Lalonde) had the gall to misinform the public by saying that this year the Government had given more than a billion dollars to the farmers. He should have said "to the railways".

But the CPR is still not satisfied. The Prime Minister (Mr. Trudeau) has put Ian Sinclair, past President of the CPR, into the Senate, and now there are forces within the Liberal Party at work to make John Turner, a CPR director, Prime Minister of Canada. The Liberal Government and John Turner put the CPR first, but with the PCs and Brian Mulroney, the people are first.

* * *

EMPLOYMENT

SUMMER CANADA EMPLOYMENT PROGRAM

Mr. George Baker (Gander-Twillingate): Mr. Speaker, I rise to impress upon the House and the Government the urgent necessity for more funds to be allocated for job-creation purposes in high unemployment areas. I am talking about student employment.

The funds allocated to government Departments for the employment of students usually only affect urban areas because that is where the government Departments are. Private enterprise producers summer jobs mainly again in urban areas, because that is mostly where a private enterprise exists.

The only possibility for student employment in high unemployment rural areas is the direct job-creation program, Summer Canada Employment Program. If the Government is going to take action, it must be done now. Next month will be too late.

* * *

CANADIAN NATIONAL RAILWAYS

NON-ADVERTISING OF LOCAL SERVICES

Mr. Rod Murphy (Churchill): Mr. Speaker, last week in the communities of The Pas and Thompson, the CTC held hearings on an application by CN to remove station agents and destroy stations in various communities in northern Manitoba. From the presentations that were made to the CTC it became apparent that one of the ways that CN and VIA discourage

local business is by advertising only the toll-free numbers in the local telephone directories.

For example, in the community of Ilford, CN is listed with one 1-800 number and VIA is listed with one 1-800 number. Pikwitonei, CN has one 1-800 number, and there is no VIA number listed. In Thicket Portage both CN and VIA have 1-800 numbers. In Wabowden both CN and VIA have 1-800 numbers. In Cranberry Portage there are eight CN numbers and two VIA numbers, all of which are 1-800 numbers.

The point is that CN, with the support of VIA, is trying to take away the jobs of the local station agents but at the same time, in order to justify taking away those jobs, it has deliberately not advertised the existence of local facilities and local staff for a number of years. Such lack of service and lack of aggressiveness by CN and VIA just prove that the railways are trying to destroy the service that they are supposed to be providing.

* * *

[*Translation*]

AGRICULTURE

COMPENSATION SOUGHT FOR CROP LOSSES IN LANAUDIÈRE REGION OF QUEBEC

Hon. Roch La Salle (Joliette): Mr. Speaker, for the third time, I wish to draw the attention of the House to the fact that, on September 13, 1983, the Lanaudière Federation of the UPA told the Minister of Agriculture (Mr. Whelan) about the seriousness of the problems caused by the drought in area last summer.

In October 1983, the four areas concerned, that are represented by 12 to 15 federal Members of Parliament, including myself, again advised the minister of the seriousness of the situation. All the formal and informal discussions which followed that meeting clearly showed how desperate it was. However, the federal Minister is now refusing to provide financial assistance to these farmers who are in a desperate situation.

In his reply to Mr. Garon on May 11, the Minister of Agriculture stated that he did not believe such an intervention as requested by his Quebec counterpart was justified in view of the existence of an adequate crop insurance system. In fact, Mr. Speaker, my colleagues from Quebec, on the other side of the House, are perfectly aware that the crop insurance plan does not protect the farmers and does not provide replacement value or compensate for hay of lower quality.

In spite of all that, the Minister is refusing to provide direct assistance to the farmers even though this assistance would be justified and has already been provided in other areas in Canada; he is still saying that the crop insurance plan could correct the situation, which is absolutely—

Mr. Speaker: Unfortunately, the time allotted to the Hon. Member has expired.

ORAL QUESTION PERIOD

[*English*]

EMPLOYMENT

FUNDING OF JOB-CREATION PROGRAMS

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, in the absence of the Prime Minister and of the Minister of Finance—

Mr. Rossi: And the Leader of the Opposition.

Mr. Hnatyshyn: The Leader of the Opposition is in my friend's riding, making sure that he will not be back after the next election.

I want to address my remarks to the Acting Prime Minister. It concerns the horrendous unemployment statistics that were announced last Friday and which are a cancer on our nation that will not go away. My question is addressed particularly with respect to the fact that we now have hard evidence to the effect that moneys for employment opportunities, to be invested in capital projects, are being withheld by regional Ministers for political purposes, not to be announced until the time of an election this summer or next fall. We did not get an assurance from the Acting Prime Minister that this practice would stop.

I can give the Minister some examples of moneys that have not yet been expended but which could be used right now when thousands of high school students across the nation will be coming into the workforce. There is a $40 million fund with respect to the Special Employment Initiatives Program. There is money not now being released? Why is the Government persisting in carrying out its political activities on the backs of the unemployed of the nation?

[*Translation*]

Hon. Jean-Luc Pepin (Minister for External Relations): Mr. Speaker, I think that a few of my colleagues and myself gave all the necessary explanations on Friday. We listed all the programs which had been implemented for some time in all sectors such as the creation of jobs for the young and not so young, the training program, another one for young people in the fisheries sector and in the environment sector. We listed all those programs, and complete lists are available to the Hon. Member.

Obviously, I have never heard anything about regional Ministers allegedly delaying the implementation of those programs. I think they are more sensible than that. It is in our own interest to create jobs and promote job creation as rapidly as possible. I cannot imagine where the Hon. Member has heard such remarks. As to the western grain stabilization

program which we adopted in the House 15 days ago, it will be implemented without delay one year and a half before it was due to come on stream if we had not amended the act.

[*English*]

RELEASE OF FUNDS

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I would like to direct my question to the Prime Minister. I already mentioned this to the Acting Prime Minister, who apparently is not interested in the unemployment crisis we are now facing, and who gives trivial, philosophic utterances in a lazy way.

We have hard evidence to the effect that moneys that could be used for job creation are being held back by members of his Cabinet for political purposes, not to be announced until this summer, at a time when we are facing an unprecedented crisis in terms of unemployment. Now that the Prime Minister is back in Canada I want to ask him if he will not now advise and instruct his regional Ministers to release that money in the interest of the employment opportunities that should be available in our country, and in the interest of those who are seeking work and so desperately need work.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, when the Hon. Member says that he has hard evidence of Cabinet Ministers holding back funds, I suspect that what he means is that he has no hard evidence. He is just making it up.

I have looked into this matter since my arrival. I know that the Hon. Member raised the question, or that one of his colleagues had raised the question. Over the weekend I looked to see if there were the slightest grounds for suspecting that there was any evidence. Not only did I not find any hard evidence, I find the contrary evidence. I find that Canada Works constituency funds are almost totally committed already, and the fiscal year is only beginning. Summer Canada funds of $201 million are 95 per cent committed, and the balance is being approved at the moment as I am talking.

• (1420)

Career Access Funds are being committed at a steady rate of $3.2 million a week. Funding under Section 38, Canada Works Initiative, is being spent at the rate of $1.7 million a week.

I go through all the programs, Mr. Speaker, LEAD, Career Access, employment creation grants, contributions, everything is being spent. Nothing is being held back. When the Hon. Member says he has hard evidence, I suspect he is either just starting a rumour, flying a kite, or using the usual rhetorical approach to untruth.

SPECIAL EMPLOYMENT INITIATIVES PROGRAM

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, notwithstanding the recitation on the part of the Prime Minister, maybe the Prime Minister will be able to stand in his place in the dying days of his office and give us the assurance—unequivocal assurance—

Mr. Cousineau: Cheap shot.

Mr. Hnatyshyn: These are facts. The Prime Minister is leaving his office. I think one of the final things he should do is make sure that something is done in terms of the Special Employment Initiatives Program of $40 million. His Minister of Employment has stated on the record that he cannot understand why the regional ministers have not yet given specific direction with respect to that matter and it is being held back. His Minister of Fisheries and Oceans told the Newfoundland Minister of Fisheries that he cannot get the Newfoundland regional minister to pay out the moneys or instruct him with respect to moneys for capital projects until, obviously, the time of the next election. Why have the western grain transportation funds not yet been expended in western Canada?

Where are these moneys that are so desperately needed now for the purposes of finding employment for the unemployed of our nation? Will the Prime Minister give us an unequivocal assurance that he will check to make sure these moneys are not being withheld, because we do have the facts? We've got the goods on him this time.

Right Hon. P. E. Trudeau (Prime Minister): The Hon. Member talks about facts, he talks about hard evidence, but he gives none, Mr. Speaker. He just talks about having the goods. We have allocated $1.2 billion plus in this year to create jobs, to fight unemployment, apart from all the job creation which comes out of the announcements which have been currently made, for instance, the American Motors Renault announcement and the Husky upgrader announcement. There are jobs being created, but in so far as direct fund spending for jobs is concerned, Mr. Speaker, all the Hon. Member is saying is that some regional Ministers are telling departmental Ministers: "Look, if you are going to spend money in my province, tell me how you are going to spend it and we will discuss it."

The fiscal year is only three months begun. I tell the Hon. member that, far from holding back, we have in some areas spent 95 per cent or 100 per cent of the funds. It seems absolutely proposterous, pure invention, pure fiction to suggest that we would be holding funds to spend in the next election. The Hon. Member may presume to know when the next election is. I do not.

Mr. Hnatyshyn: I know it has to be very soon.

Mr. Trudeau: I know that if this Government stays in office, or my successor decides not to have an election very soon, I know he will be running out of money for the constituency fund. As I say, the Canada Works constituency funds are almost totally committed. What will he spend next fall and next winter? I do not know, Mr. Speaker. I think the problem then will be that the Hon. Member will be saying: "Increase the deficit. Spend more. You spent too much last spring. You spent too much last summer creating jobs". They will change

their line, but then consistency is not the forte of the Hon. Member.

SPECIAL RECOVERY CAPITAL PROJECTS PROGRAM—SCHEDULING OF EXPENDITURES

Hon. James A. McGrath (St. John's East): Mr. Speaker, my supplementary question is directed to the Right Hon. Prime Minister. The Prime Minister in reply to my colleague mentioned all of the programs except one. This is the program on which I want to focus his attention. It is called the Special Recovery Capital Projects Program. For example, for this fiscal year it has a budget of $1.1 billion. We know from a cabinet document of last October that scheduling of expenditures under that program since the April 12 Budget was falling far behind. This is the area where funds are being withheld.

Given the extent of the unemployment problem, given the fact that it is immorally reprehensible and politically indefensible to hold back these funds when they could be providing jobs now, will the Prime Minister give us an assurance that all of the expenditures under this program will be released by the regional political Ministers?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member was here when the Budget was read. Indeed, he is right that there was less money spent last year than had been foreseen under the capital recovery projects. But this means we will be spending substantially more money this year than had been planned or anticipated, as he mentioned, to the tune of some $1.1 billion. That expenditure is going on at the present time in every province.

No funds are being withheld. No funds are being held in reserve. On the contrary, we are monitoring regularly in Cabinet the progress of expenditures in that regard. We have instructed our officials to make sure that the planned expenditures would be incurred and that the capital recovery projects would proceed this year in an expeditious way so as to spend more than we had anticipated, as I said, to the tune of some $1.1 billion.

REQUEST FOR MINISTERIAL ASSURANCE

Hon. James A. McGrath (St. John's East): Mr. Speaker, I have another question which I will direct to the Minister of Finance. Can he give us an unqualified assurance that programs under the Department of Fisheries and Oceans, including Small Craft Harbours, programs under Public Works, and programs under the Post Office, all of which come under the category of special recovery capital projects, are not being withheld or held up by regional Ministers in their political capacity? Perhaps he can also give us some indication of just exactly how much money is left in that program.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I can certainly give the Hon. Member that assurance for the good reason that these funds have never been in the purview of regional Ministers to withhold. The Minister of State responsible for economic development is in charge of that program. There is a special team of officials who are supervising this program. As I told the Hon. Member, the Cabinet committee responsible for economic development is reviewing the progress of expenditures in that regard on a regular basis. Any funds about which there might be some delay of expenditures might be the result of a reallocation of funds because a project which had been approved is not proceeding as fast as anticipated, and things like that. These are the only types of circumstances where I could see some foreseen expenditures not occurring.

As far as the exact figure is concerned, I am afraid I do not have it with me today but I will inquire of the Minister of State for Economic and Regional Development and his officials.

If that Minister is not in the House tomorrow I will be very happy to provide the Hon. Member with the information.

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ENVIRONMENTAL AFFAIRS

ACID RAIN SUBCOMMITTEE REPORT—SUGGESTION ONTARIO HYDRO USE WESTERN CANADIAN COAL

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my question is for the Prime Minister, in the absence of the Minister of the Environment. The Prime Minister might know that last Thursday the acid rain subcommittee released its second report during this Parliament. It reiterated its concern over the acid rain emissions which continue to fall all across the country. In particular the committee suggested that although the federal provincial environment ministers have set a target by 1994 of a 50 per cent reduction in emissions, in fact emissions in most of the major areas have increased.

Would the Prime Minister direct someone in the Cabinet or have the Government undertake discussions with the Government of the Province of Ontario, the purpose of which would be to try to convince the Province of Ontario that it would be better, both from an emission point of view and from a creation of employment point of view, for Ontario Hydro to purchase coal from western Canada, which has a lower sulphur content, than to purchase coal which Hydro presently uses and gets from the United States?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I take this to be a specific representation to the Minister of the Environment. I will make sure that he is informed of it. That being said, the Minister of the Environment himself has deplored the lack of progress in the fight which the Governments and the private sector must carry on to improve the quality of our environment.

I can assure the Hon. Member, having just returned from a discussion of this subject in Europe, that the Europeans are concerned with the same situation there, and in a much more serious way because of the more limited space. Their countries and ours are looking forward to the international meeting in Munich, I believe in a few months, where we will try to tackle

this subject in a co-ordinated way between countries. The Hon. Member is making a specific representation which concerns the Government of Ontario. I will make sure that our Minister is informed of it.

● (1430)

AUTOMOBILE EMISSIONS

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, in a related area where the Government of Canada has sufficient jurisdiction to move unilaterally on the question of emissions from automobiles, why has it not moved to put into effect the recommendation of the acid rain subcommittee which would have seen a two-thirds reduction in the emissions from automobiles and would have brought Canadian-made automobiles into line with the standards already in place in the United States? Why has the federal Government not taken steps in that regard, given that the Minister of the Environment said some six months or seven months ago that a statment on that question would be coming within a couple of weeks?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I cannot comment upon the couple of weeks which the Hon. Member mentioned. I know that the problem of emission reduction in automobiles, in factories and so on, is always discussed with great enthusiasm, and justifiably so, by environmentalists. It is the Ministers responsible for employment, job creation, and investment who always make the point that we have to proceed at a slower pace if we do not want to force certain companies to go under and if we do not want to put workers out of a job.

I remind the Hon. Member that before the OPEC crisis, or even before the recent recession of slowdown in the economies of the industrialized world, there was much greater enthusiasm for rapid fighting of the problems of air pollutants and water pollutants. Now we are seeing Governments everywhere, provincial, federal, and in other countries, trying to balance this with the need to keep jobs going and the workers at work. High unemployment figures would be affected adversely if we were to close down some plants because they had not moved as quickly as we would like in reducing their levels of emissions.

UNITED STATES STANDARDS

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, given that in the first instance the course of action we proposed, the use of coal from western Canada, would be both beneficial economically and from the point of view of acid rain emissions and would not in any way jeopardize any manufacturing operations in Canada, it would seem that that would be a logical undertaking. However, I think the second point is more important. How is it that the United States was able to enforce automobile emission standards at a level considerably below those in place in Canada? Why is it that we in Canada cannot require Canadian manufacturers of automobiles to meet the same standards as they are required to meet when they manufacture within the United States?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member returns to the use of coal. He indicated in the phrasing of his question the first time that it was a provincial matter, a matter for Ontario Hydro. It is true that it is likely to impinge directly upon manufacturing jobs in Ontario. If the cost of the coal is higher when we include transport, if it means bringing coal at greater expense, presumably it would mean increasing the hydro rates in Ontario, and presumably it would mean that it would cost that much more for companies employing workers to break even. I do not know the answer. I am not a negotiator for Ontario. I told the Hon. Member that it would be brought up. I guess the same kind of answer would have to apply to the matter of automobiles.

I hope the Hon. Member is not holding up the United States as an example in its approach to combating environmental pollution. He shakes his head in the negative. I am reassured, because I can assure him that much of the fight of the Minister of Environment of Canada is with the United States to get it to respect certain provisions of the Great Lakes clean-up agreements and to proceed with a little more zeal in fighting the problem of acid rain. The Hon. Member pointed out the problem of automobile emissions. I am not involved in that particular aspect. I will also refer it to the Minister of the Environment.

* * *

LABOUR CONDITIONS

YOUTH UNEMPLOYMENT—REQUEST FOR GOVERNMENT ACTION

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is directed to the Minister of Finance. Last week the Minister of State for Youth conceded that there are some 800,000 young Canadians who are directly affected by unemployment. That crisis has been with us for three years. After three years the Government and the Minister of State for Youth have the temerity to put forward what is described as a guide in seeking the development of a comprehensive youth policy in Canada. After three years the Government offers a guide. Those 800,000 Canadians do not need a guide. They need action. The policy they want is jobs. What steps is the Minister of Finance prepared to take to see that action takes place for young people this summer, so that there will not be 800,000 unemployed young Canadians?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I will certainly not do what the last Conservative Government of which she was a part did, that is, abolish direct job-creation programs which were helping young people.

Some Hon. Members: Hear, hear!

Mr. Lalonde: I can assure her that this Government will not do what her Government did during the short time it was in office. In the meantime, in terms of job creation and job training for youth only, in 1983-84 we expect to have spent $634.9 million on job creation alone, and some $493.1 million

on training for young people. By far this is much more than has ever been spent in any particular year in this country on job support for young people—by far, by hundreds of millions of dollars more than has ever been spent. Obviously I do not have to repeat the reference to the experience of the Government of which she was a part that killed, as its first step, those programs of help for the unemployed.

GOVERNMENT POLICY

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, the Minister of Finance goes through a recital, and every time he opens his mouth he shows that the policies of his Government are not working. Otherwise, why would the number of unemployed continue to mount month after month?

The Government can only come up with guides and general statements, and it now says that it needs more time to develop policies to meet the crisis among the young people. Young people are running out of time. Since the Minister's Government has taken three years to come up with what it says is a guide to a youth policy, how does it feel the young people of the country will react when they are told they are the ones who are lazy? They do not take three years to get things done.

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I would like to remind the Hon. Member that this Government did not wait to respond to the concerns of young people. If she would only go back to the 70s, for instance, she will recall that the Government created the Company of Young Canadians early in that decade. In fact, it was even during the 60s that we created that company, which the Progressive Conservatives attacked systematically and continuously at the time.

Afterwards, we developed the Katimavik Program. We also developed the Young Canada-World Program. We did this during the 70s long before the Hon. Member's short stay in Government when they tried to kill off these programs. What we did during this period was to allocate year after year more money to help young people through direct job creation and training programs designed especially for them.

As I stated earlier, this year we shall be allocating $1.1 billion to solve the problems of young people as far as unemployment and training are concerned; this is hundreds of millions of dollars more than any federal Government has ever spent to help young people.

Far from delaying the implementation of policies to help young Canadians, the Government has been at the forefront of youth assistance in all areas, for instance in the federal contribution to post-secondary education, where year after year, the federal Government has contributed well over the increase in funding authorized by provincial Conservative Governments for this very important sector of the Canadian economy.

• (1440)

EMPLOYMENT

REQUEST THAT GOVERNMENT HELP THE YOUNG UNEMPLOYED

Hon. Roch La Salle (Joliette): Mr. Speaker, my question is also directed to the Minister of Finance. For ten years I have heard the Minister reminding us of the interest his Party has shown in youth. My question is straightforward, and that is what young Canadians want to hear. In Canada, 800,000 young people are still looking for jobs. Could the Minister of Finance inform the House, in all honesty, whether he intends to introduce programs that could be implemented within the next few weeks or is he merely going to remind us that, unfortunately, 800,000 young Canadians are unemployed? I know the Minister of State (Youth) expressed her concern for these thousands of young Canadians. Could the Minister of Finance suggest today some kind of corrective action or special assistance for these young people? Otherwise, I would urge him to stop reminding us about what he has done in the last twenty years.

Hon. Marc Lalonde (Minister of Finance) Mr. Speaker, I did not have to go back twenty years to inform the House about what we have done. I referred to programs that are in effect at this time. Unfortunately, the Hon. Member does not seem to want to be bothered to find out about these programs. Canada Works, Summer Canada, Career Access, the federal Government's program to provide for a very substantial financial contribution to post-secondary education, the additional $500 million being spent by the federal Government on direct assistance to on-the-job training for young people—all those programs exist. If the Hon. Member wants a list, I should be glad to send him a copy. He will realize that the Canadian Government has continued to set a very high priority on resolving the youth unemployment problem. It has been one of our highest priorities and will continue to be a major one. It is an extremely difficult problem which will take time to resolve. We are entirely aware of this, but we are working on it instead of indulging in the kind of rhetoric we are hearing from the Progressive Conservatives. Once again, when they were in power for a short nine months, the first initiative taken by their Government, which included the Hon. Member, was to eliminate youth assistance programs.

REQUEST THAT GOVERNMENT PROVIDE DETAILED AND SPEEDY INFORMATION

Hon. Roch La Salle (Joliette): Mr. Speaker, my question is directed to the Minister of State (Youth). For the information of the Minister of Finance, the Minister of State (Youth) has both acknowledged and deplored that it was normal nowadays that young Canadians did not have enough money to eat. She also said last week that it was necessary to correct, as soon as possible, the imbalance between "haves" and "have nots". In

the circumstances, it is clear, Mr. Speaker, that the Minister of State (Youth) confirms the view that the Minister of Finance has not fulfilled the expectations of Canada's youth. Could the Minister of State (Youth), who has mentioned programs that might be introduced this fall, inform the House today, to give young Canadians something to hope for, what her intentions are or exactly what kind of programs she intends to introduce, and, I hope, as soon as possible?

Hon. Céline Hervieux-Payette (Minister of State (Youth)): Mr. Speaker, I do not think my comments contradict what the Minister of Finance said. With the Minister, I realize that the federal Government has done a great deal for youth. However, I think we should do more, and I believe that the steps my colleague, the Minister of National Health and Welfare, has taken together with her provincial counterpart, Mrs. Marois, namely to add $59 million to help young drop-outs and young people on welfare, are an example of the co-operation shown by the federal Government. We are negotiating with other provinces, and at this time I can give my hon. colleague the assurance that if Ontario and other provinces are willing to increase benefits for young people in order to give them additional training or let them do community work or seek additional training in the private sector, we are prepared to co-operate. Quebec's example shows that we are willing to help young people, but the provinces must do their share.

* * *

[*English*]

UNEMPLOYMENT INSURANCE

NATURE OF PROGRAM—NEEDS OF THE UNEMPLOYED

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is directed to the Prime Minister. Last week the Leader of the Opposition, in commenting on unemployment insurance, said the following:

> It defies common sense to spend billions and billions and billions of dollars to keep men and women idle—

That reflected the Tory philosophy that it is unemployment insurance that keeps people unemployed rather than the state of the economy. I recognize that the Prime Minister is not responsible for the words of the Leader of the Opposition.

I would also like to quote the Minister of Employment and Immigration who said that his proposal for changing unemployment insurance would be as follows:

> It would mean people drawing unemployment insurance would be required to use their unemployment insurance payments as a means of participating in training and retraining programs.

Will the Prime Minister agree that those who are unemployed are not so unemployed because they love that prospect, or because of an insurance program from which they are now benefiting, but are unemployed because of the state of the economy? Will the Prime Minister also agree that many who draw unemployment insurance need that money to provide adequate food and shelter. They do not have extra money for retraining programs at this time.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Hon. Member has asked a rhetorical question and made a very valid point. I will make sure that it is conveyed to the Leader of the Opposition so that he will take heed of the Hon. Member's suggestion.

MINISTER'S RETRAINING PROPOSAL

Mr. Rod Murphy (Churchill): Mr. Speaker, perhaps for the remainder of this week the Prime Minister could also convey that message to the Minister of Employment and Immigration. The problem with the proposal made by the Minister is that many young people, women, and native people do not qualify for unemployment insurance at the present time. If we are going to make training and retraining a part of the UI package, many of those people will find it even more difficult to get into community colleges and other training programs. Will the Prime Minister agree that it would be much better if those programs were adequately funded instead of requiring people when they are unemployed to use their UI money, which is meant to cover their legitimate costs, such as food, shelter and other normal expenses to maintain a home?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it would be even better if there were a much lower rate of unemployment. In cases where the unemployment fund is used by the Minister of Employment and Immigration, under the provisions of the Act, it is done in consultation with the unions and the companies when it is decided to use some unemployment funds with governmental supplements in order to provide work-sharing, for instance. This is provided for under the Act. It is authorized by Parliament. In many cases it is wanted by the workers themselves. It is only in those cases that we proceed with it.

The Hon. Member is making a valid general point that an unemployment insurance scheme is an insurance scheme and the funds should be used essentially to provide an interim income to those who are unemployed through no fault of their own. In my first answer I supported that point, but I tell him that there are some ways in which unemployment funds can be used with the consent of the participants in the fund to provide jobs, for example in the work-sharing scheme.

* * *

EMPLOYMENT

RIDING ALLOCATION FORMULA FOR DISTRIBUTION OF JOB-CREATION FUNDS

Mr. Jim Hawkes (Calgary West): Mr. Speaker, my question is for the Minister of Finance who will know that Conservatives create jobs. When we were the Government, jobs for young people went up by 7,000 a month. Under his Government, Liberals lose jobs; 5,500 a month on average since the Liberals again took over. That is the difference.

I ask the Minister of Finance to recall that in 1980 when he took over as Minister of Energy, Alberta had the lowest unemployment rate in the country and one of the lowest in the world. With his policies, in four years he has created record high unemployment rates. He brags about employment creation programs and the money that goes into direct job creation. Can the Minister of Finance tell us why direct job creation money is being allocated to ridings today on the basis of unemployment rates from 1980 and 1981 rather than those of 1984?

• (1450)

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I would like to remind the Hon. Member that, since the beginning of this year, 74,000 new jobs have been created in this country. Last month alone, 23,000 new jobs were created. My friend could reflect upon those figures which indicate that there is indeed a significant amount of job creation taking place.

Dealing with the situation of his own province, I would like to remind my hon. friend that, as recently as last week, we announced a significant participation in an upgrader project in Saskatchewan which will have the joint participation of Alberta and Saskatchewan. Both provinces will be benefiting significantly from this particular development.

As far as the energy situation in general is concerned, I must remind my friend of the situation around the world, and particularly of that in the United States. Perhaps he would like to check the figures for Oklahoma, Texas, and a number of other states, to see what has happened over there in the last two years regarding the decline in activities in the energy field. He would learn, for instance, that in Canada oil well drilling is increasing proportionately more than it is in the United States. He will also learn that, in the last year, the share of the revenues going to the industry in Canada was the same as it was in 1979, and it was a share that was larger by several billion dollars. In the last year the industry in Canada has benefited significantly from the energy programs of the Government.

Mr. Hawkes: Mr. Speaker, not one of the those states in the United States has an unemployment rate of 12 per cent. Today there are more people working in the United States than there were four years ago. In this country there are fewer people working now than there were four years ago. The fault lies with the Government, not with lazy Canadians.

REQUEST THAT FORMULA BE CHANGED

Mr. Jim Hawkes (Calgary West): Mr. Speaker, could I have an answer to my question? For direct job creation the Government uses a formula that is composed of labour surplus rates based on statistics that begin in April, 1979. We are talking about unemployment in 1984. The formula gives a bias to Liberal ridings for election purposes and creates second-class unemployed and first-class unemployed. Will the Government change the formula so that unemployed people who live in Conservative ridings have an equal chance to get a job? All we are asking for is an equal chance.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, with the imputation that the Hon. Member has put behind his question, I do not believe that it even deserves an answer. I see Hon. Members of the Opposition rising constantly, brandishing figures from Statistics Canada and saying: "This independent agency has come forward with these figures." They then use the figures to attack the Government. Now the Hon. Member is saying that Statistics Canada is an organization with a Liberal bias. Members of the Conservative Party had better make up their minds about what they want to do and what they do not want to do.

YOUTH UNEMPLOYMENT—REQUEST THAT PRIME MINISTER TAKE ACTION

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I would like to address a question to the Prime Minister. As we all know, the Prime Minister has been admirably representing Canada overseas.

Some Hon. Members: Hear, hear!

Mr. Darling: I will give the devil his due at times. However, today we have been trying to get across to the Prime Minister and the Government the importance of the youth unemployment situation. There are 800,000 young people who are unemployed. They are trying to find jobs, but they cannot find jobs. I wonder if, in his possibly last days, the Prime Minister would not make it a high priority to look at the youth unemployment situation, particularly at this time when so many young people are entering the job market from the high schools and universities. I am sure he is aware of the seriousness of the problems being faced by these young people.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is a very, very serious question, and I believe that many of today's previous answers have indicated that the Government is very much aware of this problem and is acting to alleviate as much as it can the unfortunate plight of the young unemployed. In the first answer I gave today, I believe that I indicated that 95 per cent of the funds allocated for Canada Summer Works have already been allocated. The Hon. Member can see from that that the Government is not only aware of the problem but is acting on it.

SOLUTION INQUIRY

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I appreciate the Prime Minister's concern. I wonder if the only solution to this widespread problem would be for young Canadians to wait until our Leader, a man who has the solutions to these problems, takes over?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I would only say God help them if that is the only solution.

Oral Questions

FINANCE

TAX CREDIT INCENTIVES FOR RESEARCH AND DEVELOPMENT

Mr. Simon de Jong (Regina East): Mr. Speaker, my question is directed to the Minister of Finance and concerns research and development tax credits. In typical fashion, using a crisis management mentality, the Minister introduced a quick-fix solution which has now created a zoo. The Dean of Engineering at the University of Victoria has called it a morally bankrupt situation. "We are seeing the phenomenon of people running around with bags full of money that must be gotten rid of within one year". In fact the only research that is being done is being done by accountants and tax lawyers. Will the Minister admit that a gross miscalculation has occurred, and will he change the situation immediately?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, in an answer to a question which was asked of me last week or the week before, I stated that the Minister of National Revenue and I were monitoring the situation. I said that, if we were to discover any particular abuses taking place, we would take immediate steps to remedy those abuses and prevent the creation or continuation of any loopholes. Last week the Minister of National Revenue announced in a press release that special monitoring was taking place to ensure that the law would be fully respected. My officials have also been instructed to follow this matter quite closely.

I would not encourage the Hon. Member to conclude from the fact that there are larger amounts of tax credits being claimed that this is a defeat, or that something wrong has happened. On the contrary, we want to encourage research and development. If more research and development takes place and if more tax credits are being claimed for this purpose, the Hon. Member should applaud. He should rejoice in the fact that there have been more expenditures for research and development because that is what the country needs. That is my approach and my philosophy in this regard.

I would like to see more R and D in the country. On the other hand, I obviously do not want the tax system to be abused by the use of credits for phony or purely paper operations. We are monitoring this situation and, if steps need to be taken, we will not hesitate to announce them.

Mr. de Jong: Mr. Speaker, of course we all want to see more R and D, but I think it is becoming obvious that the only R and D being done is being done by tax accountants and tax lawyers.

REQUEST THAT MINISTER DISALLOW CERTAIN PRACTICES

Mr. Simon de Jong (Regina East): Mr. Speaker, on Friday, May 11, while in Ottawa, the Minister himself called for a high degree of selectivity. Surely his tax credit scheme has no selectivity whatsoever. As quoted by *The Globe and Mail* of Friday, May 11, 1984, the Minister warned that:

> —badly conceived or excessively generous tax incentives could produce not only diminishing returns but some net damage to the development of a strong and sustainable investor commitment to R and D.

Surely what we are seeing happen to the tax credit system today is doing damage to R and D. Will the Minister assure the House that at least the provision of the tax credit that allows for a quick flip and a double flip, thus enabling investors to make a quick buck at the expense of the taxpayers, will be disallowed?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I thank the Hon. Member for quoting me. He has indeed quoted me directly and correctly. These are the principles that are guiding me in the implementation of this particular program.

* * *

CANADA POST CORPORATION

INVOLVEMENT WITH CONSUMERS DISTRIBUTING CORPORATION

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, my question is directed to the Minister who is responsible for Canada Post. In the past few weeks I have received several letters from constituents regarding Canada Post's latest venture into competition with the private sector. They and I are concerned about the deal that Canada Post has made with Consumers Distributing. What is the expected income from this venture, and why did Canada Post choose this way to raise money?

• (1500)

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, I am somewhat surprised by the question the Hon. Member has just asked, because I indicated more than two weeks ago when I replied to an Hon. Member from this side that Canada Post had already announced it would end its pilot-project by the end of this month. The Corporation has also issued a press release to this effect, and I am sure that when he checks his mail, he will find this press release.

* * *

[*English*]

FINANCE

TAX CREDIT INCENTIVES FOR RESEARCH AND DEVELOPMENT—REQUEST THAT SYSTEM BE CHANGED

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, my question is supplementary to a previous question and is directed to the Minister of Finance. The Minister ought to know by now that we were concerned about the research and development tax credit when the Bill was introduced. It now appears as a benefit to stock brokers. He has given them employment. There is no protection to ensure that the money that is raised will in fact go into R and D. If a company goes bankrupt, the

investor gets the tax credit, and the broker gets a fee. No research and development is performed and the country gets ripped off. Will the Minister change the system to create a refundable tax credit which will be refundable to the company doing the R and D work, if in fact the work is done, and paid by the Government to the company if it has no taxable income?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, there are so many questions like this. I will take this as representation for the content of the next Budget.

ROUTINE PROCEEDINGS

[*English*]

WAYS AND MEANS

TABLING OF NOTICE OF MOTION

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, pursuant to Standing Order 64(1), I wish to table in both official languages a notice of Ways and Means motion to amend the Fisheries Act. Pursuant to Standing Order 64(2), I would ask that you designate the Order of the Day necessary for the consideration of this Ways and Means motion.

* * *

CANADIAN HUMAN RIGHTS ACT

MEASURE TO AMEND

Mr. Dan McKenzie (Winnipeg-Assiniboine) moved for leave to introduce Bill C-246, an Act to amend the Canadian Human Rights Act (official languages).

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

He said: Mr. Speaker, this Bill calls for the insertion of the word "language" as a ground of discrimination in the Canadian Human Rights Act. At the present time English-speaking Canadians, including 70 ethnic groups in Canada, are being denied employment and promotion because of severe language proficiency tests. These individuals have no method of filing a complaint because the word "language" is not in the Canadian Human Rights Act. The word "language" is in the United Nations Charter and it is also in the Quebec Human Rights Act. It should be inserted into the Canadian Human Rights Act. It has been recommended by the retiring Language Commissioner, Mr. Max Yalden, that the word "language" be inserted into the Act.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 431, 588, 655 and 669.

[*Text*]

EXEMPT STAFF OF MINISTER OF STATE FOR SOCIAL DEVELOPMENT

Question No. 431—**Mr. Hnatyshyn:**

1. Are any exempt staff employed by the Ministry of State for Social Development and, if so, what are their (a) titles (b) positions (c) names?

2. Do any of the staff mentioned in part I receive income, financial assistance or other benefits related to their employment from sources other than the ministerial budget and, if so (a) which members (b) what are the details of the income, financial assistance or other benefits?

Hon. Mark MacGuigan (Minister of Justice): 1. No. The Minister of State for Social Development employs exempt staff as follows:

(a) and (b)	(c)
Executive Assistant	P. Sauvé
Special Assistant	J. Dickson
Special Assistant	J. Ablett
Special Assistant	R. Hill
Special Assistant	D. Martin
Special Assistant	C. Grauer
Special Assistant	D. Parkinson
Special Assistant	C. Hearn
Special Assistant	B. Hendrickson
Special Assistant	A. Dewitt
Special Assistant	D. Hendren

2. No.

PERSONNEL RELEASED FROM CANADIAN ARMED FORCES

Question No. 588—**Mr. Howie:**

1. In the year 1983, were any personnel released from the Canadian Armed Forces and, if so, how many?

2. In the same year, did any personnel seek voluntary release from the Forces and, if so, how many?

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): 1. Yes, 5,212.

2. Yes, 2,062.

Order Paper Questions

AGRICULTURE CANADA RESEARCH CENTRE, LONDON, ONT.

Question No. 655—**Mr. McKenzie:**

1. Will the Department of Agriculture expand the Agriculture Canada Research Centre in London, Ontario at the University of Western Ontario and, if so (a) on what date will it be completed (b) at what cost?

2. What is the projected cost of moving to such a facility?

Hon. E. F. Whelan (Minister of Agriculture): 1. The Department of Agriculture has received preliminary approval to design a new office-laboratory for the Agriculture Canada Research Centre in London, Ontario. The proposed office-laboratory will replace leased facilities on Richmond Street and serve as an adjunct to the main facility located on the campus of the University of Western Ontario. The proposed office-laboratory is estimated to cost $11.2 million and is tentatively scheduled for completion in May of 1987.

2. The cost of moving to the new facility is estimated at $40,000.

RCMP SUPERANNUATION ACCOUNT

Question No. 669—**Mr. Knowles:**

1. On March 31 of (a) 1981 (b) 1982 (c) 1983 what total amount was at the credit of the Royal Canadian Mounted Police Superannuation Account?

2. In the fiscal year (a) 1980-81 (b) 1981-82 (c) 1982-83 what (i) average rate of interest did the government pay for the use of the money in the Account (ii) total amount of interest was paid into the Account (iii) total amount was paid out of the Account?

Hon. Bob Kaplan (Solicitor General of Canada): In so far as the Royal Canadian Mounted Police is concerned:

1.	(a)	March 31, 1981	$1,032,985,638
	(b)	March 31, 1982	$1,212,155,986
	(c)	March 31, 1983	$1,391,538,970
2.	(i) (a)	1980/81	6.36 per cent
	(b)	1981/82	6.36 per cent
	(c)	1982/83	6.36 per cent
	(ii) (a)	1980/81	$ 58,765,937
	(b)	1981/82	$ 67,990,342
	(c)	1982/83	$102,510,707
	(iii) (a)	1980/81	$16,251,967
	(b)	1981/82	$19,029,722
	(c)	1982/83	$20,221,166

[*English*]

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

Mr. Speaker: The questions as enumerated by the Parliamentary Secretary have been answered. Shall the remaining questions stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADA LABOUR CODE

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Ouellet that Bill C-34, an Act to amend the Canada Labour Code and the Financial Administration Act, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, when I was speaking prior to the noon break I had commented on a number of changes which are proposed in Bill C-34, an Act to amend the Canada Labour Code and the Financial Administration Act. I would like to take the time remaining to comment on matters which are in the purview of the Minister of Labour (Mr. Ouellet) and which have either not been dealt with or may have been very lightly touched upon in the Bill.

The Minister of Labour has two very significant reports before him. One is the report of the Commission of Inquiry into Part-time Work. That report was submitted to the Minister in April of 1983, over a year ago. However, there is almost no mention in the Bill of part-time work, the relationship of part-time workers to the Canadian labour force, and amendments which are required in that area. The other report is entitled *In the Chips: Opportunities, People, Partnerships*. That report deals with the question of micro-electronics and employment and was submitted to the Minister in 1982. Those are two very major areas of work standards yet they have not been touched upon in this Bill.

I would like to cite some reasons which will indicate why I am so concerned about these areas. There are 2.5 million or more part-time workers in this country. Approximately two million of those workers are women. These figures are predicted to grow steadily in the years ahead. However, if we look at part-time workers and the benefits accorded to them, we will see immediately that most of them are not eligible for benefits such as pensions, medical insurance and disability insurance. On average they receive about three-quarters the rate of income paid to full-time employees.

However, it is not until one realizes how important are the wages brought into a family by those who work on a part-time basis that we see the desperate need for reform. In the report of Labour Canada's own Commission of Inquiry into Part-Time Work, that fact is very clearly established. There is a reference on page 105 of that report which I would like to cite. It reads:

> The myth that women are working merely for pin-money, to buy a few little extras for themselves or their families, was firmly denounced by many briefs to the Commission . . . Numerous studies have shown that the vast majority of women work in order to supplement their family income and that their salaries are an important part of that income. Nor could the Commission's research find evidence to support the pin-money argument.

The report goes on to cite some very interesting statistics which show that most of the women who work part-time account for almost one-quarter of their family income. It drew on statistics from a 1979 study which was produced by the National Council of Welfare entitled *Women and Poverty*. It showed that if the incomes of those female spouses who work part-time in the labour force were to cease, the number of families living below the poverty line would increase by 51 per cent.

• (1510)

The Government has a full study on the difficulties of part-time workers. This Bill does not touch on that aspect of labour relations at all, Mr. Speaker. I regret that it did not touch upon it, nor will we have time in committee to study the very real changes in the structures and patterns of work which we see developing.

A second area which is not reflected in this Bill is the dramatically changing face which technology is introducing into the workforce. Here again, as in the case of part-time workers, women are going to be the ones most directly affected, certainly in the initial stages. While this Bill does make health and safety conditions mandatory and tightens up the rules protecting workers from present dangers, it does nothing to address the very real concerns in the workforce now about the potential new health and safety hazards which are emerging as a result of the implementation of video display terminals. That is something which preoccupies a great many people. It is addressed fully in the report which was submitted to the Minister of Labour but he did not deal with this issue when he brought these amendments before us.

I will close by saying that the concerns which many people have in this regard are reflected in a letter by the National Action Committee on the Status of Women to the Minister. It states, and I quote—

The Acting Speaker (Mr. Herbert): Order. I regret to have to interrupt the Hon. Member but her time has expired. There is a period of ten minutes for questions or comments.

Mr. Murphy: Mr. Speaker, first of all, I would ask the Hon. Member if she would please read that letter to me because I believe it should be on the record. At the same time perhaps she could explain why there was no mention at all of part-time workers, technological change and changes to the Labour Code during the Throne Speech of 1979 when she was a senior member of the Conservative Cabinet.

Miss MacDonald: Mr. Speaker, I always find it so interesting that the New Democratic Party continues to dwell in the past. One of the things about technological change is that it is happening now and will be happening in the future. It really is something to which we have to direct our minds on an ongoing basis. I do not know where the Hon. Member was in 1979 and, quite frankly, Mr. Speaker, I guess I do not very much care. However, I do care about the fact that this is an issue which has emerged with frightening clarity in very recent years and which is not being dealt with at this time.

I would like to respond to the—

The Acting Speaker (Mr. Herbert): Order, please. I do not know how long the letter is, but—

Miss MacDonald: It is only a few lines.

The Acting Speaker (Mr. Herbert): All right.

Miss MacDonald: Thank you, Mr. Speaker. I quote from a letter which was written on April 27 of this year by the National Action Committee on the Status of Women:

> National Action Committee is concerned with establishing compulsory standards in the Canada Labour Code which will ensure that all women exposed to VDTs and working in sectors under federal jurisdiction are guaranteed decent working conditions.

That could have been brought into the legislation, Mr. Speaker, but that proposal was not included.

Mr. Blenkarn: Mr. Speaker, I wonder if the Hon. Member is aware that the provisions of this Bill dealing with technological training presumably only apply to an employer who is bound by a collective agreement. It does not seem to apply at all to people who have no collective agreement. Does the Hon. Member feel that that is an adequate response to technological change?

Miss MacDonald: No, Mr. Speaker, I do not by any means. The question of technological change addressed in collective agreements only covers one part of the labour force. Because of the concerns which people have about the impact of technological change, it has to apply to everyone. I realize that the amendments in this Bill only apply to 10 per cent of the labour force. Nevertheless, if we had directed this Bill totally to those persons who are under federal jurisdiction, to that 10 per cent of the labour force, it would have been a demonstration to those in the private sector and to those under provincial jurisdiction to do the same thing. The federal Government has a responsibility to lead by example and that has not been done adequately in this Bill.

Mr. Blenkarn: Mr. Speaker, the Hon. Member will note that Clause 29 of the Bill which amends subsection 150(1) of the Act only applies to employees who have a collective agreement. Surely if they have a collective agreement, they could, by private contract in the collective agreement, deal with technological change. I am wondering, then, why that clause is there. It seems to me that the people who need assistance are those who have no collective agreement and have some real desire to have notice of technological change. However, this Bill provides only for people who have an agreement and I really cannot see why they would need the clause in the first place.

Miss MacDonald: Well, I believe they would need the clause. I would really want to see it included because in many cases when collective agreements were being negotiated—unfortunately so much of the technological change is happening with increasing rapidity—people did not even think to include this matter in the discussion and negotiations which

took place. I would want to see these questions raised with the Minister when he is before the committee and to know why it has not gone further than it has.

The Acting Speaker (Mr. Herbert): Are there any further questions or comments? Debate.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I would like to make a few comments today with respect to this proposed piece of legislation. I was struck this morning by the June 5 press release from the Minister of Labour (Mr. Ouellet) in which he announced the creation of a $5 million fund to support research into human and social impacts of technological change in the workplace. I would guess there is no Hon. Member in this Chamber who feels more strongly than I do that it is time this country made a greater commitment to the examination of how new technologies are affecting the workplace. However, the timing of this press announcement is peculiar. It is dated June 5, 1984, at a time when there is a lot of speculation that we will be into an election by the end of June, 1984.

I was struck by the fact, Mr. Speaker, that in his press release the Minister of Labour indicates that it is a response to the piece of research which was done by his Department called *In the Chips*. That was a report, Mr. Speaker, which came into this Chamber well over two years ago. So it has taken the Minister of Labour well over two years to respond. He has responded with a $5 million pot of money, but if one reads the press release carefully, one finds he does not tell us whether the $5 million is to be spent in one year, two years or over ten years. So we really do not know how large it is. However, we know it is a nice shiny white paper, with a nice red border, and it makes the Minister of Labour look good, like he cares, that he really wants to do something.

This whole Bill, Mr. Speaker, is somewhat in that category. I cannot help but think back over the debates we have had over the last month or two in this Chamber. We had the Special Employment Initiatives Projects, which came up again today in question period, a $300 million slush fund which Liberal Members were spending in their own ridings, 147 ridings, when there are actually 282 ridings in this country. We heard about the use of those slush funds to create first-class and second-class unemployed persons in this country. The Government has money for direct job creation, Mr. Speaker, but if someone wants to participate in that program, if someone wants to try for one of those jobs, he had better live in a Liberal riding. That is where most of the jobs are. It probably would not hurt if you were a friend of the Liberal Member of Parliament as well. That might be of some assistance in getting those jobs.

● (1520)

I cannot help but think also of the millions of dollars spent on advertising recently. In the south shore, in Quebec, pictures of eight Members of Parliament, all Liberals, were printed on three-colour glossy paper expounding on the marvellous things those Members of Parliament have been doing. Well, that expounding has been done with taxpayers' dollars. Not donated dollars from the Liberal Party of Canada but taxpayers' dollars. The Minister of Employment and Immigration (Mr. Roberts) had his picture in a really nice 16-page insert. In fact there were two, one for youth and one for women. It was a nice picture of the Minister who just happens to be a candidate for the Liberal leadership. Those people are sitting at home, they have not had a job, and they are feeling pretty depressed. Then they get the brochures and it looks like an opportunity. You can almost feel the growth of hope in those people. But it is a scam. When they show up at the Canada Manpower Centres they find out the budget has been spent and these training programs do not really exist. That is a very cruel thing to do to the unemployed of this country.

In the last two or three months we have seen far too much electioneering on the backs of those who are to some extent down and out, the unemployed, and the labour unions who are in trouble. We heard earlier today that the money for the Special Recovery Capital Projects Program has not been allocated. It has been held back so there can be announcements during the 50-day election period. Of course, the money does not get spent and the jobs are not created until later, but you make it sound as if you are creating jobs today. That is what the Government is going to make it sound like but the jobs will not be there.

Four years ago the Government indicated that the need for amendments to the Canada Labour Code was urgent. Today, June 11, 1984, we are finally debating those amendments in the House of Commons, more than four years later. The last two times the Canada Labour Code was amended by this Government, the amendments were brought in during the last 30 days of the life of the Parliament. There seems to be a conspiracy going back over decades where labour legislation is discussed in the last 30 days of a Parliament, in the middle of a leadership race when it is difficult to get information on anything except leadership candidates. The attitude is that we should be discussing labour legislation in private. Well, it is a subject they do not want to discuss in public. I suggest that the Conservative Party of Canada wants labour legislation discussed in public because we have been doing our homework. There is no resource in this country of more interest to the Conservative Party than the resource called people. If we are going to have a decent standard of living in the future, then it is hard-working and creative, well-trained people who are going to provide that kind of a future.

The introduction of technological change in the workplace is a topic which is becoming more and more popular. Recently a couple of us in the Conservative Party completed a task force report and this is a summary of our findings on technological displacement and the issue of manpower training and retraining. It took us quite a few months and a lot of hard work. One of the things we discovered is that, regardless of the country you are taking about, when there is co-operation between management and labour, when they work together to see that new technology is introduced in a humane, caring and produc-

tive way, then you have gains in productivity and economic activity and a larger share of the market-place.

This is good for the people involved, the company, the employees, indeed for society. But when you do not have that, and witness the Government of Canada's record where new technology was introduced without consultation and concurrence of labour, the major example being the post office, what do we get for it? An increase in employees instead of a decrease. An increase in inefficiency instead of a decrease. Why? Because people are not machines; people are very special. When they want to co-operate, when they want to work, when they are involved, they can make it work. But when they are not, they can make it not work. They are very clever at making it not work. They will beat the machine every time if that is the challenge you set for them.

In that context it is particularly disappointing to look at those changes to the Canada Labour Code. We are on the verge of a new era. Management-labour relations have to deal with rapidly changing technology. But what is the Government of Canada's response? What is this Minister's response? He changes the word "ninety" to "one hundred and twenty". That is how much thinking the Government of Canada has done about this new phenomenon. Let us have 120 days' notice instead of 90 days' notice. Well, we have a fair number of years' experience with the Canada Labour Code and the section dealing with new technology. It is not hard to draw conclusions based on that experience. The provisions are too vague, the definitions are too narrow. They do not work. Do we find in these proposed amendments anything that would change the vagueness, anything that would change the narrowness? Sadly, we do not. What is next, Mr. Speaker?

● (1530)

From the unions' perspective, the conditions leading to the reopening of bargaining are somewhat strange and tough. The union must prove that the employer plans to introduce new equipment or material, and—not or—that there will be a change in the manner in which work is carried out, and—not or—that the particular change is directly related to the introduction of new equipment. That is the strongest of the three conditions.

Such conditions can only create an adversarial climate. How does a clause such as that move us closer to a sense of co-operation and togetherness? It will not take place in this instance.

The Minister of Labour (Mr. Ouellet) should know that section 152 is totally inadequate for the modern age. Section 150 contains such phrases as "substantially and adversely affect" and "significant numbers of employees". What do those phrases mean? I do not believe that anyone in the House could tell us what those phrases mean, yet they are absolutely critical phrases with respect to interpreting the section of the Canada Labour Code that deals with technological change that is to come.

This legislation is disappointing. I suggest that there will be many witnesses who, at committee stage, will tell committee members that those sections of the Canada Labour Code should have been changed long ago. Section 149(2) of the Canada Labour Code should have been amended, but was not. That section deals with the issue of reopening an agreement that had been signed. If one looks at the labour relations in this country over the last few years and recognizes the speed with which new technological changes have come into being, it is easy to recognize that although employers and employees bargain in good faith and sign contracts, there suddenly may be a technological breakthrough six months later that has a massive impact potentially on productivity. Yet there is no adequate mechanism for reopening those contracts to allow employers and employees to work together to introduce that technology.

One positive measure in this legislation concerns lengthening the notice clause from 90 days to 120 days. It is unfortunate that it is not 180 days, because time is required to devise solid plans and to work together to implement those plans.

Just a few short years ago we had the second highest standard of living in the world. We have dropped to fourteenth and are continuing to slip. One of the reasons for that drop is that there is too much conflict between the federal Government and provincial governments and between management and labour. We must embark on an era of co-operation and develop an attitude in this country where we work together to accomplish our goals.

That is the fault with the amendments to the Canada Labour Code. They were not brought to us in a spirit of togetherness. Some of us even wonder if Members of Parliament were made aware of these amendments before some major employers were made aware of them. These amendments were introduced at a time when probably we have less than three weeks in which to complete examination of these measures and pass the legislation through the House before the summer. It will require the co-operation of all three Parties of the House and a willingness to work extra hours to hear expert witnesses in this country to even have a chance to amend this legislation so that it addresses more effectively the job that needs to be done.

Our Party is willing to embark on that exercise. I hope other Parties are as well.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments.

Mr. Blenkarn: Mr. Speaker, the Hon. Member did not get into the health and safety aspect of the Bill. I am sure that he has had an opportunity to read Clause 20 which deals with amendments to Section 82 of the Act. Although there are two pages of requirements prescribed for employers, I thought the requirements for employees were particularly horrendous. Was the Hon. Member aware that an employee is required, under penalty of fairly large fines, to ensure that he uses safety materials and equipment in the manner prescribed, presumably, by regulation, and to follow prescribed procedures with respect to health and safety? Furthermore, he is to co-operate, again in the manner prescribed by regulations under the Act,

and to report in the manner prescribed every accident or other occurrence?

The Acting Speaker (Mr. Herbert): Order. I must refer the Hon. Member to our rules and suggest he should not be discussing the clauses of the Bill at this stage. Second reading is for discussion in principle. If he has concluded his question, I will allow a reply in principle.

Mr. Blenkarn: With respect to the principle, should there be such detail of regulations as is indicated by this Bill? Is the Hon. Member satisfied with a Bill that contains that number of regulations all of which impose penal requirements if the regulations are not complied with?

Mr. Hawkes: Mr. Speaker, I am glad that the Hon. Member for Mississauga South (Mr. Blenkarn) asked that question. We are dealing with occupations here which come under the Canada Labour Code and which have traditionally been occupations that are generally held by the poorly educated part of the Canadian population.

We have said that 30 per cent of the adult workforce in Canada is functionally illiterate. It is 40 per cent or 50 per cent with respect to some of the occupational groups that come under this Act. Therefore, I hope that Members of the House would carefully consider that fact if we are to include complex measures in the Canada Labour Code that require individual employees to obey the law or face prison or a big fine.

It was stated earlier today that the penalties which apply to individual employees are no different from the penalties that would apply to major employers. There is no difference in size or kind. Do we want that principle?

I do not know if Hon. Members are aware that the Auditor General's last report criticized Labour Canada's approach to occupational health and safety. There are two or three pages of criticism. When I read the Bill, I did not find that this legislation provides the kind of protection that the Auditor General suggests. When we examine this Bill in committee, I hope Members will bring their copy of the Auditor General's report to review what it says about occupational health and safety and the practice of the Department of Labour. Perhaps when the officials from the Department of Labour appear before us, we can look carefully at their performance to see how some of these clauses came into being and to ask why they believe it is fair and just to penalize an individual employee who perhaps has a grade 4 or 5 education in the same way as someone who has a Harvard M.B.A. I wonder where the justice is there?

Mr. Murphy: Mr. Speaker, I raise the issue about individuals being fined the same as corporations. Does the representative of the Conservative Party agree to making amendments at committee stage to increase the fines to corporations? We will then not be in the ridiculous situation where a corporation may be fined $2,000, which is the same amount as that imposed on an individual. This obviously is not a deterrent to a corporation, but it is for an individual.

• (1540)

Mr. Hawkes: Mr. Speaker, the only justification for a fine of any kind is that it acts as a deterrent. Any fine that is not adequate should either disappear or the act not be fineable in the first instance, or else the fine should be large enough to serve as a deterrent. That is the basic principle under which all of us should operate.

The Hon. Member might be interested in the efforts we made in the energy committee after the Bill was split following the bell-ringing to have fines apply equally to federal civil servants as to people in the private sector for the same kind of behaviour. The Government and the NDP would not let us have those principles. Those are the kinds of principles for which we fought before and for which we will fight again.

Mr. Gamble: Bearing in mind the Speaker's admonition against particularity with respect to my question, has the Hon. Member had any regard to the potential extension of the multi-employer rules now to be changed by regulations, which might have a rather unfortunate consequence with respect to some independent contractors who might now be caught in the net of being designated as employees losing the tax advantages which they otherwise might have in connection with travelling and other expenses relating to the conduct of their own business, Mr. Speaker? Is this something we might discuss and hopefully remedy?

Mr. Hawkes: I am glad that issue has been brought up, Mr. Speaker. One of the insidious things that has occurred, and we see it in almost every piece of legislation that I have faced since 1979, is that the Cabinet is given power to make regulations by Order in Council. One of the characteristics of a regulation is that it is done in secrecy. It just appears. It is like instant law. It affects arrangements that people have sometimes spent thousands of hours and dollars making. You just get the secrecy. I hope that collectively we can remove the regulatory power as much as possible in every piece of legislation, and certainly I hope we can do so here. The rules of the game should be clear to all participants, and we should not have mechanisms in law which allow the rules to be changed in the middle of the night without a chance to object and bring some wisdom to a situation.

The Acting Speaker (Mr. Herbert): If there are no further questions or comments, we will continue debate.

Is the House ready for the question?

Some Hon. Members: Question.

[*Translation*]

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): The question is as follows: Mr. Ouellet, seconded by Mr. Pinard, moved: That

Bill C-34, to amend the Canada Labour Code and the Financial Administration Act, be read a second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Is it the pleasure of the House to adopt this motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

* * *

[*English*]

DIVORCE ACT

MEASURE TO AMEND

The House resumed from Friday, May 11, consideration of the motion of Mr. MacGuigan that Bill C-10, an Act to amend the Divorce Act, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

The Acting Speaker (Mr. Herbert): When the House adjourned on the last day of debate on Bill C-10, the Hon. Member for Prince Albert (Mr. Hovdebo) had the floor.

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, at four o'clock on May 11, a month ago, I was talking about the situation which the law required under the present divorce Bill. I was talking about the concern we should have with the need to establish blame, that it should not be carried on. Proving blame, adultery, cruelty, or whatever hardly promotes amicable relations for arranging maintenance, custody, and for visiting children when there are children involved. The key to this Bill and the reason we are not supporting it is that it is so deficient in the area of maintenance.

Just before I leave the matter of establishing blame, I would like to read into the record a statement made by The Catholic Women's League of Canada in a brief which the League presented in May 1983 wherein it backs up this particular position. It reads:

> ... the accusations and counter-accusations of the present adversarial system seem to do a great deal of harm to the familial relationship which often times must survive the dissolution of a marriage because of children. Accordingly it is our submission that the best interests of all parties concerned, including children would be best served if the only ground for divorce were permanent breakdown of the marriage.

The second portion of this Bill has to do with the one-year waiting period. This used to be three or five years depending upon the circumstances. Some groups have even suggested that we eliminate it totally and have no waiting period, that the application for divorce should just go ahead. Some groups, such as the National Association of Women and the Law and the Canadian Bar Association have opposed this one-year term. We also have a large group of people concerned, probably reasonably so, about the possibility of an approach to marriage and divorce which you could call divorce on demand. This one-year waiting period is a compromise. I think it is an acceptable compromise for most people between the feared divorce on demand and the five-year requirement which is in the present structure.

The other area, which I think is probably the most important part of this Bill and is a real deficiency in it, is its lack of dealing with maintenance. The points I will be making will no doubt be reiterated here many times by many speakers. Because we are pointing out the shortcomings, with which I hope the committee will deal when the bill gets there, it will not hurt to repeat the deficiencies and to keep on repeating them until the Government thinks it thought of them and makes the appropriate changes in the Bill.

This divorce Bill could have very negative economic consequences for the recipients of maintenance orders. As we know, most recipients of maintenance orders are women. The Bill sets out self-sufficiency as the goal of a person after divorce. While this would be a very desirable goal in theory, in reality it is unattainable for many people and almost impossible for a large group.

• (1550)

We should deal with the particular deficiencies of the Bill as we go along. The first is the time limit on orders. The Bill would place time limits upon maintenance orders which could not be varied after they expire. This would cause much hardship for people receiving maintenance who are unable to adjust during the time limit established. The Bill will establish the principle of short-term maintenance orders.

The best way to approach this matter is by presenting some examples. There is the case of a 55-year old woman who has been deserted by her husband. They live separate and apart for one year and then apply for a divorce. This particular woman has been a homemaker for 30 years and has no marketable labour skills. Under the Act she will be required to become economically self-sufficient. She might be awarded short-term maintenance for the purpose of job training or retraining, depending upon the situation, for time to search for a job and for readjustment. She is given two years of maintenance and, if she has been unable to obtain a job or keep a job, after that period she is on her own. She can return to the court for an extension only if the time period has not expired. Suppose she obtains a job but loses it just after the two years is over. Then she is out of luck entirely. Therefore, we must strongly oppose this time limit.

As the Canadian Advisory Council on the Status of Women put it, who knows exactly how long it will take a woman with young children or an older woman who has never been in the labour force to become economically self-sufficient? The Council included that in a press release dated January 20, 1984. What are the prospects at this particular time for any

unemployed person to find a job, given the present state of the economy? Therefore, short-term maintenance becomes dangerous when it is coupled with awarding lower amounts, which is also encouraged by the Bill.

I would like to list in my remaining time some of the other shortcomings in the Bill. For instance, the objectives of maintenance and enforcement features are woefully inadequate. We will oppose this Bill now because of its shortcomings. When it goes to committee, we hope something will be done about them.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments. As there is no one wanting to put a question, for continuing debate, the Hon. Member for St. John's East.

Hon. James A. McGrath (St. John's East): Mr. Speaker, this is probably one of the most important Bills to come before Parliament. Certainly it is without question the most important one in this session, in my opinion. I say that because of the negative impact it can have in its present form upon Canadian society, especially upon the keystone of society, namely, the family unit.

There are those who would say that the Bill is merely an ongoing reform, that it is the result of the processes of law reform, that it merely responds to that process and that what we have before us today is merely the results of the processes of the Law Reform Commission and Canadian law societies. Essentially, we have before us today a lawyers' Bill. It was drafted by law officers of the Crown within the sanctuary of the Department of Justice. In its present form, it largely ignores the responsibility of Parliament to maintain the family unit as the most important and indeed the bedrock of Canadian society. Some wise person once said that war was too important to be left to the generals. I can paraphrase that statement by saying that divorce and family law are too important to be left to the lawyers. If we are not careful, vigilant and prudent, we could, by the passage of this Bill, be opening the floodgates for divorce in the country, thereby undermining the security and sanctity of the family in Canadian society and, equally important, the rights of children.

I remember another Bill in a previous session of Parliament. It was in 1969. It was a Bill to amend the Criminal Code with respect to its provisions dealing with abortion. The purpose of it at that time was to provide the legal basis for therapeutic abortions. We were told that it was merely a reform of the law which would give some legal justification, some *de jure* justification, to a *de facto* situation. At that time the *de facto* situation was the 300 or 400 therapeutic abortions which were performed yearly in Canadian hospitals. At that time we did not know very much about abortion nor did we fully understand the implications of what we were doing by that Bill. The Bill was passed and it has been subsequently overtaken by events. For example, it was overtaken by medical science, the Charter of Rights and the whole question of the right to life, specifically the rights of the unborn child. The unborn child is now treated by medical science as a separate person through the medical science of fetology and out of the womb surgical procedures. Little did we know 15 years ago that we would be opening the floodgates to a massive denial of the legal and constitutional rights of the unborn.

● (1600)

In 1969, there were 300 therapeutic abortions a year. That has increased to over 70,000 in 1983. In one year in the City of Toronto, I believe it was 1981, there were more abortions in that city than there were live births. I use that argument because it perhaps best expresses my concern about what we are doing here today.

Today in Canada four out of every ten marriages end in divorce. We can anticipate that this number will increase quite significantly and drastically with the no-fault definition of marriage breakdown as contained in this legislation. This has been a good debate. I look forward to the time when the Bill goes to committee. I say it has been a good debate because I have heard some excellent speeches on both sides of the issue. There were relevant speeches in terms of dealing with this question in a just way.

Let us take the question of maintenance. In my opinion—and other speakers have addressed this problem—the Bill does not deal adequately with the question of how to enforce maintenance. What is more, it ignores, with respect to maintenance, the basic rights of children as set out in the United Nations Charter of Childrens' Rights and their basic fundamental right to be raised in a healthy family environment.

The Hon. Member for Victoria (Mr. McKinnon) put forward a suggestion with regard to maintenance and our inability to enforce maintenance orders. He put forward the need for federal-provincial co-operation and the need to establish a central registry with regard to the implementation, enforcement and collection of maintenance orders. That is a very positive suggestion, one that addresses one of the basic weaknesses in this legislation.

I remember seeing a study over U.S. television recently dealing with the question of poverty. It dramatically showed the plight of women in the United States trying to cope with raising their children alone, having been abandoned by their husbands. One thing stood out, and that is, that in each case of the women interviewed, all of whom were living in poverty, the courts had legally provided for their maintenance. We are talking about a number of jurisdictions in the United States. In each case society was powerless to enforce the court order. Thus, the children were not only deprived of a normal double parent family, but were in fact physically deprived of the basic requirements of a healthy upbringing by being forced to live in poverty. In our society today, women are among the poorest of the poor, abandoned women, women who have to look after

single-parent families. They have no provisions for their future. They are not covered, for example, by the Canada Pension Plan.

The Hon. Member for Edmonton South (Mr. Roche) made a strong case during the course of his speech on this Bill for mandatory mediation. I suppose you can make a case for no-fault divorce, but surely we should recognize the importance of marriage. Before granting a no-fault divorce there should be a process of mandatory mediation. That should be fundamental in the whole concept of no-fault divorce. At the Hon. Member suggested, it has been tried in other jurisdictions and it has been shown to be practical and successful in keeping down the rate of divorce through reconciliation, bringing couples back together. It is a proposition that has been put forward by a number of groups in Canada, including the Roman Catholic bishops of Canada, the Pentencostal Assemblies of Canada, just to mention two.

They have identified the lack of compulsory mediation as one of the basic shortcomings of this legislation. If there is to be no-fault divorce, and I have difficulty with that, there has to be mandatory mediation. This at the very least would be society's way of stressing the importance of the marriage contract and its commitment to protect and preserve the family unit. One submission on this Bill came from St. Andrew's-Wesley Church in Vancouver. I quote from their submission. It reads:

> You do not divorce your children. Divorce severs the connecting relathionship only between the parents. The relationship between the child and each parent is sacrosanct and unless harm can clearly be anticipated it should continue on in perpetuity to the continuing benefit of the child.

It then goes on to recommend that this Bill include a provision of legal presumption and the need for continued joint parenting. We are talking here aout the rights of children who are overlooked in this legisation and are overlooked in the divorce courts of this country. We as parliamentarians have an obligation to address that problem. Dr. Julien Payne, Professor of Family Law at the University of Ottawa, put it this way:

> To all intents and purposes, therefore, current judicial practices (in Canada) confirm that the legal divorce process severs not only the marital bond but also the child's bond with the non-custodial parent.

Hence we have the single parent family, the lack of enforcement maintenance orders and poverty among single-parent families, largely headed by women. This Bill fails to address that problem by not providing for mandatory mediation. Unless we take steps now in this legislation to protect the rights of the children, and we would be recognizing these rights by putting in a provision for mandatory mediation, thereby recognizing the rights to which we are signatories under the United Nations Charter of the Rights of Children, we will be seriously undermining the family unit in this country. That is a move we will live to regret.

Who will speak for the children of broken marriages? Who will speak for the young people who will now be able to try it out for a short period of time, knowing they can go through the relatively simple process of no-fault divorce? What about the consequences of these short marriages? Who will look after the children? The family is already threatened from all sides in our North American society. Inflation and the pressures of the consumer society have resulted in the phenomenon of both parents being forced to work, both parents having to enter the workforce to cope with rising costs and the need to keep up with the Jones, leaving the children largely unprotected and uncared for, vulnerable and susceptible to the commercial pressures of the mass media.

Surely as responsible legislators, society expects us to protect its interests by incorporating in this Bill whatever provisions are necessary to recognize children's rights and the importance of the family unit. It is interesting that in the materialistic godless societies of this world, as perhaps best exemplified by the communist regimes of this world, they are doing exactly that. In the Soviet Union, they are taking steps to reduce the incidence of abortion. They are also taking steps to cut down on the incidence of divorce because of the impact it is having on Soviet society. Within the People's Republic of China, they are taking steps to preserve the family unit by overturning one of the Maoist principles which would provide for one of the parents, the mother, to remain at home to care for the children and the family. Surely we as a society that is based on the Judeo-Christian concept have a responsibility equal to that of those societies which do not recognize any kind of Judeo-Christian principles, or any principles for that matter save those that are in their best interests.

● (1610)

As I indicated at the beginning of my remarks, I believe that this is probably the most important Bill with which we will have to deal. I think it should be dealt with as an important Bill. When the Bill goes to committee, the committee should receive briefs and hear witnesses from all segments of our society. I do not think that the question of children's rights is adequately understood or has been adequately addressed in the country. I do not believe that the importance of the family unit has been adequately addressed in this legislation. For that reason, I believe that this Bill falls short of meeting the traditional requirements of this basically Judeo-Christian society.

The Acting Speaker (Mr. Herbert): There follows a 10-minute period for questions and comments.

Mr. Thacker: Mr. Speaker, my colleague has had many, many years of experience in this House and I would appreciate hearing his personal views about whether he believes the law results in a change in action by society or whether the law follows a change in action by society. We saw what happened when we changed the law with respect to abortions and we saw what happened when we changed the law with respect to divorces. To what extent does he think that the law is a leader

in that? Alternatively, does he think that the law simply follows the customs and moralities of the day? What does he think we should do to affect that, if anything?

Mr. McGrath: Mr. Speaker, I have always been concerned about some of the recommendations that are coming forward on an ongoing basis from the Law Reform Commission. I do not know who that commission is in touch with because it is certainly not in touch with the society in which I live. For that matter, it does not reflect the cares and concerns of that society.

In this particular case, I believe that we are dealing with a lawyers' Bill. As I said during the course of my remarks, divorce is a social problem that is far too important to be left to the lawyers. That is why I believe that, legal arguments nothwithstanding, we should look beyond this Bill to the impact that it will have on the family unit and the impact it will have on the rights of children, impacts which are not fully understood and not addressed in this Bill.

Mr. Lambert: Mr. Speaker, I believe I spoke on the first day this Bill was presented. Since that time, a good deal of correspondence has been received from various parts of the country on both sides of the question. I would like to ask my colleague, the Hon. Member for St. John's East (Mr. McGrath), whether or not he has received any particular reactions. Perhaps he could inform the House of the reaction of the many religious groups in the Province of Newfoundland.

Perhaps I was the first one to say so, but during my speech I said that I felt, as does my colleague, that as this is really a matter of the morality of the country, the House Justice Committee should undertake extensive hearings across the country to hear the views of the people and not just the views of the lawyers. It has been said that this is a lawyers' Bill which is responding to a certain element in society that is looking for quick, fast, glib divorces.

Mr. McGrath: Mr. Speaker, I believe that this Bill is out of step with the mainstream of Canadian society. That is perhaps best reflected by the concerns that are put forward on an ongoing basis by various groups in society, not the least of which are the churches. I referred to two such groups. I referred to the Canadian Catholic Conference of Bishops, a group which speaks for the Roman Catholic Church on a national basis, and I believe that their adherents represent about 40 per cent of the population of the country. I also referred to the Pentecostal Assemblies of Canada. I believe the question has been addressed by many synods of the Anglican Church in Canada. I know it has been addressed by many of the member churches of the United Church of Canada.

It seems to me that this Bill is merely responding to the lawyers who seem to be saying to Canadian society that they know what is best for us. I do not think that they do in this particular regard. I think we as legislators have a responsibility to put this legislation before the mainstream of Canadian society so that we can hear from the churches and from the groups that must deal with family breakdowns, battered wives and the poverty that is symptomatic of a single-parent family. We as legislators have a responsibility to make sure that the committee that will examine this Bill on second reading will travel extensively throughout the country.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I would like to commend the Hon. Member for the quality of his remarks on this Bill and for his obvious concern, of which I think all Members know and for which I think all Members respect him.

I would like to put a question to him that is perhaps a double-barrelled question. First, I agree with his position regarding abortion and I wonder if he would comment briefly on whether or not the Act itself, an Act that was passed in the House before I came here, has not been subverted to a large degree by the provincial Attorneys General and the so-called hospital abortion committees that have basically become a rubber stamp for abortion in many hospitals? The fact that that can happen may well be a fault of the law, but it is also a fault of the people.

I would ask the Hon. Member what his suggestions might be *vis-à-vis* divorce in Canada in order to prevent the kind of knock-down, drag-out, dirty battles that often occur in divorce court, which make relationships between the divorced partners so bitter that there is little chance of their ever speaking a civil word to each other again and thus causing a great deal of trauma for the children of the marriage.

Mr. McGrath: Mr. Speaker, the non-adversarial elements of the no-fault provisions in this Bill are the only positive things I can find in it. Because of those provisions, there is a serious chance that the two parties can be reconciled. That is why I believe the no-fault provision which eliminates that adversarial approach should be complemented by compulsory mediation.

I am only concerned that this legislation does not adequately address the importance of marriage and the family unit. If we go the same route with this Bill as we did with the abortion Bill, then, putting the two Bills together, we as a Canadian society are in deep trouble. If we cannot take steps to support the family and to support the rights of children, then we, Sir, are in deep, deep trouble.

I believe that we as legislators and parliamentarians have a responsibility to address this problem, and I welcome the question of the hon. gentleman. I remember the time when I put forward a provision to provide for the rights of children. I had the support of the Hon. Member and he was one of the few people who understood what that measure was all about. He understood the rights of children in a society to an adequate upbringing, which means the right to double-parent families. To me, that is a basic right. As well, when a divorce is granted, children still maintain certain basic rights with

regard to both parents. That speaks for the inadequacy of the maintenance provisions of the Bill, and the need for compulsory mediation. We as a society, notwithstanding the fact that we consist of 10 jurisdictions, can get together on everything but we cannot seem to get together on an adequate enforcement of maintenance, orders. I do not think that there is one Member in the House who has not experienced a family who has been abandoned by the male partner. It has left the woman as a single parent, with no income and no means of providing the children with the kind of environment that is necessary for the healthy upbringing of the children. Not only that, we create problems which that woman will face in the future because she has no retirement benefits and will not qualify for the Canada Pension Plan. She will end up as one of the statistics in Canada—the poorest of the poor, who are usually women.

● (1620)

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I would like to inform the Hon. Member for St. John's East (Mr. McGrath) that I agree with his proposal that the Bill should go into the country under the auspices of a parliamentary committee to be examined and to allow for a good deal of public input. The Bill deals with the basic unit of society—the family.

I would remind the Hon. Member that he did not address the first part of my two-pronged question. I wonder if he sees any reasonable time frame which might be applied to the kind of public hearings about which he is talking?

Mr. McGrath: Mr. Speaker, perhaps the hon. gentleman could repeat the first part of his question. I now recall that I did not deal with it adequately.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, the question referred to the role that the provincial Attorneys General and the hospital abortion committees play in the granting of the right to an abortion.

Mr. McGrath: Mr. Speaker, I did address that by referring to our inability to standardize procedures in the country, given the fact that there are ten jurisdictions dealing with maintenance and the enforcement of maintenance orders. We failed miserably in that regard when the abortion Bill was passed in 1969.

I understand exactly what the hon. gentleman means. The abortion provisions of the Bill, which was passed in 1969, mean different things to different people. In the Province of Quebec they are wide open; in other provinces they are interpreted differently, and, indeed, they are interpreted differently from hospital to hospital. That is a problem which we can no longer ignore. It is a problem which we will have to deal with sooner or later in Parliament.

The Acting Speaker (Mr. Herbert): This is the conclusion of the ten minutes which is allowed for questions and comments.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Herbert): It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The Hon. Member for Esquimalt-Saanich (Mr. Munro)—Fisheries (a) Possible impact of United States Oil Lease Program on West Coast Fisheries. (b) Environmental Hearings in Alaska; the Hon. Member for Peterborough (Mr. Domm)—Crown Corporations—de Havilland Dash-8 Aircraft—Financing of Sales; the Hon. Member for Vancouver East (Mrs. Mitchell)—Public Service Commission (a) Office of Equal Opportunities for Women. (b) Equal Pay for Equal Work.

GOVERNMENT ORDERS

[*English*]

DIVORCE ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. MacGuigan that Bill C-10, an Act to amend the Divorce Act, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I rise on debate the principle of Bill C-10, which is an Act to amend the divorce legislation. I do so with some trepidation because it is one of the difficult areas of social legislation which we see so often in Parliament. It turns out, in actual fact, to be different from what Parliament had basically intended.

We need only go back to the Divorce Act of 1968 and review the speeches which were given in the House at that time. It was clear that the intention of the Government was to make it easier, for those couples for whom divorce was inevitable and the marriage had truly failed in a commonsense understanding of those terms, to obtain a divorce. Yet, once that piece of legislation was passed, the divorce rate in the country absotutely sky-rocketed and is still going up. The very fabric of the family has been affected adversely by that piece of legislation. It is so much easier for people today to back out of a marriage and start up with someone new, rather than to

examine their own conduct and to attempt change within the marriage which would keep the marriage intact and the children under one roof with two parents.

I am sure the abortion law was another example of Parliament's passing social legislation. At the time I recall that there were something in the order of 3,000 abortions a year. Many of those abortions happened in the backrooms of medical quacks and, as a result, women were dying. Clearly we did not want that to be the law of the land. We wanted to change that and make it more reasonable. Yet, as a result of changing it, there are over 70,000 abortions per year. Most people, from a common sense perspective, feel that that is out of line and that again it is easier for people to have an abortion than to carry on and have the child. Once we meddle in one area, we find that we must touch other areas. I do not think that is what we intended and what we want.

Here we are again, 15 years later, addressing the divorce legislation. As earlier speakers have indicated, I hope that we will be wise—if the Bill gets through second reading—and require the committee to travel extensively in order to give Canadians an opportunity to express their views. I am not convinced that many Government backbenchers want this Bill to pass second reading. I know from my discussions with them that they too are receiving an enormous amount of letters from their constituents which indicate that the whole area is out of control and that there should not be any further changes. In my own case, I have received approximately 90 letters from all sorts of groups, as well as from organized lobby groups.

Bill C-10 raises many questions which must be debated and answered. The first one is: Why do four in ten marriages fail? Is it because of the divorce law which was passed in 1969? Is it because of pornography? I think that is a probable factor. Is it because of the abuses in the economic system which have led to massive unemployment? The standard of living in Canada was once second in the western economy. We are now approximately fourteenth. This is a result of an enourmous failure on the part of the government of the day to maintain our rate of change. It thought that by creating Crown corporations, by taking over areas which were not competitive on a world-wide scale, and by subsidizing tem, we could keep them going. It is true. We did keep them going for an extra 10 years or an extra 15 years, but at an enormous cost. Our standard of living in this country has dropped. As rich as we think we are, we have gone from second to fourteenth in comparison with the other western industrial powers. What a tragedy that is. We are still a small population with vast resources. As well, we are an educated population. If it were not for the fact that governments promise people something for nothing, we could still be number two. We will be number two again after the next election when there is a new Cabinet.

Is the increasing divorce rate the result of urbanization? Perhaps our churches and our social agencies have failed us. I know that my own church, the United Church of Canada, has a high management structure which has advanced to the point where it believes that the institution is much more important than the people who are at the grassroots level. The institution now believes that it knows what is best for the ordinary people who belong to the church. It does not listen to what the people are saying. It has given up on the salvation of mankind and turned into a political lobby group. It wants to grab political power and forget the salvation of mankind. That is what has happened in the United Church, to the regret of a great number of us. It will affect the membership in the church dramatically. Therefore, I believe that the church has failed us. The highest leadership of the church, as has happened in the past, is out of line.

I am sure that it is failure also at the individual level. Particularly in the last 15 years, there has been a continuous bombardment by government offering us something for nothing. There were all sorts of programs with low taxes because we were borrowing the difference. We had the benefit of those programs. Therefore, we had a lot more disposable income with which to buy big cars, big houses, land and businesses. Now the taxes are starting to match the programs, because you can only borrow so much. Even as a country ultimately you have to balance your books. That is why we are in trouble. So we have failed individually to take on the responsibility because we got sucked into the belief that we could get something for nothing.

● (1630)

I suppose that, rather than looking at why four marriages in ten fail, we should consider it remarkable that six marriages in ten continue in spite of all the enormous pressures which are put upon us as a result of urbanization and changing from an industrial society into an information society. We have just been through an enormous transformation from a rural society into an urban society. We have gone from a collectivity to individuality in terms of individual freedoms and rights, such as the right to free speech, freedom of conscience and the right to go out and do your own thing. That has been one major change in our society. We have gone from the collective factor, which used to control people in the small towns and villages, to an urban setting where people, as a result of the anonymity of the cities, feel an enormous freedom to live the life style they want. However, at the same time we have given up the responsibility of looking after ourselves and our families, which we accepted when we lived in small towns, villages and farms, and have reached a point where we now let the governments do it for us. We look to the government to provide education, daycare and to look after our individual failings. I think that is why four marriages out of ten fail. In fact, I am amazed that more marriages do not fail. Perhaps that is a tribute to the basic stability of Canadians. I think we should find out what makes those six successful marriages in ten work so that we can make appropriate changes. Only then perhaps will the figures show eight successful marriages out of ten or nine successful marriages out of ten.

As I said earlier, Mr. Speaker, there is a loss of a sense of community and a loss of a sense of individual responsibility. People have the attitude that it is easier to get out and start anew with someone else rather than to make the changes within themselves individually and within their family.

With respect to the global scale, our Canadian rate of divorce is 2.9 per 1,000 of population. It is about the same as in Australia, the United Kingdom, Sweden and Denmark. So this shows it goes beyond whether we have left wing governments or right wing governments. It is the fact of the enhanced growth of government itself which has affected us. The United States, of course, has a much higher rate at some 5.3 per 1,000.

The institution of marriage is still strong, Mr. Speaker. As shown by statistics, some 84 per cent, particularly men, are remarried within five years. If I might be permitted a personal comment, Mr. Speaker, having practised law for some ten years in the City of Lethbridge, I found that there was not one case, to my recollection, of a reconciliation after either a man or a woman had come into my office and laid out the fee for divorce, whether it was contested or uncontested. There was not one incident, Mr. Speaker, where I, as a lawyer, acting in that capacity, was able to effect a reconciliation, even though I had to bring to their attention the fact that there were mediation facilities available in the community. By the time they had come into the lawyer's office and put their money down, they simply were no longer interested in reconciliation.

I also found, again from my own personal observation, that the problem was not with the women. The problem was with the men. Men could not come to terms with the "new woman", the woman who genuinely wants to be equal, who genuinely wants to make a contribution, not only in the home but feels it is important to get out into the community. The educational dimensions of women have grown enormously. I found that the problem was within men, because most of them had been raised in a family where the wife stayed home, looked after the children and was totally dutiful and respectful to the husband, accepting his views on practically everything, including the vote. The woman today is not prepared to do that, and men have to come to terms with that fact. I found that the problem was in trying to convince men that the wife was not being abnormal in her expectations of living within the family; the problem was in the man expecting the 1980s women to be like the woman of the 1940s or even the woman of the 1960s, and I feel the whole question of abuse grew out that problem. Women were not prepared to accept their traditional role, and men, responding in their macho way, felt they had to force the woman into line, which led to wife battering, and, of course, we should not tolerate that at all. Men will have to come to terms with the role of the new woman and accept it. We can never go backwards. Women are not going to go back into their old role. Therefore, men had better get on their side.

This Bill, Mr. Speaker, is like a lot of other Bills. Some parts of it are acceptable, other parts are much less acceptable, and on some parts we have totally different views. Some parts of the maintenance legislation are good, but they do not go far enough. There is another dimension in Canada to which the provinces have never adequately responded, that is, that Canadians are a mobile people. Because we are mobile, we should be able to expect as a right that the maintenance laws of one province will be respected in other provinces. I believe Canadians should have that as a right.

With respect to medicare, I always thought it was practically criminal that the provinces had not put in the proper mechanism so that a Canadian could go anywhere and receive medicare. I sat on a task force in 1980 which made that recommendation, as did earlier task forces. The provinces have never brought it in, and I feel they have to accept criticism because of that.

With respect to custody counselling, a no-fault, out of court procedure where both sides are in full agreement and the questions of custody and maintenance are settled, I found in my practice that there was a very deep anger and frustration bordering almost on a destructive hatred of the system when two responsible adults, who had agreed that the marriage was at an end—most often the children by that time had left home—and who wanted to dissolve their marriage in a positive and constructive way, were forced into the court system which was both adversarial and expensive. They found that to be wrong. Therefore, the part of this Bill which permits no-fault, out of court procedure when there is a genuine agreement is good. The problem, I believe, is that the Cabinet has gone too far by saying it should be no fault divorce in all cases. That does not adequately cover all situations. We should have no fault divorce for those cases where the parents agree and they are mature and responsible about it. In other cases, where the rights of children are being affected and in still other cases where there is genuine fault, I believe that should be recognized. Again, Mr. Speaker, we will find dozens and dozens of cases in each of our individual lives where the wife has in fact put the husband through university. The wife has gone out and got a job or she has stayed home and raised the children and now, at the age of 45 years or 50 years, finds herself turfed out by the husband, so to speak, who has fallen in love with a younger woman. It is not right that that man should be able to receive a no-fault divorce and put that 50-year old woman into a position where in three years she has to become totally self-sufficient, and within that same three years the man is off the hook. That is not acceptable because that woman, under these conditions today, does not have the opportunity within three years to become adequately trained to that she can step into a $50,000 or $60,000 a year position. On behalf of my constituents I say that I am simply never going to agree to that being the law. It is not fair. That woman should be entitled to at least a fifty-fifty split on assets and she should be in as strong a financial position as she was before the divorce. There are many cases where the wife is not at fault. She has done everything properly, continues to love the man and wants to live out the rest of her years with him, but because the man is out in the workforce, exposed to younger women all the time, he gets himself into a position where he has two women rather than just his wife.

• (1640)

Another dimension of this Bill that I find very troublesome and unacceptable is that the man who is 55 can turf his wife out, expect her to be self-sustaining within three years, and

himself get a divorce within one year. The only way in which the women can get a half decent financial settlement now is, if the husband boots her out, that he has to wait at least five years before he can remarry. That has been a powerful instrument in the hands of the wife and her solicitor in order to obtain a settlement which is fair to the woman and takes into account the effort and years she has put into the marriage and the family. To just change it holus-bolus affects that, and without other changes in the Bill that itself will not be satisfactory.

On the other hand, there is sometimes a need for a provision where a divorce can be obtained quickly. A wife, sometimes because she had been totally on her own, most often as the result of the man having ignored her over a number of years, becomes involved with another person and becomes pregnant. I suppose I had ten or fifteen cases of this over ten years. The wife would come in, pregnant by another man, and she needed a divorce quickly so that the child would be legitimate. Most often we were able to do this by going before a judge who would grant the divorce. Under this legislation, that woman would be forced to wait a year before she could remarry and the child would be born illegitimate, to be legitimized at some later time. We should have a way of handling this because, wherever possible, we want to have children born within the contract of marriage.

Another area where the law needs to be changed, and I am amazed that it was not in this Bill, is that of endorcing maintenance and custody orders. In over 85 per cent of divorces, custody is given to the mother. In my own Province of Alberta, the last statistics I saw indicate that one third of the maintenance orders were fully paid, one third were only partially paid and one third were not paid at all. Yet if this Bill becomes law, husbands could move to another province where they could apply to have the maintenance varied downward, and often they would succeed. The wife would be in Alberta, her husband would be either behind in his payments or not paying at all, so how will she be able to afford to go to another province just to get the order varied? What if she lives in Alberta and her husband lives in Newfoundland? It is not right, Mr. Speaker, and we cannot let that Bill go through as it is.

It was my intention to speak about the many lobbying groups who have presented their views. I have over 90 letters, several from churches and many from non-religious groups. Some act on behalf of men, some on behalf of women. We have had some good briefs on this subject, and I think that if we put our minds to it, when the legislation gets to committee we could improve it substantially.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments.

Mr. Nickerson: Mr. Speaker, the Hon. Member said that, in his experience as legal counsel, the couples who sought his advice had gone past the point of reconciliation. I notice that the Bill goes into some detail on reconciliation and counselling. I wonder if, in the opinion of the Hon. Member, it is a waste of time to incorporate all that in the Bill and whether it could best be dropped, because all it is is a recommendation to the lawyer dealing with these cases.

Mr. Thacker: I feel strongly about that, Mr. Speaker, because I think it is superfluous. It is designed so that we politicians can stand up and say we are trying to do everything we can to save marriages. But it did not work in the 1968 legislation and it is not going to work in the 1984 legislation. It has to be done at the local level. First, it has to be done in the individual family involved, where they make a commitment to try to make the marriage work. Then there are church groups, and also we have social counselling agencies available who make it known throughout the community that they will assist people in this area. But to try to make it mandatory—and again I speak only from my personal experience—will not work because by the time they get to that point it is usually over. You have to get to them much, much earlier. If we are going to make anything mandatory, let us make it at another stage, when people are young and perhaps could benefit more from understanding the realities of marriage and living with other people and the economic problems, rather than when they are 35 or 50 and think they need a divorce.

Mr. Hudecki: Mr. Speaker, I would like to ask the Hon. Member whether he has a very definite protocol to follow in attempting to bring about reconciliation. It has been my experience that with many lawyers it is simply a very factual meeting with the couple concerned at which they go through the usual procedure.

I am also in sympathy with him concerning his thoughts about considering practically all divorces to be no-fault. A delegation of women came to me and said that they feel that if such divorces go through and the children remain with the mother, as they usually do—and she is most often the innocent party—they will, in time, acquire a suspicious attitude toward that innocent person. They will begin to feel that he or she must have contributed to the divorce and, as they get older, they will become concerned about the support they really got from the innocent person. Who really should make the judgment as to whether or not it is a no-fault divorce, or whether one is the innocent party and the other one is the guilty party?

Mr. Thacker: Mr. Speaker, I think that question should be left to the parties themselves. Parliament should pass legislation which will give them the power to decide. We could have a no-fault provision where the couple could agree. But we could also have a provision covering fault, so that a wife, if a satisfactory settlement cannot be negotiated, can proceed under those provisions. She will have the right, then, to go before the judge and give her evidence as to what happened throughout the marriage that led to its decline. It very seldom saves the marriage, but at least, if she feels she is innocent, the courts can make that ruling. I think that does have an effect on the court's order for maintenance, custody and a property settlement. Let us put in the mechanism where it can go either way and leave it to the individuals rather than lawyers or some government agency to make that decision on their behalf.

● (1650)

Mr. Nickerson: Mr. Speaker, my question deals with any possible relationship between the number of abortions that are performed and the ease with which divorce might be obtained. I think even those people who favour easy abortion look upon it as being something that is rather undesirable.

I notice that the Hon. Member for Lethbridge-Foothills (Mr. Thacker) reflected on this subject a little in his presentation. Does he see any relationship between the rate of abortion and the ease with which divorces might or might not be obtained?

Mr. Thacker: Mr. Speaker, that is a tough question because it goes back to what one's personal experience has been. I have had very limited experience with abortions as affected by the law. However, the ones that I have come to know have to do with people who simply felt that they were in such a desperate position that they could not see themselves carrying through. Even women who feel the need for this for social reasons do not lightly decide to have an abortion. There is usually a good reason behind it.

Therefore, I really could not give an adequate answer to the Hon. Member's question about tying abortion to divorces. I think there is a relationship between the law and whether it is invoked, but I am not sure about a relationship between abortion and divorce. With great respect, I cannot answer the question.

Mr. Maurice A. Dionne (Northumberland-Miramichi): Mr. Speaker, I did not originally plan to participate in this debate today, but I think the Bill is too important to let it go without saying a few words about it. I have enjoyed listening to the speeches so far today. I thought that the Member for St. John's East (Mr. McGrath) made a valuable contribution to this debate. Many of the things said by the Member for Lethbridge-Foothills (Mr. Thacker) were very important. It is unfortunate that he had to mix in some partisanship in a matter as important as divorce. I do not think that partisanship should play a role. I cannot understand how the size of a government deficit or, in fact, the size of the government relates to a divorce rate.

Having disposed of those extraneous issues, I would like to make a few brief comments. First, I do not believe that there is any doubt in any thinking person's mind that marriage is the most important institution in our western society and perhaps in any society. It is the glue that binds together the basic unit of society, namely, the family. For many centuries, the marriage contract was held to be virtually inviolate. It has been so almost until the time of Henry VIII who, in British tradition at least, made divorce somewhat easy to get because he took the law into his own hands.

However, I believe the issue is so important to society in general that it must be discussed very thoroughly. I believe that an opportunity must be made for those people and groups in the country who wish to have input into this matter. I am afraid that if we do not do that and do not write this law very carefully, we will end up with the same kind of disaster that was produced with the provisions under the Criminal Law respecting abortion.

The Act, as I recall it, states that an abortion may be obtained with the approval of a hospital abortion committee when the life or health of the mother would be endangered by the continuation of the pregnancy. Yet today, in some hospitals, there are more abortions than there are live births. That is an obvious flouting of the law, because no one in this day and age can claim that, in a majority of the cases, the life or health of the mother would be endangered by the continuation of the pregnancy. Pregnancy is not a disease, it is a natural phenomenon. While there are certainly cases when the life or health of the mother could be endangered by the continuation of the pregnancy, it does not occur in the majority of pregnancies. To claim otherwise is total nonsense.

Obviously I speak not as a woman but as a man. I do not happen to be a woman and cannot speak as a woman. Of course, I have never had a child in the sense of giving birth to it, but between my wife and I we are rearing five children. It is not always easy. Neither are most aspects of life always easy.

I do not want to see this Bill become the kind of boondoggle that, in my opinion, the abortion provision under the Criminal Code has become. I believe the fault lies basically with the provincial attorneys general, almost all of whom have completely disregarded their responsibility under the Canadian Constitution in that regard.

I am concerned that we are not now putting enough emphasis on premarital counselling, as the Hon. Member for Lethbridge-Foothills said. We write laws saying how we can get out of a marriage, but we do very little, if anything, with regard to the law about how one can get into a marriage. Some churches are making an admirable effort in providing premarital counselling. In the Roman Catholic Church, for instance, in the Archdiocese of Ottawa, premarital counselling is now mandatory except in special circumstances. I believe that that is a move in the right direction. I hope that all churches will do that. Perhaps all of the churches could spend more time on the issues of the day, talking about the morality of the issue, rather than worrying so much about how it will affect the collection. Clause 5 of the Bill reads:

> Subsection 7(1) of the said Act is repealed and the following substituted therefor:
>
> '7. (1) It is the duty of every barrister, solicitor, lawyer or advocate who undertakes to act on behalf of any petitioner *or* the spouse of any petitioner on a petition for divorce under this Act . . .

—to instruct them on the provisions of this Act concerning the effecting of a reconciliation. Is that the job of a lawyer?

Mr. Lambert: It was a requirement of the other one.

Mr. Dionne (Northumberland-Miramichi): I know that it is a requirement, but is that what it should be? The clause goes on to say that in the absence of any prospect of reconciliation he must notify them of the mediation facilities known to him. Maybe we are putting the cart before the horse. Perhaps the law should require the couple to go to the mediation service

before they go to a lawyer, and maybe the mediation service should be recommending a lawyer, instead of the other way around. I think we are putting the cart before the horse, and I will have more to say about that later.

• (1700)

[*Translation*]

The Acting Speaker (Mr. Guilbault): Order, please! It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

The Acting Speaker (Mr. Guilbault): Shall all orders and items preceding item 9 stand by unanimous consent?

Some Hon. Members: Agreed.

* * *

PENITENTIARIES

SUGGESTED ESTABLISHMENT OF BOARD

Mr. Bruce Halliday (Oxford) moved:

That the Standing Committee on Justice and Legal Affairs be empowered (1) to study means of providing greater public involvement in policy-making for the Canadian Penitentiary Service (2) to determine the feasibility of amending the *Penitentiaries Act* so as to provide that the Commissioner of Penitentiaries be appointed by the Governor in Council on the recommendation of a board, to consist of five members serving for five-year terms which would each terminate in a different calendar year, appointed by the Solicitor General of Canada, the said board to be responsible for, subject to the direction and control of the Solicitor General of Canada (*a*) the development of policy (*b*) presenting an annual report to Parliament through the Solicitor General of Canada.

He said: Mr. Speaker, I am very pleased to have the opportunity today to present this motion which in effect is to refer the subject matter to the Standing Committee on Justice and Legal Affairs. This House is not being called upon to make a final decision on the wisdom, the validity or the usefulness of this motion, but I hope the House will see the wisdom of having it referred to committee for study. I say that for two reasons. First, we are in the process in the House now of trying to institute some reforms whereby our committees have more and greater opportunity to deliberate on issues which may not necessarily be referred to them solely from the Government. This is one attempt to do that. Second, my whole motion today arises out of the unanimous report of an all-Party subcommittee of the Standing Committee on Justice and Legal Affairs which, in 1976 and 1977, studied the subject of penitentiaries in Canada. Under the chairmanship of the present Minister of Justice (Mr. MacGuigan), it came up with a report that was unanimous. Among the various recommendations in that report, of which there were 65, recommendation No. 24 dealt specifically with the topic of the motion before us today. I want to emphasize that this motion and subject of it was a recommendation made unanimously by the subcommittee. It is not one of a partisan nature for two reasons, first that this issue is basically non-partisan politically and, second, that we are attempting to encourage the House to have its committees become more involved in studying matters that they feel are more important. I hope the House today will agree that the motion be referred to the standing committee for consideration.

It would be germane to make some comments regarding the background which led up to the subcommittee's report in 1977 and see how similar the situation was then to the situation we see in Canada today *vis-à-vis* our penitentiaries.

In the early 1970s, we in Canada were deluged with a number of violent incidents in our penitentiaries across the country. These included riots, strikes, murders, hostage takings, suicides, and so on. This culminated in the rather nasty hostage-taking in the B.C. penitentiary where Mary Steinhauser was killed in the course of a riot and in an attempt to rescue her. Following that, various attempts were made, one of them by the Official Opposition to have a public investigation. By agreement it was worked out that an all-Party subcommittee of this House be struck to study the matter. We spent a number of months studying Canada's various penitentiaries. We heard many, many witnesses. We came up with a report which was hailed far and wide as being an excellent report.

Mr. MacGuigan: Hear, hear!

Mr. Halliday: I hear the Minister of Justice say hear, hear. He should indeed be proud of that report, as I know he is. I suspect that the Minister of Justice is equally disappointed now as he was then that recommendation No. 24, which is really the embodiment of this motion today, was not put into practice nor taken serious account of by officials in the Solicitor General's Department. I think the essence of the subcommittee's report can be summed up in its recommendation No. 1. Its report to Parliament in 1977 at page 2 reads:

Recommendation 1 A crisis exists in the Canadian penitentiary system. It can be met only by the immediate implementation of large-scale reforms. It is imperative that the Solicitor General act immediately on this Report as a matter of the utmost urgency.

This indicates that we need large-scale reforms. The issue which this motion today addresses is one of those large-scale reforms. It is disappointing to think that it was not, in my view, properly addressed and actually instituted by the appropriate officials.

One might ask what reception this report received. I intimated a few moments ago that it received rather good reception both across the country and in other countries of the world. I think it is best voiced by the chairman of that subcommittee in a paper that he wrote in 1980, several years after the report, entitled *The Role of the Standing Committees on Justice and Legal Affairs of the Canadian House of*

Commons 1966-1978. Let me quote from his article as follows:

Although the impact of the Subcommittee's report on the press and public was immediate and strong, the hardened professionals in the CPS—

which is the Canadian Penitenitary Service.

—approached it rather gingerly and the Minister—

—the present Minister of Communications (Mr. Fox).

—even though from the outset favourably impressed by the report, was limited by the attitudes of the system.

"Limited by the attitudes of the system." That to me is the deplorable thing with which we have been faced ever since that report was received by Parliament.

Let me move on to discuss specifically something about recommendation No. 24 to which I have alluded. I think it would be appropriate if I were to read that recommendation, Mr. Speaker. It does embody my motion before the House today and indicates that it is a motion calling upon the Justice and Legal Affairs Committee to study, hopefully with the intention of asking the Government to put into effect, recommendation No. 24. At page 77 of the subcommittee's report we find:

Recommendation 24

The Commissioner should remain the chief administrative officer of the penitentiary system but he should be appointed by and responsible to a Board of five members (appointed for 5-year terms on a staggered basis by the Solicitor General) which would have sole responsibility for the making of policy. The Board must not have an attached bureaucracy additional to the Penitentiary Service. It should report to the Solicitor General and should be required to make an annual report to Parliament through the Solicitor General.

I want to address a few of the issues raised by this recommendation and indicate some of the points that should be discussed at this time.

● (1710)

Recommendation No. 24 of the all-Party subcommittee recognized that there was a need—and I submit that there is still a need—for greater public involvement in policy making in our criminal justice system, that it should be more visible to the public. I should like to refer to a quotation which substantiates that need. I refer to a 1977 publication entitled *Community Involvement in Criminal Justice*. It was a federal Government study and it reported on the role of the private sector in criminal justice. It dealt on page 117 with the influence of professionals on effective decisions in the upper echelons of government, in particular in the criminal justice system. In part the study at that page reads:

It is probably safe to say that the majority of important decisions in the criminal justice services, except major political decisions, are taken by an elite group of professionals. Not only is there an emphasis on professionalism, but the deliberations of those professionals are often not open to public scrutiny.

Hence, as I said a moment ago, the need to have this brought to the attention of the public and the need to have input other than that of departmental professionals. It continues:

The movement toward professionalism is now well advanced, which is understandable in view of prior criticisms that the justice services were not sufficiently professional. The thrust to professionalism is not likely reversible. That is as it should be, provided there is a balance against the exclusiveness that comes with professionalism, an exclusiveness which sets up firm obstacles to citizen involvement.

It indicates that we need to be wary of the present and continuing situation with excessive amounts of professionalism at the top, without adequate input by the community in an appropriate manner, input which is visible at the same time to the people.

In arriving at recommendation No. 24, the subcommittee realized that we needed an opportunity for line staff, for the staff in our institutions and penitentiaries to contribute to the policies of those institutions either at the local level or at the national level, as is the case in this motion. By the same token, there was a need to remove the imposition of policy from the top and to place it with those at the bottom. Often policies were derived and formulated by people who were not necessarily raised in the system or had not experienced the total implications of what went on at the institutional level. Those are some of the important matters with which the subcommittee wrestled in reaching its recommendations.

Finally, I should like to discuss an implication which has bothered me for a number of years. I have raised it before the standing committee from time to time. I am referring to the fact that it is interesting to compare a number of public institutions in the country with the special institution about which we are talking today. I am referring to our criminal justice system and the penitentiaries and jails which form part of it. If we study public institutions, we see that the militia or the army might be considered exceptions. Other than that, the only public institutions which do not have the benefit of adequate, effective and meaningful public input are prisons, penitentiaries and jails. They are governed by departmental people. I will conclude my remarks in a few minutes by discussing the adverse effect of that. There is a century-old sessional paper which deals with the matter.

We have schools, universities, hospitals, libraries, police commissions and various other public institutions which offer some kind of service. They all have public boards or committees to which people are either elected or appointed or both. They set most of the basic policy. In many cases fundamental policy is established by, for example, the department of education. Certainly I am quite familiar with the workings of the educational system in the Province of Ontario. Certain basic policy is established by that provincial department. As long as local school boards remain within those parameters, they set the policy for schools within their jurisdiction. The point I am making is that that does not exist within the penitentiaries system. The only effective input is on the part of citizen advisory committees, which are purely advisory. Any well-intentioned person who wants to have an idea implemented does not feel comfortable if he is on an advisory committee, unless he feels his recommendations or advice are being implemented by the particular institution and its management. This is the last of our public institutions to have public involvement at the planning level. The time has come to do something at the federal level, hence the need to refer the motion to the standing committee.

I could refer to many examples to suggest that something must be done. For instance, a very good article appeared in *Le Soleil* on April 28, 1984. I will not take the time of the House to read it now, but it pointed out that in the first few months of this year there were five homicides in the Province of Ontario. That was more than ever before. As reported in *The Whig-Standard* of Kingston on January 34, 1984, a Crown prosecutor from that area indicated that from his perspective penitentiaries appeared to be totally out of control. Another example would be Dr. Robert MacMillan, regional coroner for eastern Ontario, who released a study. He was asked to study the situation respecting the various riots, killings, deaths and homicides which had taken place in the Kingston area. In his recommendation No. 11, in a document of some 18 pages, he wrote:

> That the federal team appointed to study violence and homicides in the prison system have a member or members not directly linked or employed by the federal Government included in the review team.

There is a review team studying this matter now. I believe it is either the Vantour or the Stewart Commission. In both cases they are conducting in-house studies. We require that problem to be evaluated or assessed by at least some people, as Dr. MacMillan suggested, who are outside the federal system.

I could also refer to the Archambault riots on July 25, 1982. It is obvious that we are in need of some very major reforms in our penitentiaries and in our criminal justice system. Hence the need for this particular motion to be before the House today.

During the past few years I have been a member of the Standing Committee on Justice and Legal Affairs. I have raised this matter with four successive Solicitors General following the report in 1977. Each and every one of them, representing two political Parties in the House, adopted the same arguments and reasons for recommendation No. 24 not being implemented. They were virtually ludicrous arguments. There were no substantial bases for them. I was dismayed that senior officials in the correctional services of Canada obviously had such control over their Ministers that each and every one of them, when it reported on the implementation of our report, suggested in the very same words the very same reasons for not implementing that recommendation.

This disturbs me because it indicates that the Minister was not really making a decision. He was ratifying or rubber-stamping a decision which was made by his senior staff in the correctional services of Canada. That is the essence of the problem in the entire system. We do not have independent people such as those proposed in the motion before the House today who are nominated and appointed by the Solicitor General to determine the policy of the correctional services.

• (1720)

I want to conclude with a brief reference to a Sessional paper published in 1880 by the Parliament of Canada. It dealt with the report of two gentlemen commissioned by Parliament to look into the riot at St. Vincent de Paul Penitentiary in the 1870s. It is amazing that in 1875 the Penitentiary Act, which made some major changes, put the responsibility for the management of prisons into departmental hands. According to the two Commissioners, Mr. Miall and Mr. Tache, that was the major error. We are still living with that error. I just want to read the concluding sentence of their 19-page report. It reads:

> It is, therefore, with full confidence in the rectitude of our view, that we recommend to your consideration the advisability, we may say the necessity of abrogating the Act of 1875 and its amendments, and the restoration of a Board of Directors of Penitentiaries, constituted after the manner, and possessing the powers of that which existed prior to the recent unfortunate innovation.

That was referring to the Penitentiary Act of 1875.

[*Translation*]

Mr. Gilles Marceau (Jonquière): Mr. Speaker, I have had the privilege of sitting on the Standing Committee on Justice and Legal Affairs for fifteen years, and for many of those years I have had the pleasure of sitting on the Committee with the Hon. Member for Oxford (Mr. Halliday). I have witnessed his diligence and his interest in legal questions, despite the fact that he is not a lawyer himself, which proves that one can be interested in these issues without necessarily belonging to the legal profession.

I listened with a great deal of interest to the arguments put forward by my honourable friend, and I appreciate the fact that he said the point raised was not a political one. I appreciate this because if our views differ, it will not mean I have political reasons for disagreeing with the interesting views he has expressed and maintained with considerable determination for many years.

Mr. Speaker, the penitentiary system is a subject of considerable interest which too many people approach in a very simplistic fashion, which consists in saying that when a criminal has broken the law, all we have to do is put him in a penitentiary for as long as possible, and the problem is solved. I think my hon. friend has raised a number of questions that would bear discussion here in the House, about riots and suicide in our penitentiaries. These are very serious problems which we want to solve, but the solution is certainly not incarceration.

The point raised by my hon. colleague is an interesting one, and perhaps I may be allowed to repeat it, even if you yourself, Mr. Speaker, read the motion at the beginning of this period, and even if my hon. friend repeated it as well. I think it would be interesting to repeat the motion because it contains some very important points. The motion moved by the Hon. Member for Oxford states that the Government should consider the feasibility of providing for greater public involvement in policy-making for correctional services by amending the Penitentiaries Act to include, and this is interesting, a board of five members appointed for five years, who would be responsible for appointing the Commissioner of the Correctional Service. Developing policies and presenting an annual report would be a major undertaking. That would be the normal

thing to do if the proposal were to be accepted. This annual report would be submitted to Parliament by the Solicitor General, and this would also seem the normal thing to do. I believe that what the Hon. Member for Oxford wants is something of a wish that can be entertained by both sides of the House. I think we agree that the management of the Correctional Service now lacks, if I may say so, originality occasionally. Increased public input might be desirable wherever it meets the objectives of a responsible government. Of course, needless to say, we do not have the same political system as in the United States, where the ministers are selected by the President; in Canada they are elected and are part of a responsible government, which means that they are eventually held accountable to the public for their actions.

In fact, Mr. Speaker, as the Hon. Member for Oxford has said, this recommendation was contained in the report of the 1977 Parliamentary Subcommittee. Since then, the Hon. Member and other Members have urged implementation of this recommendation, which was Recommendation No. 24. However, as indicated by the Hon. Member for Oxford, in spite of his persistence and perseverance, it seems that there are major obstacles to the implementation of this recommendation which is, at first glance, quite interesting since, as stated by the Hon. Member, it calls for greater accountability and an increasing participation by the public, which we would all appreciate.

The Parliamentary Subcommittee came under the Standing Committee on Justice and Legal Affairs. I remember that, at the time, while having to attend other committee meetings, I had attended some of the meetings of the sub-committee and found its proceedings quite interesting. I would say that this sub-committee displayed a single-mindedness devoid of political partisanship, and this was quite pleasant. I think that, as a result, its members felt that their responsibility was committed, not as party affiliates, but as parliamentarians faced with a serious problem, that of prisoners and their sometimes perplexing actions, whether they are riots, suicides or internal problems. We often look for solutions by increasing public involvement. However, I respectfully submit to the Hon. Member for Oxford that this might not necessarily be the best overall solution. The sub-committee was made up of members from both sides of the House and they submitted their report.

Following its investigation, the sub-committee made 65 recommendations, as mentioned by the Hon. Member for Oxford, aimed at improving the Canadian penitentiary system, which was in need of new ideas and adjustments. As of January 1, 1984, of these 65 recommendations, 47 had been accepted and implemented as submitted or in an amended form; nine had been accepted but called for implementation at a later date; seven had been rejected including, unfortunately for the Hon. Member for Oxford, Recommendation 24; and the last two belonged to a special category over which the Correctional Service did not have full jurisdiction, but which the Service still considered as these recommendations were nevertheless interesting. I am sure that the Hon. Member for Oxford, who is a reasonable man, realizes that the report as a whole was not only the subject of a study but that, unlike other reports, it was not simply shelved. Many of its important and essential recommendations have been implemented, but not all of them—for reasons we deem fair and reasonable—and the debate continues. I am sure that the door is not completely closed since the problem has not been solved and one should never definitively exclude any solution.

The point to remember, Mr. Speaker, is that 56 of the 65 recommandations made by the parliamentary subcommittee have been accepted and implemented unchanged or in a modified form by the Correctional Service since 1977.

As much as possible, the Solicitor General of Canada and the Correctional Service have tried—and I think that their effort deserves praise—to implement all the recommendations of the parliamentary subcommittee but, as I said, recommendation No. 24 which the Hon. Member for Oxford is raising today in his motion was among those that were rejected. In his response to the parliamentary sub-committee report in August 1977, and it may be important to mention that response of which the Hon. Member may be aware but which I draw to his attention in any event, the then Solicitor General of Canada pointed out that this recommendation was one of the most significant changes advocated by the subcommittee and that its implications were so wide-ranging and difficult to assess that he had asked for time to consider that recommendation more thoroughly. However, he did raise a few questions after reviewing the recommendation for the first time. I would like to recall some of them to show that on such important issues we do make serious studies, and this question has to be considered quite carefully because it is very important, as the Solicitor General of Canada pointed out. For one thing, the then Solicitor General indicated that, if the recommendation was aimed at a greater participation by senior officials in the policy-making process, steps had already been taken to have the staff play a more active role in policy planning. Still, the means suggested by the subcommittee to do that had to be considered more carefully. In other words, the idea itself was accepted, but at the time the ways and means did raise a few questions. According to him, a five-member commission responsible for drafting policies, without full support nor its own analysis and research facilities, would be seriously hindered in its approach. It is a debatable argument, but I think it has some merit and that we ought to speak to that issue in this debate.

• (1730)

On the other hand, the Minister had pointed out that the federal Government wanted to set up commissions and Crown agencies that would be more responsible to the Minister and therefore to Parliament. This recommendation seems to point

in the opposite direction. Perhaps that is the argument which, to my mind, seems to be the most peremptory and the most serious. When, as parliamentarians, we have responsibilities for which we must answer to the House and the public, it would be too easy to avoid them, it would be too easy to shirk them by passing to others responsibilities which are ours and which, difficult though they may be, we cannot refuse to assume when the time comes.

Finally, the Solicitor General of Canada had then specified that it did not seem to him that the recommendations would help solve one of the deficiencies deemed to be vital by the subcommittee, namely the lack of an adequate definition of authority and the resulting confusion for the person who controls the system. On the contrary, it seemed to him that the recommendation could exacerbate rather than solve the problem.

I recognize that this is a point of view, Mr. Speaker, and that the Hon. member could reply that it is not right for us to view the situation is this light. I recognize that he would have the right to say so, but from my own assessment, I find this argument well-founded and I believe that it justifies the reluctance we have on the Government side at this stage to follow up on the recommendation of the Hon. Member, which is, I repeat, quite interesting.

Later on, an interdepartmental task force led by the Assistant Deputy Minister, Policy Planning and Program Evaluation, was appointed to assess some of the recommendations, including No. 24 which is the subject of this motion. The task force shared the Solicitor General's concern, namely that a commission such as that suggested by the sub-committee would considerably erode the concept of departmental accountability. In fact, that brings us back to the central argument of departmental accountability and the responsibilities which have been laid on us by the people we represent.

Indeed, the task force concluded that the Correctional Service policies are so politically important that an erosion or a loss of departmental accountability could have serious effects on it. I have a feeling that the Hon. Member for Oxford recognizes the thrust of this argument and would admit that it would be a difficult decision to make at this stage when the problems are acute and the recommendations, although interesting, could not provide a guarantee that the problem would be solved.

Finally, when he appeared before the Standing Committee on Justice and Legal Affairs in March 1978, the Solicitor General took a definite stand and rejected Recommendation No. 24. The reasons he gave were as follows: First, it is the Government of Canada which is responsible to Parliament for the policies carried out by the Canadian Penitentiary Service. Second, a five-member board which would be appointed to make policies for the Canadian Penitentiary Service, would feel cramped in its approach, with little or no support, and limited to its power of enquiry. Third, the Department of the Solicitor General, through its Deputy Solicitor General, is already responsible for providing the Solicitor General with advice on the policies the Department should apply. Fourth, the tendency of the Federal Government is now to make Crown corporations more accountable to departments and, therefore, to Parliament. Fifth, it is not certain that a board such as the one described by the subcommittee would help solve the major problems identified by the said subcommittee, namely, the lack of well-defined powers and the confusion as to who should control the system. That recommendation could in fact exacerbate the problem rather than contribute to its solution.

The Hon. Member for Oxford should be commended for providing us with the opportunity of an in-depth study of his motion allowing us to put forward a series of arguments which, although they may not convince him, will at least indicate that we have not considered lightly the issue he has raised. Personally, I should be delighted to discuss it further with the Hon. Member for Oxford, whom I hold in high esteem, and to work with him in harmony both in the House and in committee to seek a solution to the problem faced by all these men and women who are deprived of their freedom and who must live for shorter or longer periods of time behind bars.

● (1740)

[*English*]

Mr. Maurice Harquail (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, I would like to begin by congratulating the Hon. Member for Oxford (Mr. Halliday) for all the previously stated reasons. I have had more than one occasion to observe the dedication and sincerity of the Hon. Member in his work as a Member of the House of Commons. I would like to begin my remarks by congratulating him on bringing forward this motion today.

I am sure, however, that the Hon. Member will understand that the proposition which he brings to the House is in some respects in conflict with what is in existence now, certainly with respect to the position of the Government of the day. While I agree with the thrust of what the Hon. Member for Oxford is attempting to achieve, I would like to bring forward other salient aspects of the subject matter.

I agree with my colleagues that there is a direct relationship between the Hon. Member's motion and recommendation No. 24 in the report of the Subcommittee on the Penitentiary System in Canada. However, I have decided to explore the link between this motion and recommendation No. 26 of the same report which proposed that the CSC be treated as a separate employer within the meaning of the Public Service Employment Act. Acceptance of recommendations Nos. 24 or 26 would ultimately transfer the correctional service of Canada into a non-departmental body.

Recommendation No. 24 states that a board would be charged with the responsibility of formulating correctional policies. The board would have no line authority, but would appoint the commissioner to supervise the operations of the

service in accordance with the policies it establishes. It would report to the Solicitor General and would submit an annual report, through the Minister, to Parliament.

While recommendation No. 26 states that CSC staff should be exempt from the Public Service Employment Act, it also adds that the CSC should be similar to the RCMP in its discipline and professionalism and that employees could be discharged for misconduct or incompetence.

At this time, I think a brief history of the origin of the subcommittee should be given. The House of Commons agreed on October 21, 1976, to the motion of the then Solicitor General that the Standing Committee on Justice and Legal Affairs inquire into the penitentiary system in Canada. On October 26, 1976, the committee referred the subject to an all-Party subcommittee which was fully representative of the House of Commons. I might add that I had the honour and privilege to serve on that committee with the present Minister of Justice (Mr. MacGuigan) as its Chairman. Of course, the distinguished Member for Oxford was also on the committee and made a very significant contribution to the committee's work.

The mandate of the subcommittee was to examine the background of the correctional service of Canada—maximum security institutions, the purposes of imprisonment, correctional staff, the organization and management of the penitentiary service, justice within the walls, socialization, pre-release and parole programs and inmates' work, and educational and other training programs.

The fifth and final progress report on the implementation of the 65 recommendations of the subcommittee was made public by the Solicitor General (Mr. Kaplan) before the Standing Committee on Justice and Legal Affairs in June of 1981.

In recommendation No. 26, the subcommittee suggested that if the CSC were to take responsibility for its own staffing and firing, the thrust of the recommendation would be better fulfilled. It would enable faster staffing action and would reduce vacancies. It would also facilitate the employment of higher calibre people and would help create staff professionalism and a desired esprit de corps.

The CSC appointed a task force in June, 1978, to study the personnel recommendations of the report of the parliamentary Subcommittee on the Penitentiary System. That task force completed its work at the end of June, 1980. Since that time, the recommendations of the task force have been the subject of extensive consultation between the CSC, the Union of Solicitor General Employees, officials of the Treasury Board Secretariat and other interested government departments. Consequently, steps are now under way to bring into effect certain mechanisms, such as a distinct correctional employees operation group and a provision to allow for the early retirement of correctional employees who suffer from the results of the high levels of stress that are common in the correctional environment.

Many positive changes have already taken place in the area of personnel management in the correctional service of Canada. I will outline some of these changes. They include a detailed code of conduct which sets out the standards upon which staff conduct is judged and the process by which disciplinary action is taken. It includes a nationally-managed CX recruitment program designed to ensure the selection of high calibre recruits. This program has been developed and implemented. The changes provide the selection criteria for CX recruitment, which have been modified. The minimum educational standard for correctional officers has been upgraded to Grade 12 or the equivalent. The university qualification for CXs to obtain WP positions has been removed, thereby developing a career path for security staff. Greater emphasis has been placed on manpower planning and training from a national perspective. As well, a 13-week full-time induction training course, followed by a 24-month probationary period, has been introduced for all new correctional officers. Live-in unit officers also receive an additional four-week course on case management, counselling techniques and group dynamics.

The CSC has implemented the policy of official language service to inmates consistent with that which is available to the general public, in the spirit of the Official Languages Act. It has also created one of the first language ombudsman positions in a federal department or agency to protect language rights and to develop programs for second language acquisition in the workplace.

Additionally, the CSC has introduced a supplementary income benefit plan for survivors of employees slain on duty. This benefit plan guarantees income maintenance for survivors of employees to supplement any payments received from Canada and Quebec Pension Plans and Workmen's Compensation. It has also implemented a program of rehabilitative assistance to employees of the service who became victims of acts of violence in institutions.

Furthermore, the CSC has developed a policy to integrate female correctional officers in male institutions. The long-term goal is to reach a representation of 13 per cent in medium and minimum security institutions by 1987. The integration is presently being done in medium and minimum security institutions. As of January, 1984, the number of female correctional officers in male institutions has been 255, or 5.6 per cent. On May 20, 1980, Ms. Mary Dawson was appointed Warden of Warkworth Institution, thus becoming the first woman to head a major federal institution for male inmates. On November 9, 1983, Doctor Pauline Lamothe, who began her career as a psychologist at the British Columbia penitentiary, was appointed the first female executive director of a regional psychiatric centre in Canada.

• (1750)

In order to ensure the highest level of communication with its employees, the CSC conducted a survey in the fall of 1983 through the Gallup poll to examine the attitudes of staff and the effectiveness of internal communication. The survey revealed that over one-third or 37 per cent of the employees interviewed are very satisfied with their employment, and almost three quarters, or 71 per cent, described it as reward-

ing. Commitment to the job was felt strongly by 70 per cent of those surveyed, and almost three-quarters of the respondents, or 72 per cent, perceived their function as a career.

The CSC has also developed and implemented a CSC awards program for staff, including the Commissioner's Citation for Bravery and Meritorious Service, the Service Commendation, the Certificate of Appreciation and the Long Service Awards.

For these reasons, as well as those expressed by my colleagues, I feel that the Solicitor General, through the Correctional Service of Canada, is fulfilling his mandate and is meeting the objectives of the motion presented by the Hon. Member for Oxford as well as the recommendations of the subcommittee on the penitentiary system in Canada.

In conclusion, Mr. Speaker, I will say that we were all very pleased to have the opportunity to work in this committee and to deal with this most urgent and serious question at that time back in the late 1970s when we had very serious riots in the major institutions, the maximum security institutions in Canada. We were delighted with the reception which the recommendations in the report received and the fact that the Solicitor General of the day, and subsequent Solicitors General, have taken the recommendations very seriously. The majority of those recommendations have been implemented, acted upon or studied. Some action has been taken. I believe it is very gratifying to know that our work has not been in vain but indeed has made a substantial contribution to our society.

For all those stated reasons, once again I want to congratulate the Hon. Member for Oxford for his diligence in bringing this matter to our attention.

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, my intervention with respect to this motion will be very brief since I do not want to talk it out. I want to give the Government the opportunity of allowing it to be sent to the Standing Committee on Justice and Legal Affairs. I agree with the basic trend of the motion. I also appreciate the fact that it is in line with the recommendations made in the 1977 report.

I must say, Mr. Speaker, that in my constituency there are two federal institutions, one maximum and one minimum. They are probably two of the best run institutions in Canada. Part of the reason they have gained that reputation is that, to a geat extent, they have opened up their operations to the public. I believe what the Hon. Member for Oxford (Mr. Halliday) was attempting to do was to suggest that this kind of openness is necessary, particularly in those areas from which we isolate ourselves easily.

That is particularly true in the area of the correctional service. Most of us tend to isolate or to separate ourselves from the whole approach to correctional institutions and say it is the responsibility of someone else. However, living in the community of Prince Albert, I know that the more open the organization is to public scrutiny, the better it is going to be.

Besides the advisory committee in Prince Albert, which operates very well and thoroughly in the community, the Prince Albert maximum institution has a large number of volunteers who go in and work on a one-to-one basis with the inmates. The projection of those people into the prison community has made a considerable difference, when the inmates leave the institution, to their acceptance into the community, and has contributed to the continued and long-term rehabilitation of the prisoners coming out of those penitentiaries. This applies not necessarily only to the Prince Albert institution, but to institutions all across Canada. I feel, therefore, that what we need to do as a Parliament is to take a look at those recommendations from the 1977 report which were not acted upon, and most of which, if you look at them closely, deal with the whole area with which the Hon. Member for Oxford dealt. I believe if we were to open up and give to the public a better insight into why decisions are made and how the decisions are made, we would have better institutions, because, in large part, our attitude toward correctional institutions is caused by fear of the unknown. If we can eliminate that fear by increasing the knowledge of the public generally, we will have a more open situation. For example, if one looks at the statistics of the Prince Albert maximum security institution, one finds that there were more complaints by inmates in Prince Albert than in any other institution across Canada. The reason for that, I believe, is the openness which is encouraged. Rather than being a criticism of that institution, it is a praise of that institution, because it has allowed the inmates to feel free to come forward with their complaints and to have their complaints acted upon.

Therefore, I support the position of the Hon. Member for Oxford in his attempt to open up the institution for more insight by the public.

Mr. Al MacBain (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the idea behind the motion brought forth by the Hon. Member for Oxford (Mr. Halliday) is one which has been in existence for a number of years. You will know, Mr. Speaker, that the Hon. Member for Oxford was a member of the Subcommittee on the Penitentiary System in Canada. This motion stems, as he has stated to you, from recommendation No. 24 of the report of the subcommittee. However, in my mind, it contains one important addition. Recommendation No. 24, in itself, did not contain any reference to providing for increased public participation in policy-making by having the Commissioner of Corrections named by the Governor in Council on the recommendation of a five-member board. This statement, however, seems to be the basis of the motion of the Hon. Member. He obviously feels strongly that by having his motion passed, the public participation in the penitentiary system will greatly increase.

On the other hand, Mr. Speaker, I have decided to examine and enumerate for you what the correctional service of Canada has accomplished to increase public involvement in policy-making, not only within institutions but also during the pre-release and parole periods of an inmate's incarceration. I hope to show you what the Hon. Member proposes will not serve to enhance public involvement.

Public participation in the correctional service of Canada is at an all-time high. This has a great deal to do with another recommendation of the 1977 subcommittee report. Recommendation No. 25 states that the penitentiary system—

• (1800)

The Acting Speaker (Mr. Guilbault): Order, please. The Chair regrets to interrupt the Hon. Parliamentary Secretary, but the time allotted for the consideration of Private Members' Business has now come to an end.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

FISHERIES—POSSIBLE IMPACT OF UNITED STATES OIL LEASE PROGRAM ON WEST COAST FISHERY. (B) ENVIRONMENTAL HEARINGS IN ALASKA

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, on May 18, as recorded at page 3869 of *Hansard*, I tried to find out from the Minister of Fisheries and Oceans (Mr. De Bané) whether the concerns of his Department had been taken into account in a diplomatic note delivered to the U.S. State Department in Washington the week before. As far as we can make out, because, we have not seen the text of the note, it was protesting quite rightly certain Maritime claims that the U.S. authorities appeared to be making in northern B.C. waters.

As I say, I agree fully that the note on the sovereignty aspects of that particular problem was due to be delivered to the U.S. and I am glad it was. But without being too precise, the Minister brushed off my question as virtually inconsequential by stating that decisions, presumably relating to the note delivered by our Government, are decisions that involve all Departments. That barely deals with my concerns. Mr. Speaker. It was a clever answer, but it literally did not address itself to the question I had put to the Minister. I have still to be satisfied that the other matter which concerned me at that time had been taken into account. Perhaps I should explain.

The U.S. Department of the Interior announced a call for tenders to explore for gas and petroleum in certain waters off the Alaska coast. In one of their publications, comparable to our *Gazette*, called the *National Register*, they describe it as the Gulf of Alaska. That covers a great area of territory to the west of the Panhandle, out into the Gulf and down into the A-B Line which defines the boundary between Canada and the United States. The schematic charts published with this call include one area designated as the Gulf of Alaska which infringed, in its southern boundary claims, into waters which are not, in Canada's eyes, U.S. waters at all. That I believe was what the note was all about.

There is another aspect to which I was drawing attention, and that had to do with environmental concerns. I am not sure that the note dealt with them. What the Minister was evading, I suppose is the correct word, was any notion that the environmental concerns in that area had been dealt with in that note. Fish sometimes go through other people's territory to get to the high seas, and fish bred in Canada go through the Panhandle out into the Gulf of Alaska. If there is drilling, exploration and contamination in that area, and Canadian fish are going through that area, either upstream or downstream to the breeding grounds or out to sea, there is a hazard to Canadian resources. That is what I wanted to know from the Minister. I hope that the spokesman for the Minister will be able to assure me that not only the sovereignty claim but also the environmental concerns that I was seeking to express were taken into account in that particular note.

• (1805)

There are three rivers which are salmon breeding rivers in that area. They come out through what is known as the Panhandle there. The fish in the Stikine, the Nass and the Taku Rivers all have to come out through the Panhandle as well as fish possibly even from the Skeena.

I would like to ask the Parliamentary Secretary who will reply to this question if he can assure me that the note that was sent to the United States on the sovereignty issue also dealt with the issue of the environment and the safety of Canadian fish. If so, I am deeply reassured. I hope he will be able to let me know—perhaps not tonight—that the text of the note will be made available to the House. It is a very important issue.

There is a related issue that may very well come up in the not too distant future. It concerns another territorial claim to the east of the 141st meridian which divides the Territory of Yukon from Alaska, extended out to the Arctic Ocean. However, I am not dealing with that tonight, only with the environmental issue in the Gulf of Alaska.

Mr. Maurice Harquail (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, from my viewpoint, herein lies the benefit of having this portion of debate set aside for clarification. First, there is no grounds for him to use the word "evading". Let me make that point very clear for the Hon. Member. There is no evasion on the part of anyone.

The Hon. Member for Esquimalt-Saanich (Mr. Munro) has raised the issue of the possible environmental and fisheries impacts of the United States lease program in the waters off the Alaskan Panhandle. The Hon. Member is making reference to the recent publication in the U.S. Federal Register of the United States' intention to offer oil and gas exploration leases for certain areas on the Continental Shelf on the West Coast. I should point out, however, that the leases in question do not cover the area within Dixon Entrance itself, but are

located to the west of the Entrance. As there is no agreed Maritime boundary between Canada and the United States in the Dixon Entrance and adjacent waters, the Government of Canada considers it unacceptable for the United States to propose to issue leases in any of these waters.

As a result, the diplomatic note which was sent dealt solely with the jurisdictional issue. The environmental aspect of the proposed program is thus not an issue at this time. It would appear to me that making representations in the diplomatic note with respect to environmental and fisheries concerns could be taken as acquiescence on the proposed leases.

Canada did not make representations to the Department of the Interior when it was holding environmental hearings in Alaska on the Environmental Impact Statement that was prepared for the lease area. We are, however, obviously concerned about the potential threat from oil and gas exploration in this area to Canadian fish and fish habitat, including the fish destined for Canadian rivers that pass through Alaskan waters. The Hon. Member can be assured that we will continue to monitor the situation very closely. This is especially important as the Government of Canada and the Province of British Columbia have recently announced their intention to conduct an environmental assessment and review of the proposal to renew oil and gas exploration in the waters off British Columbia, north of Vancouver. Part of the area under review by us is immediately adjacent to the proposed U.S. leases.

I would assure the Hon. Member that for those areas under Canadian jurisdiction, Canadian environmental laws and regulations will apply. I am fully aware of the potential threat to fish and fish habitat of offshore oil and gas exploration. I am sure that the Hon. Member is aware that offshore exploration has been ongoing for over ten years in both the Beaufort Sea and on the east Coast of Canada. My department participates in all aspects of the environmental assessment and review of these projects and co-operates fully with the provincial and federal agencies responsible for the management of offshore activities to ensure that adequate protection measures are in place for fish and fish habitat.

• (1810)

CROWN CORPORATIONS—DE HAVILLAND DASH-8 AIRCRAFT—FINANCING OF SALES

Mr. Bill Domm (Peterborough): For approximately three months now we have been exploring in this House through questions, statements and adjournment debates why there is so much delay in the sale of aircraft by de Havilland to Time Air of Lethbridge, Air Atonabee of Peterborough, and Norcan Air of Saskatoon. We all realize in this House how important $100 million worth of aircraft sales by our Crown corporation de Havilland would mean to the future of that organization.

We started out by exploring the possibility of some interest assistance that might be made available to de Havilland in order that it could offer competitive interest rates on the sale of aircraft to Canadian companies that wish to purchase them. We were advised in the House on April 16, 1984, by the Minister Responsible for the Canadian Development Investment Corporation, the Minister of National Revenue (Mr. Bussières) that there are regulations on domestic and international trade which are set under the General Agreements on Tariff and Trade. This matter was pursued in an adjournment debate and later in a question to the Prime Minister (Mr. Trudeau). It was felt at the time by the Prime Minister that GATT did not affect sales of domestic aircraft here in Canada, so there would be no exclusion to the offering of assistance, if assistance were deemed necessary by the Government.

Pursuing that to the next stage, I rose in the House of Commons on May 14, 1984, and asked the Prime Minister if anything could be done in order that we could compete with the company in Ireland that has offered aircraft to Atonabee with interest rates of 7.5 per cent. At that time the Prime Minister said that any further subsidies to de Havilland would be costs. What is the sense of investing hundreds of millions of dollars in de Havilland so it can build an aircraft to sell around the world if we are not prepared to be competitive here in Canada with offshore domestic airlines that come into Canada with interest assistance programs.

Then I picked up the *Globe and Mail* on Thursday, June 7, 1984 to read about the Dash-7 sale to Indonesia. I found out that the Minister for International Trade (Mr. Regan) said the federal Export Development Corporation has signed a financing agreement worth $20.25 million U.S. to support the sale of the planes and spare parts to Indonesia. If we can offer financial assistance programs to Indonesia so that it can buy Dash-7s manufactured by de Havilland, why can we not offer similar financial packages to Canadian companies that wish to purchase Dash-8s to use them here in Canada? It clearly is not an infringement on GATT agreements.

If we can build an aircraft here in Canada—this is an industry badly needed, and there are 2,500 jobs at de Havilland alone, plus another 10,000 jobs in spin off supply industries—what a shame it is to invest hundreds of millions of dollars in this Crown corporation and not offer an interest assistance package in order to sell the aircraft locally, use it domestically and prove its worth to the rest of the world.

• (1815)

There is not much sense in offering a financial assistance program to Indonesia of $20.25 million through the Export Development Corporation, as reported in the *Globe and Mail* on June 7, while at the same time procrastinating in the sale of $100 million worth of de Havilland Dash 8 aircraft to the three Canadian companies—Time Air, Air Atonabee and Norcan Air.

Why is it good that Indonesia receives a financial package? We are not building monuments in Algeria; we are selling aircraft. Why should Indonesia receive this assistance program, while at the same time we are not prepared to offer a similar program to these domestic airlines which are ready to purchase the aircraft if an interest rate package is put together?

In conclusion, I should like to read a paragraph from the 1983 annual report of The de Havilland Aircraft of Canada, Limited:

> There are two aspects in particular affecting the ultimate profit or less of the Dash-8 program. The first relates to the cost of lending money to purchasers of the aircraft. The second relates to cost of production. In each case, the Dash-8 is facing stiff competition. Because competitors are largely supported by their governments—

We in the Opposition are asking that the Liberal Government be competitive with offshore governments selling aircraft in Canada.

Mr. Maurice Harquail (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, I am convinced that the Hon. Member will agree about our competitive abilities, not only in international trade matters but at home. I think we have been very effective when it comes to competition at all levels, not just in terms of commerce and the marketplace. In recent times, I am sure he will agree that our competition has been very effective according to the statistical figures which are released from time to time.

The Hon. Member for Peterborough (Mr. Domm) appears to be worried about de Havilland's ability to meet the competition for commuter aircraft. He worries that de Havilland is asking too high a price and that it cannot offer competitive financing because of our arrangements under the GATT.

Let me deal first with competition. The Hon. Member has claimed that the Shorts 360, a plane built in Northern Ireland, is a comparable product which sells for $2 million less than the Dash-8. The Shorts 360 is not comparable. It is not pressurized, which means that it cannot fly above 10,000 feet. For example, most of the weather in Ontario where Air Atonabee flies requires a plane which can climb above 10,000 feet in order to avoid turbulence. The Shorts 360 is also slower than the Dash-8. As I said, the plane is not competitive; it does not have the capacities of the Dash-8.

Let me also clear the air on another point. The price offered by de Havilland does not keep rising, as has been claimed in recent news stories. The standard practice in the industry is to set a price in a particular year and to add an escalation clause. This is the practice followed by de Havilland. The price is set in 1982 dollars with escalation for inflation. The basic price itself has not changed.

The Government is fully aware of the concerns raised in public by regional air carriers. Their comments simply show what de Havilland is up against. We will not negotiate sales contracts in public. I can say, however, that the Government is working very hard to address these concerns.

The Government has told de Havilland that it will provide assistance to enable it to meet competition from Brazil or Britain or wherever. The exact form of that assistance is in the final stages of discussion within government, but the commitment is solid. Hon. Members will be aware that the form of assistance eventually arrived at will have to accord with Canada's international undertakings and that we musts be very careful on that count. We are a trading nation, and international trade is governed by rules which on the whole benefit Canada greatly.

The Hon. Member for Peterborough quoted the Minister responsible for CDIC, and thus de Havilland, as saying that we might meet Britain's term of 7 per cent financing. I have checked the transcript and found that what Senator Austin said was:

> What we want to do is well at market interest rates and at prices that recover our costs of production.

● (1820)

He also noted that we are indeed competitive on the cost of production side. Perhaps the Hon. Member did not hear him correctly.

Let me reiterate what this Government has said many times. We will not allow de Havilland to be driven from the marketplace due to predatory financing practices by its competitors. The Government is committed to de Havilland and to the Dash-8.

We all agree that we not only want this company to be successful but to provide jobs in Canada. We must also support the point of view that we should arrange to purchase these aircraft within Canada within the terms of our production.

PUBLIC SERVICE COMMISSION—OFFICE OF EQUAL OPPORTUNITIES FOR WOMEN. (B) EQUAL PAY FOR EQUAL WORK

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, on February 20 I raised with the Minister responsible for the Status of Women the concern of women that the Office of Equal Opportunities for Women in the Public Service Commission was to be closed on April 1. Despite the Minister's unequivocal statement that the office would not close, it did in fact close its doors on May 1, 1984. This office was important because it provided information, training advocacy, counselling and referral services for women, especially for 95,000 clerks and secretaries, the lowest paid public servants.

Political pressure from this side of the House and intense lobbying by many womens' organizations followed. On May 14 the Public Service Commission opened a Women's Program Centre which will be integrated into its Operations Directorate. While many of the essential functions of the EOW will remain, the office will be under intense scrutiny to make sure that the watchdog and advocacy function is maintained. This will be very difficult in an integrated structure.

In the west, cuts have already begun. The EOW office in the prairie region has been unilaterally reorganized so that the EOW officer there will now spend only one half of her time on direct equal opportunities work—one quarter of her time for each of Manitoba and Saskatchewan. This is completely unacceptable, particularly in light of the Minister's statement on February 20 that "regional equal opportunities offices are not under review."

Both the Minister and the President of the Treasury Board (Mr. Gray) attempted to sidestep responsibility for equality

for women in the Public Service by saying the PSC was outside their jurisdiction. These are the same people who tell us we should worry more about women in the private sector and the inaction of provincial governments.

New Democrats are advocating economic equality for all women. If the federal Government cannot ensure equality for its women employees, it is in no position to provide leadership to the provinces and the private sector. It seems that the Liberal motto is: Practice what we preach, not what we do.

One of the most glaring deficiencies in the Public Service affirmative action program is its focus on women in senior management positions. What about the majority of women workers who are concentrated in clerical job ghettos? When will the Government act to provide measures such as bridging positions and comprehensives skills training for these lowest paid Public Service workers? Women want to see action and concrete programs, not more paper promises, such as were made in committee by the Minister last week. I am very concerned that there is no target date in the new Womens' Program Centre for the extension of the Womens' Career Counselling and Referral Bureau Services to clerical and secretarial staff. This service is now available only to senior women.

The time has long passed for the Government to rectify the inadequacy of its affirmative action program. The Minister recently said that by the year 2000 the program would produce the kind of results that are necessary. She tells women to wait over 15 years for equality when this same Government's Official Languages Act produced equality for Francophones in the Public Service within three years. Why can she not do this for women? Where is her credibility?

The record is dismal. Four years after the implementation of a pilot project, women held fewer than 6 per cent of management positions, but fill over 80 per cent of the administrative support jobs in the federal Government. Approximately 63 per cent of those who have been laid off due to privatization and reorganization have been women. Things are getting worse for women rather than better under an ill-conceived Liberal program.

• (1825)

I question the Minister's understanding of the fundamental principle of affirmative action which is systemic discrimination. Both the Minister responsible for the Status of Women and the President of the Treasury Board have insisted that there was no intention to have layoffs affect women more adversely than men. However, the exact point of affirmative action is to ensure that unintentional discrimination is also removed. Claiming that there is no deliberate discrimination is no answer. Any practice which has a discriminatory effect, intentional or not, impedes women's struggles for economic equality. I urge the Government to revise its own affirmative action program as a model for other employers to provide concrete opportunities for women. The time to do this is now.

Mr. Michel Veillette (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, the Hon. Member may be aware of the Public Service Commission's announcement of the establishment of a Women's Program Centre on May 29, 1984. The centre will be part of the Operations Directorate, Staffing Programs Branch. I am confident that the Women's Program Centre, a centre which evolved out of the Office of Equal Opportunities for Women, will exert even greater influence on the operational processes relating to the recruitment and staffing of women.

I am particularly pleased that the commission will be offering a series of 16 noon-hour sessions that will be of particular interest to women in the administrative support category. These sessions begin this month in the National Capital Region. In addition, one-day information sessions on such subjects as part-time work, job sharing and the impact of microtechnology on women public servants are planned for later this year. Increased career counselling services will also be available through the commission's regional offices. I would like to point out to the Hon. Member that these programs are specifically designed for women at junior and intermediate levels of the Public Service.

[*Translation*]

The Acting Speaker (Mr. Guilbault): The motion to adjourn now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 2(1).

At 6.28 p.m., the House adjourned.

HOUSE OF COMMONS

Tuesday, June 12, 1984

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House proceeded to the consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs.

Hon. John A. Fraser (Vancouver South): Mr. Speaker, I rise on a point of order. We have been handed by the Clerk copies of notes which seem to indicate that this paper amounts to a ruling by Your Honour with respect to the admissibility at this stage of certain amendments that were dealt with in committee.

Mr. Speaker: I anticipate what the Hon. Member is saying. This is a preliminary expression from the Chair on the basis of which I hope the House could proceed today. The Chair would be prepared to hear argument with regard to these matters and to render a final decision. Also, the notes do not relate to all the amendments; they relate only to part of them.

Mr. Fraser: I take it then that Your Honour will be speaking to the House with respect to these notes, at which time Your Honour would ask for a response, if any response was forthcoming. Is that the procedure?

Mr. Speaker: The normal procedure has been for an indication of what is the intention of the Chair—and I am trying to give my intention—then to hear argument, if there is argument concerning it, and to make a final decision later. This is the procedure the Chair has followed when faced with a situation such as this.

As Hon. Members are aware, there are a large number of report stage motions on the Notice Paper relating to Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto. I have had an opportunity to examine a number of the motions, and I am prepared to make a preliminary statement at this time.

First, Motions Nos. 1, 2, 10, 12, 16, 17, 20, 22, 25, 26, 28, 30, 33, 35, 36, 38, 40, 42, 45, 48, 52, 60, 64, 66, 69 to 73 inclusive, 75, 77, 80, 82, 85, 87, 88, 90, 92, 95, 98, 99, 101, 103 to 108 inclusive, 110 to 113 inclusive, 116, 119, 121, 124 to 129 inclusive, 131 to 138 inclusive, 140, 142 to 151 inclusive, 156 to 159 inclusive, 161 to 166 inclusive and 168 to 174 inclusive, standing in the name of the Hon. Member for Burnaby (Mr. Robinson), each seek to delete a separate clause of the Bill as well as the schedule. The cumulative effect of affirmative votes on these motions would be to kill the Bill and thus, in the opinion of the Chair, they must all be disposed of together. Therefore these motions will be grouped for debate with a vote on Motion No. 1 disposing of all of the remaining motions to delete the clauses and schedule of the Bill.

• (1110)

Second, Motions Nos. 3 and 4 propose to add new features to the Bill by means of a substantive amendment to the interpretation clause, which is out of order. I refer Hon. Members to Beauchesne's Fifth Edition, Citation 773 (10), which reads:

> A substantive amendment may not be introduced by way of a modification to the interpretation clause of a Bill. Journals, May 21, 1970, p. 835.

Third, Motions Nos. 5 to 9 inclusive should be debated together. An affirmative vote on Motion No. 5 will dispose of Motions Nos. 6, 7, 8 and 9. However, a negative vote on Motion No. 5 will necessitate separate votes on Motions Nos. 6, 7, 8 and 9.

Fourth, Motion No. 11 standing in the name of the Hon. Member for Vancouver South (Mr. Fraser) seeks to change the purpose and principle of the Bill as agreed to at second reading by bringing the service under the control of the RCMP. Since the Bill is proposing to create an independent service not under RCMP control, such an amendment would be irregular. Motion No. 11 is out of order because it is contrary to the principle of the Bill. I refer the Hon. Member to Beauchesne's Fifth Edition, Citation 773(5), which is as follows:

> An amendment which is equivalent to a negative of the bill, or which would reverse the principle of the bill as agreed to at the second reading stage is not admissible.

Fifth, Motions Nos. 13 and 14 should be grouped for debate, and an affirmative vote on Motion No. 13 will obviate the need for a vote on Motion No. 14. A negative vote on Motion No. 13 will necessitate a vote on Motion No. 14.

Sixth, Motions Nos. 15, 76, 84, 117 and 175 attempt to introduce an entirely new concept and principle into the Bill—

a parliamentary oversight committee—a concept not in the Bill as introduced or read a second time. Such a committee was also mentioned in Motion No. 4, previously ruled out of order, and is a new idea which was not contemplated in the Bill as agreed to at second reading. Thus it is clearly beyond the scope of the Bill and I must rule each of these motions out of order.

Seventh, Motions Nos. 18, 21, 27, 29, 44, 53, 65, 74, 81, 83, 91 and 115, all standing in the name of the Hon. Member for Vancouver South, are consequential to Motion No. 11 and, since Motion No. 11 is out of order, I must find each of these motions similarly out of order.

I regret to rule out Motion No. 49 on the same grounds. The motion combines two distinct and separate ideas: the first parts are consequential to Motion No. 11, while part (d) provides for a mechanism for reporting unlawful activities of employees of the service to the attorneys general of the provinces. Parts (a) through (c) must be ruled out of order. Unfortunately, since it is part of the same motion, part (d), which itself would have been in order, must also be ruled out of order. In such circumstances, the Chair must be guided by the principle that if any part of a motion is faulty, the entire motion is out of order. May I refer the Hon. Member to Beauchesne's Fifth Edition, Citation 428(2), to that effect.

• (1115)

Eighth, Motions Nos. 19, 23 and 24 are to be grouped for debate but voted on separately.

Ninth, Motions Nos. 31, 32 and 34 should be debated together but voted on separately.

The Chair will rule on the remaining 42 motions as soon as possible.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, so that there is absolutely no question with respect to the statement you have just made, I should say at the outset, without having consulted with my colleagues, that my initial reaction to your ruling is that it is very, very restrictive indeed and I think it casts serious questions on the ability of the Chamber to operate in a free and democratic way because of its very narrow interpretation. I simply want to give notice that I would like the opportunity to make a full presentation to you, Mr. Speaker, and I understand that I may do so.

I would simply say that we will be questioning vigorously and in depth some of the propositions that have been put forward by you in your preliminary statement. If we are to follow the procedure set out in this statement, particularly when debating a Bill which affects the civil liberties of Canadians as this Bill does, there would be serious consequences in that we would be restricted in our ability to present reasonable amendments. I make that preliminary statement so that there will be no question at all about the concern that we in this Party feel with respect to this legislation and particularly with respect to our ability to have a free and unfettered debate on a matter which is of such serious consequence to Canadians generally.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I first want to say that the preliminary ruling does in fact cover a substantial portion of the Bill. As you can appreciate, Sir, the ruling is difficult to digest at the moment. It must be cross-referenced and studied before we will be able to make any kind of reasonable response.

With that in mind, I am sure you can appreciate that it would be extremely difficult to proceed with any kind of reasonable or intelligent debate, Sir. For example, the rulings on the motions cover so many of the clauses of the Bill as to make it extremely difficult to find where one could legitimately make any intelligent proposals. I would therefore move, seconded by the Hon. Member for Burnaby (Mr. Robinson), that the House do now adjourn.

Mr. Speaker: A concern that I have with regard to this is that I made a preliminary statement which is a matter of order and the Hon. Member was recognized on a point of order. I cannot accept a motion to adjourn on a point of order. There will be apportunities for the Hon. Member to move his motion but he was recognized on a point of order. Therefore, I cannot accept a motion to adjourn on a point of order.

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, my fellow Parliamentary House Leaders have had a chance to express their immediate reaction to your statement on the admissibility of the amendments. The reaction on this side of the House differs from that of my hon. colleagues. First of all, it should be understood that the Standing Orders of the House apply at all times and must always be applied in the same way. The same principles shall apply, whatever the subject of the Bill before the House.

I noticed that my colleague, the Parliamentary House Leader for the Progressive Conservative Party, was upset because the subject is national security and involves imposing certain restrictions on freedoms which would otherwise not be restricted. This is irrelevant. His objection has no legal grounds. We have Standing Orders. We have a body of parliamentary jurisprudence. We have parliamentary principles that must be applied, whatever the subject of the legislation before the House.

• (1120)

In the circumstances, our immediate reaction is very positive, because we find that the Chair has strictly applied the rule of relevance and the basic principles of parliamentary procedure. The point was to find out whether the content of the amendments in question corresponds to the principles you have mentioned, and I have no reason to doubt the results of the thorough study that was made by the Chair, with the help of House officials.

I heard the Parliamentary House Leader for the New Democratic Party say he found it difficult to digest, because in its preliminary ruling, the Chair set aside a number of items. It

is not a matter of volume. It is not a matter of numbers. If the Opposition had proposed 5,000 amendments, and 4,900 were ruled out of order for one of the reasons or on the basis of one of the principles the Chair mentioned just now, the fact that 4,900 amendments were ruled out of order would not have been any more difficult to digest.

Basically, what the Chair is doing is to apply the principles of parliamentary procedure. Because the Opposition, and more specifically the New Democratic Party, decided to propose a series of amendments that are so obviously meant to be dilatory, and I am thinking more specifically of the amendments the Chair regrouped under item 1, which I think was an excellent idea and a very good thing for Parliament, since they were proposing to eliminate every clause from the Bill, one by one, thus requiring 93 amendments and 93 votes—This is childish! This is ridiculous. It contradicts the very philosophy of Parliament. It is certainly evidence of systematic obstruction by the New Democratic Party at the report stage of Bill C-9. I think the public is intelligent. I think Hon. Members generally are as well, and from the notices that have been given for amendments to Bill C-9, it is clear that the New Democratic Party prefers obstruction to making tangible improvements to the Bill. We have just witnessed that this is so. The Parliamentary House Leader of the New Democratic Party is trying to take advantage of the first opportunity that comes along, even if it is unlawful, irregular and against Standing Orders, to prevent Parliament from sitting. A stroke of genius! The New Democratic Party, a third party, wants to prevent Parliament from sitting!

It seems to me that the very basis for intelligent behaviour in an institution like ours is to allow debate. It is not to gag Parliament by letting the bells ring, by preventing us from trying to improve a Bill that has been given very thorough consideration for a very long time by Hon. Members and by the Senate. I shall not elaborate, since the House is aware of the considerable time and effort spent by Hon. Members on both sides of the House, especially by Members on the Government side and Members of the Official Opposition, in trying to improve this Bill. However, when we see the purely obstructionist approach being taken by the New Democratic Party at this time, when we read the amendments it is proposing, and in view of what the Parliamentary House Leader of that Party has said he intends to do, which is to prevent the House from sitting by moving that the House adjourn, personnally, I must say it is ridiculous and an insult to the intelligence of this House, and furthermore, at this particular time in Parliament, it is an insult to the Canadian people. I hope they will reconsider.

My hon. friend is smiling! I think if he had heard the nonsense his hon. friend the Member for Burnaby (Mr. Robinson) said on the Standing Committee, he would be laughing at his hon. friend and not at the parliamentary system. Mr. Speaker, I suggest that the Chair be firm in its application of parliamentary principles, and that it should not let itself be unduly influenced by the dilatory tactics of a third party that is looking for a bone to pick just before the election, and I also suggest that the Chair apply its ruling as it deems appropriate here in the House, in accordance with parliamentary procedure.

Mr. Speaker, you are aware that the Standing Orders of the House give the Chair full discretion at this stage. The Chair is not obliged to call on the Hon. Member—It is not the first time I have raised this point. I have also raised the matter before your predecessor. The Standing Orders that deal with the report stage give the Chair full discretion to determine the order of amendments, how they are regrouped, and which amendments are admissible or not. It is in a spirit of generosity. I presume, that the Chair is allowing the Hon. Members concerned to express their views during a limited but reasonable period of time, whereupon I assume the Chair will make a final ruling.

I only wish—Since the issue is so straightforward, it is not a matter of volume and it should surprise no one, whether the Chair rules fifty or 100 amendments out of order, when we know how easy it is to overload a Notice Paper and to give notice of vast numbers of amendments that are not admissible. I hope the Chair will hand down a final ruling later today on all items and for all amendments, so that we can proceed as soon as possible with the debate on this Bill.

In concluding, Mr. Speaker, I want to make it clear that as far as the Government is concerned, we want the House to have a reasonable period of time for consideration of the report stage and third reading of this Bill, provided the Opposition, and particularly the New Democratic Party, does not abuse its rights during the debate. Up to now we have had the impression that, because of the number and nature of the proposed amendments which the Chair is about to re-group for the purpose of debate, purely dilatory tactics were involved. Considering the intention of the Parliamentary House Leader of the New Democratic Party to propose the adjournment of the House to prevent the House from sitting, we must assume that it is indeed their intention to prevent Parliament from sitting, to prevent intelligent consideration of this Bill and to indulge in all kinds of obstructionist tactics to prevent consideration of a Bill they do not support, but which is supported by the majority in this House.

• (1125)

[*English*]

Mr. Fraser: Mr. Speaker, I am sure that at an appropriate time today there will be some detailed discussion of your ruling—or your preliminary ruling, as I understand it. I note you are nodding, Mr. Speaker. However, I must say, Sir, first of all, that during committee there was never an allegation made by the other Opposition Party, by the Government or by those of the media who were observing, that the Progressive

Conservative Party was using any kind of delaying tactic in the committee.

Mr. Pinard: I did not say that.

Mr. Fraser: The House Leader for the Government calls across that he did not say that, but I believe it is important that that be placed on the record. I take the Hon. House Leader as indicating he is not saying that, and he is not saying that on behalf of the Government.

Mr. Pinard: That is right.

Mr. Fraser: During committee, Mr. Speaker, a number of amendments were brought forward by this Party. All of them were very much related to the submissions which were made to the committee by the number of witnesses who appeared in front of the committee. At the time those amendments were made there was no ruling that they were out of order or that they should not be considered.

I am not going to pre-argue the case. However, I do want to draw the attention of the House, for instance, to Motion No. 3, which is a motion in my name. I will just deal very briefly with the amendment in Motion No. 3 to paragraph (d) of the main Bill. Paragraph (d) of the main Bill—so that the public listening to this can understand it—concerns the power of the security service to use intrusive surveillance, that is, wire tapping, search, and so on, to survey Canadians who have not committed any crime at all. This particular clause probably engaged as much time with respect to the remarks of witnesses who came in front of us as any other clause. I know the House Leader for the Government did not have the opportunity of studying completely the discussions which took place at committee. If amendments of that importance cannot be put at this stage, then one has to wonder what we were doing in committee.

• (1130)

I could go on, and I do not want to stretch your patience—

Mr. Speaker: The Chair hesitates to interrupt the Hon. Member, but what the Chair has suggested is that the motions deleting one clause after another and the schedule could all be grouped as the first item for debate. This would give the Hon. Member for Vancouver South an opportunity to examine what I have said and make detailed argument later. I hope that would suit his convenience and that of other Hon. Members.

Mr. Deans: Mr. Speaker, I want to correct a misunderstanding. I accept, of course, that it could not have been moved at that precise moment, but my attempt to seek a short adjournment had nothing at all to do with delaying the Bill. In fact, it was an effort to expedite proper consideration of the Bill.

I do not want to go into the groupings themselves, but given that you have suggested there are some 30 to 35 different amendments which could be grouped together and disposed of at the same time, and because in each instance the hope of this Party would be to have each of them deleted, it is entirely possible that the force of the argument in each individual case would be sufficient to justify consideration of the deletion of a particular clause without affecting the remaining clauses. The reason I raise this is because it requires some time to look at whether or not there is an interrelationship between one clause and the other. We just do not have that kind of time right now; the debate has to start at some point. Presumably it would start on the amendment to Clause 1, or the proposal to delete Clause 1.

Mr. Pinard: He just made a suggestion.

Mr. Deans: Presumably it would start on one of the clauses put forward for consideration during report stage. You can appreciate that for us to be able fully to understand, cross-reference and interrelate each of the clauses and determine the full force and effect of your preliminary ruling right now would be virtually impossible. I know the Table officers were not able to do that within ten minutes of having received the various clauses we proposed should be amended. I am asking only that the House not sit until two o'clock in order that we can sit down and consider carefully the effect of the proposals. Otherwise you will be seeking submissions later in the day, I hope, perhaps in the morning, on your preliminary ruling and we still will not have time to consider the preliminary ruling.

Given the importance of this legislation and that it will have such profound effect on the lives of Canadians now and in the future, given that it is far reaching in its implications, it is surely not too much to ask that an hour be allocated to all Members concerned for the purpose of reviewing the preliminary ruling in order to determine where the debate might start today, so that we can proceed. As it now stands, if one was to accept the Government House Leader's proposal, you are left with very little alternative but to stall the Bill in order to gain time to make sure the arguments being put forward are real, sensible and intelligent. What we are asking for, and we ask the Government House Leader to consider it carefully, is, would it not make more sense in the over-all scheme of things for us to have an hour and 25 minutes, as I read it now, to consider the Bill, the proposed amendments and the preliminary ruling, and then come back and make our brief submissions? Then we will perhaps have decided collectively where the debate on the Bill can reasonably begin this afternoon.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I just wanted to put in your mind one thought which has not been covered this morning, your point number four dealing with Motion No. 11 standing in the name of the Hon. Member for Vancouver South (Mr. Fraser), which you say seeks to change the purpose and principle of the Bill by retaining it within the RCMP. You have to remember that if that had all been debated fully and voted on at second reading, your ruling might be more in order. The fact of the matter is that it was closed off at second reading. Those principles were not discussed and voted on by the House as amendments at that stage. Therefore, it would seem proper to do it at this stage because Parliament is the place where these things are to be debated.

Mr. Speaker: The Chair is, of course, guided by strictly procedural considerations at this point. The Chair is faced with the fact that one Hon. Member of this House has moved in his own name at report stage the deletion of every single clause and the schedule. It appeared reasonable for the Chair to commence with grouping these motions, bearing in mind that the clauses have been considered clause by clause in committee and we are now at report stage. That might be the starting point of debate. But the Chair is, of course, the servant of the House. The Chair would be disposed to call a motion in the name of the Hon. Member for Burnaby (Mr. Robinson) deleting Clauses 1 to 96 inclusive and the schedule as the basis for debate. It could commence on that basis. This appeared the most reasonable way of proceeding in the view of the Chair. What is the wish of Hon. Members? Any further comments?

Mr. Hnatyshyn: Mr. Speaker, your preliminary ruling was handed to myself and my colleagues as I entered the Chamber. There is no question that we will want to make full and complete representations with respect to this preliminary statement you have made. Rather than prejudge the matter and see what happens, I would prefer to move along in what would be the normal way if there had been no preliminary statement made by Your Honour. That is to say, it seems to me that we can discuss Clause 1, which, in the tradition of both the House and committee concepts, means a rather wide-ranging and full debate with respect to the principles of the total Bill. If that met with approval, I think we can make some progress in the debate.

Mr. Speaker: Can the Chair make an observation in response? The motion as proposed by the Chair would certainly permit that. Grouping all the clauses of the Bill would permit the most broad general debate on any clause or any aspects.

Mr. Hnatyshyn: Of course, Mr. Speaker, but you will know that we are severely limited in our interventions to ten minutes per Member on each amendment proposed at report stage. If you were to make a final determination of grouping all those motions for debate, we would find ourselves in the position of having a ten-minute speech. I will let the NDP defend their own tactics but it seems to me that in order to have this matter dealt with on a fair and equitable basis we should not prejudge anything. If we have to deal with ten-minute speeches, we should deal with Clause 1 and Clause 2, and so on, and we will have our chance to make representations to the Chair later in the day. At that time you will have to make the decision and we will have to see what we do about that.

Mr. Speaker: I will recognize the Hon. Member for Burnaby in just a moment. I just want to say that the Chair is proposing this to start debate. If there is good and sufficient argument that the motions should not be grouped, that individual clauses should be considered, the Chair would be prepared to reconsider. For purposes of procedure the Chair is proposing at this point that all the motions which relate to deletion should be grouped. This would permit a very general opening debate. The Chair would be prepared to accept argument with regard to the specific sections or combinations.

• (1140)

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I listened with care to the remarks of the Hon. President of the Privy Council (Mr. Pinard) and those of the House Leader for the Official Opposition. The difficulty with proceeding, as has been suggested by the President of the Privy Council and his colleague, the House Leader for the Official Opposition, is that, as the House Leader for the Opposition has noted, if the Speaker's preliminary ruling with respect to Sub-paragraph (1) is to stand, we are then precluded from any further comment on the over-all thrust of the legislation.

The purpose for moving a series of motions to delete various clauses was certainly not that there should necessarily be debate on each individual motion to delete. I would draw to the attention of the Chair that a number of these clauses deal with specific, broad elements of the legislation. The amendments to delete encompass a variety of different subject matters. They deal with the structure of the review process, the powers which are accorded to the new agency, and a series of other broad areas. Each individual motion to delete should not be voted upon or discussed separately, but rather they should be grouped under the broad subject matter to which they refer.

When we come back at two o'clock to make comments with respect to the Chair's preliminary ruling, I will be pleased to make some suggestions with respect to that. That was the purpose of the motions. We were somewhat limited in terms of the time within which we had to submit amendments, as is always the case. Rather than erring on the side of not having submitted sufficient amendments to cover the broad subject matters, I think it makes more sense to consider grouping the motions to delete which are referred to sub-paragraph (1) under the broad subject matters to which they refer. There may be six or seven broad subject matters.

The difficulty with proceeding now on the basis of the Speaker's preliminary ruling on Motion No. 1 is that we still do not know whether that will indeed be the case. I would also note some very serious concerns which have already been expressed with respect to the restrictive nature of the Speaker's preliminary ruling. With respect to the substance of the Speaker's ruling, the suggestion that an affirmative vote on Motion No. 5 would dispose of Motions Nos. 6, 7, 8 and 9 flies in the face of the substance of Motions Nos. 6 through 9. Motion No. 5 is a motion proposed by the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand) which would restrict, to a certain extent, the definition of "threats to security" in the Bill. The subsequent motions, which were moved by a different Member, would deal with an entirely separate question. Even if Motion No. 5 was to be adopted, that would not in any way dispose of Motions Nos. 6 through 9. Similarly in the case of Motions Nos. 13 and 14 where we have unrelated subject matters—

Mr. Speaker: The Chair would be prepared to hear detailed argument later and invites Hon. Members to consider the

specific groupings before commenting in detail on them. At this stage the Chair is suggesting that for the purpose of opening debate there be a general grouping of all the clauses which are moved for deletion. The Hon. Member for Burnaby appears to be suggesting that some of these clauses are more important than others. I invite him to make his comment. I invite him to spell it out. I invite him to indicate to us exactly which, in his opinion, have greater priority than others.

Certainly on the face of it, when one individual Member of the House, having participated in committee and having voted clause by clause in committee, presents amendments at report stage dealing with the deletion of every single clause and the schedule, the Chair has to bear in mind the time of the House and certain priorities. The Chair is suggesting that we could begin the debate by grouping all of these. If the Hon. Member has suggestions for further refinements or further groupings and reasons for that, the Chair is quite prepared to hear him.

Mr. Hnatyshyn: Mr. Speaker, our dilemma is simply this. You indicated clearly at the outset of the proceedings today that this was a preliminary statement. I am not standing here to defend the amendments put in by the NDP. The difficulty we face is that this is a matter which is going to require some study and preparation for us to be able to present a reasoned argument to you. With respect to the amendments put in by my colleague from Vancouver South, we will be wanting to make some specific presentations to you.

With all respect to you, Mr. Speaker, if we are going to proceed with this debate this morning, I would think that we should not rush into any grouping at this point in time. We are going to discuss this whole question and allow the NDP an opportunity to make representations as to the way they view their amendments. Let us not presume anything at this point in time. I think that is counter-productive. We should go ahead as we would normally and debate Motion No. 1 until whatever time is satisfactory to you. We can each make our representations. In the meantime some of us will give attention to your preliminary ruling. After you have had the benefit of our representations you may decide to make a final ruling. That would be the appropriate time to consider the question of groupings.

I think it is counter-productive to decide now to debate Motion Nos. 1 through 96 as if they were one motion. I suggest to you that we should proceed in the normal fashion which will allow us a little time to prepare our arguments. After hearing us you will have an opportunity to make your final decision with respect to any grouping. It seems to me we would make more progress if we followed my suggestion of proceeding in the normal fashion this morning.

Mr. Robinson (Burnaby): Mr. Speaker, the sole purpose of my intervention at this stage is to reiterate that the Speaker's ruling does have very serious consequences in terms of how we approach this legislation and the substance of the legislation. Rather than proceeding as my colleague, the House Leader for the Opposition, has suggested, it would be appropriate to take the time to study the Speaker's preliminary ruling. As I have indicated, I have some very serious concerns with respect to the suggestion that any references to a parliamentary review would be out of order. That flies directly in the face of what has been discussed, both in the House at second reading in principle when it was ruled in order, and in committee. We will certainly have something to say about that.

I suggest that we be given an opportunity to consider the ramifications of this ruling. We received it as we entered the House. At whatever time the Speaker considers appropriate we may make more intelligent representations with respect to the question of groupings rather than, as I suggested, dealing with all of the motions to delete and grouping them under the broad subject matter to which the motions to delete refer.

Mr. Speaker: It would be helpful to the Chair if there could be argument against the first proposal. The proposal is that all the motions for simple deletion be grouped for debate at this point. In the course of that debate the Chair would be quite prepared to hear argument as to why the groupings should be different. So far the argument has not been persuasive to the Chair. I think it is almost unprecedented for one Member of the House to move at report stage the deletion of every single clause and schedule of the Bill.

Mr. Pinard: Stupidity.

Mr. Speaker: The Chair has not been able to find any precedent on the matter. The Chair is very much concerned to proceed on the basis of a clause by clause debate at report stage. Section 79(10) of the Standing Orders reads as follows:

> The Speaker shall have power to select or combine amendments or clauses to be proposed at the report stage and may, if he or she thinks fit, call upon any Member who has given notice of an amendment to give such explanation of the subject of the amendment—

● (1150)

At this stage, for the purpose of commencing the debate on a preliminary basis, the Chair proposes to call all of the clauses as proposed for deletion by the Hon. Member for Burnaby and the Schedule, Clauses 1-96 inclusive, and to hear argument.

Mr. Deans: Mr. Speaker, briefly, without in any prejudicing what may well follow, given that in fact the clauses starting with Clause No. 1 running with some intervals to Clause 96 deal with somewhat different subject matters, and given that the argument for deletion would be different in each case—in other words, the argument for deletion may well be sustained by a vote of the House in some instances and may well not be supported by the House in other instances—and given, as I have indicated earlier, that we need some time to resolve it, may I ask whether you might consider a further split? Call Clause 1 separately, leaving the others grouped as they are now so we can look at them and consider them. All that we have then done is added another round of debate. We are not, therefore, asking that you open up the whole matter for debate on every single clause, but that you call Clause 1. We will proceed with the debate on Clause 1 presumably and then look

at the appropriateness of the relationship between the other clauses.

If that were to be done, then we will not have jeopardized the possibility of reasoned argument and the validity of the move to delete the other clauses up to and including Clause 96. In that way we would not have to debate in a ten-minute period why each and every clause is an inappropriate inclusion in this Bill. If that were done, I do not think that you would in any way have undermined your preliminary ruling. I do not think that, with the exception of one additional round in the sense of debate, you would have added significantly to the length of time that will be taken in consideration of the Bill. And you would have bought some time for those of us who want to be able to review the other clauses to see whether or not the preliminary ruling is a ruling that can be supportable either in whole or in part.

I think that is not an unreasonable request to make, Mr. Speaker, and it might at least facilitate getting us off the discussion on the preliminary ruling. It might facilitate our getting off this discussion. We might get on to another one. It might not be a very satisfactory discussion but nevertheless we will no longer be discussing your preliminary ruling and we will come back to that discussion at another time.

Mr. Robinson (Burnaby): Mr. Speaker, with respect to the preliminary ruling on the motions to delete, I want to indicate once again the difficulty of debating at this stage the suggestion that the motions to delete all be dealt with as a package and in fact voted on as a package with the suggestion that a vote on one would dispose of all remaining motions. I point out to the Chair once again that the purpose of proposing—and I recognize the somewhat unprecedented nature of the proposal—the motions to delete the clauses in question was to ensure that there would be an opportunity for full and adequate debate with respect to the different areas of principle in the Bill itself and with respect to the different major areas of a structural nature in the Bill itself.

I recognize the suggestion is a preliminary one, and that each Member has in effect ten minutes to discuss all the major structural elements. I would note, however, that a deletion of one element of the legislation does not necessarily mean that the whole of the legislation falls, by any stretch of the imagination. There is, for example, the initial section which includes motions to delete with respect to the structure and establishment of the service itself. There is another section which is entirely separate with respect to certain duties and functions of the service after having established the nature of the powers and the responsibilities of the Director. There was yet another provision with respect to the role of the judiciary, Mr. Speaker.

I had thought the officers of the Speaker might have grouped the motions to delete. I certainly did not expect that they would be dealt with *seriatim* but that they would be grouped in a manner which would facilitate debate on the broad subject matter, to which the several headings of subject matter refer. I am quite prepared to assist the Chair by coming back with a suggestion with respect to grouping the motions to delete under the major heads of the Bill. As I have indicated, Mr. Speaker, to suggest that all 96 clauses can effectively be dealt with as a package, I say with respect, is not doing justice to the nature of this Bill.

I will certainly undertake, as I have indicated, to attempt to prepare a grouping of the motions to delete under the broad subject matter to which they refer. Pending that, we will proceed in the normal course of events with Motion No. 1, as is generally the case, the broad principle of the legislation at report stage. Certainly at three o'clock, 3:30 p.m., or four o'clock, whenever Your Honour deems it appropriate, I will be pleased to make representations with respect to grouping the motions to delete as well as with respect to some very serious reservations on the proposals concerning other elements in the preliminary ruling.

Mr. Deans: Mr. Speaker, very briefly I want to raise one other point I should have raised earlier. You have made reference on a number of occasions to the fact that all of the motions to delete stand in the name of the Hon. Member for Burnaby. The reason for that is, of course, because he is this Party's critic for this particular Ministry. It was at our request that all the amendments stand in his name.

I hope by virtue of placing the amendments on the Notice Paper in the name of one Member that we are not jeopardized from having the appropriateness or correctness of the motion considered independently. We could have filed them under 31 names if that would have made it any easier for the over-all consideration of the Chair; but we felt it was appropriate for the critic to do that, just as the Minister would probably feel it appropriate that he should move the amendments he would like to see made.

[*Translation*]

Mr. Pinard: I just want to say that I see there is not just one member of the New Democratic Party whose intelligence has been put on hold—they are all in it together, if they approve this kind of obstruction. The Hon. Member for Burnaby (Mr. Robinson) is making a big thing of the fact that different principles are involved in requesting the withdrawal of a clause or group of clauses. He seems to forget that the report stage is not the only stage at which the Bill is debated. This legislation was debated in the House of Commons for weeks on second reading, which is the most important stage of the Bill, when the principles are discussed. The Bill was examined, clause by clause, for weeks in Committee. There will be the report stage, and then third reading as well. The Hon. Member is giving the impression that the report stage will be his only chance to take the Bill apart and to speak to the Bill. This is absolutely ridiculous. This is not what parliamentary procedure is all about, and it is not what is meant by the report stage of a Bill. It is a very recent development, to have Hon. Members proposing a host of amendments at the report stage in the House.

Traditionally, the debate on the report stage of a Bill was very brief. Today, what we are seeing is simply that the House is being given notice of systematic obstruction. It is just that.

In any case, I feel the suggestion that we start immediately with Clause 1 is very practical, and I have no objection to the House proceeding with consideration of the Bill, if the Chair agrees.

[*English*]

Mr. Speaker: The Chair wishes to express its concern with what we are facing at this stage. Second reading is debate in principle. It is not for the Chair to pass judgment on how effective, thorough or complete such a debate was. Committee stage is where clause by clause analysis takes place. It appears that the intention of the mover of these amendments is to bring about clause by clause discussion by the full House at this stage. He has said so. He wants the principle of every clause discussed; that is why he moved deletion. That apparently is what he said, from the Chair's understanding of his remarks.

It appears as far as the Chair is concerned that this is a violation of the basic principle of legislative process. Why do we have referral to committee, if clause by clause discussion is not done in committee? Why bother with referral to committee, if the intent is to force a full clause by clause discussion in the House at report stage? Nevertheless, in the interests of proceeding, the Chair is prepared to call Motion No. 1. However, the Chair will serve notice that it will do its duty in grouping. The Chair will not stand by and have a full clause by clause review at report stage.

● (1200)

Mr. Svend J. Robinson (Burnaby) moved:

That Bill C-9 be amended by deleting Clause 1.

Mr. Speaker: Mr. Robinson (Burnaby), seconded by Mr. Heap, moves that Bill C-9 be amended by deleting Clause 1. I am calling this for the convenience of Hon. Members. I serve notice on the House that there will be a grouping of these deletion proposals at a later stage; but for purposes of debate now, the Chair recognizes the Hon. Member for Burnaby.

Mr. Robinson (Burnaby): Mr. Speaker, I should make it very clear that I have no objection whatsoever to a grouping of the deletion motions as is appropriate. At no time in the course of my intervention this morning did I suggest that we repeat clause by clause study at report stage. I suggested that there were a number of broad subject matters which are appropriately grouped together. That does not mean, by any stretch of the imagination, that each clause would be dealt with as a separate unit.

At this stage we are embarking upon our study at report stage of what is one of the most important pieces of legislation to come before the House in many decades. The implications of this Bill with respect to the fundamental civil liberties and privacy of Canadians are grave indeed.

Having had an opportunity to review the amendments which have been dealt with at committee stage I suggest the Government has indicated through its response at committee stage to a series of amendments proposed on matters of fundamental principle to strengthen this legislation that it would make legal what heretofore has been illegal. It could be in terms of narrowing the mandate, a mandate which is certainly excessively broad and would permit targetting the use of intrusive techniques against literally hundreds of thousands of Canadians who have engaged in no violation of the law whatsoever. It could be in respect of amendments to narrow the sweeping range of intrusive powers which can be used under the terms of the Bill, new and unprecedented powers which in essence say to the new security service that, despite the findings of the McDonald Commission on a whole series of laws, be they federal or provincial, breaking and entry, fraud, arson, kidnapping, breach of the Income Tax Act or the Post Office Act, and having clearly documented the abuses which unfortunately occurred in the past and despite the institutionalized contempt for the law which the McDonald Commission found, the Government's response is that it would simply make legal what has heretofore been illegal.

In the area of the powers, amendments which were proposed by Members of this Party significantly narrowing the scope of intrusive powers under the Bill were rejected one after another by Government Members. The new security service would still have the power, as this legislation is presently drafted, to use all the most intrusive techniques imaginable, whether it be breaking and entry into a private home, removing any document or indeed anything from that home, accessing confidential income tax records, breaking into a doctor's office to look at confidential medical or psychiatric records or accessing the mail. First-class mail for the first time would be legally subject to being opened. The only exemption provided in the Bill are census records. I have noted more than once the irony of the fact that even a church confessional will be fair game under the terms of the legislation. The only thing which will be sacred in the country if the Bill is passed will be the offices of the Chief Statistician of Canada.

We gave the Government an opportunity to narrow the terms of the legislation with respect to the powers accorded to the new service, powers which go far beyond those recommended by the McDonald Commission. Indeed, they go far beyond those recommended and in place today for the FBI, which in the case of so-called domestic subversives must utilize a criminal standard.

In the other major area of the type of scrutiny or the nature of the oversight of operations of the new service, once again the Government has rejected out of hand suggestions for strengthening this review process. Indeed, one major area of improvement in the Bill would have permitted access to all documents in the possession of the security service by the Security Intelligence Review Committee. That amendment was passed on the casting vote of the chairperson of the committee. The Solicitor General (Mr. Kaplan) says that he does not accept that amendment. He intends to bring forward an amendment in the House to restore that clause, a clause which would effectively gut the minimal review process in the Bill of any meaning or substance whatsoever.

There are three broad heads to this legislation. In each area we have attempted to strengthen the Bill. We have proposed

amendments in committee that would narrow the effective scope of the mandate that would ensure that law-abiding Canadians engaged, for example, in the support of liberation movements in Central America, or a church group which chooses to send money to the African National Congress in South Africa, would not potentially be the subject of the intrusive techniques under the Bill.

We tried in committee to narrow the powers which would be available to the service. Certainly, as we proceed with report stage and the amendments which I have tabled on behalf of my Party, we will be indicating the extent to which we believe the powers proposed in this legislation constitute any serious threat to the fundamental civil liberties of all Canadians.

We have proposed that there must be a role for Members of Parliament to play in the oversight process. It must be an effective role to ensure that the new civilian security service, which is shrouded in such secrecy, does not in fact become a political instrument in the hands of the government of the day.

Those are the fundamental areas of concern with respect to the legislation. I should indicate that in raising these questions we are reflecting the deeply-held apprehensions, indeed the fears, of a broad cross section of Canadian society. It could be the Canadian Council of Churches representing 12 major church groups across the country. It could be the Conference of Catholic Bishops, the Canadian Labour Congress, environmental groups or peace groups. It could be civil liberties groups, such as the Canadian Civil Liberties Associations which has made very strong representations on this legislation. Its general counsel as late as this morning indicated that the Bill in its present form, as adopted by the committee, poses a very profound threat to the civil liberties of all Canadians. It could be *la ligue des droits et libertés* in the Province of Quebec, a broadly-based group of men and women concerned about the threat which this legislation poses. I see Quebec back-benchers laughing at that suggestion, indicating that the concerns of *la ligue des droits* with respect to this legislation should not be taken seriously. Certainly I know that it has members throughout that province. Indeed, as recently as last Friday it held a press conference in the City of Montreal to express its anger at the manner in which the Government is attempting to proceed with this legislation.

• (1210)

It flies in the face of the sensibilities of Canadians who insist that we do not want a new secret agency that would have unprecedented powers, powers unprecedented in any western industrialized country. It would spy on the lives of innocent Canadians. As I indicated earlier, it would spy on Canadians by looking at their income tax records, by examining their medical records and by breaking into their homes, businesses and offices.

During the course of report stage and certainly during third reading, we intend to set out very clearly for the record our profound reservations with respect to this Bill. We have seen abuses historically of civil liberties. In 1970 we saw the proclamation of the War Measures Act in this country by the same Government which now comes before us and asks us to trust it with the powers it is seeking in this Bill once it passes. Its record does not warrant the trust it is seeking from Canadians. In the course of continued debate over the next few weeks and months, we will certainly be making clear our reasons for fundamentally rejecting the premises of this Bill.

Hon. John A. Fraser (Vancouver South): Mr. Speaker, I have to say first that I am disturbed at the implications of the preliminary ruling of the Chair. I am concerned that amendments that this Party put forward at committee will not be allowed to come before the House. I want it very clear on the record exactly what some of these proposed amendments are that we would bring in and which were brought in at committee stage.

The first amendment deals with whether it is appropriate under the circumstances to remove the security service from the Royal Canadian Mounted Police. If we have the chance, that will be argued in some detail. At committee stage, one thing that was argued as a consequence of questions which were asked of the Solicitor General (Mr. Kaplan) was whether a case had been made by the Government for the removal of the security service from the Royal Canadian Mounted Police. It was pointed out in committee that both the Mackenzie Commission and the McDonald Commission looked backwards to events of many years ago, events in the late sixties and early seventies. If Hon. Members care to look at the record of the committee hearings, they will see that I put this question to the Solicitor General at that time, and I quote:

> The fact is, Mr. Minister, that for many months now—for many years in fact—since the revelations in the House of Commons in 1977 and the action which was taken consequently, the Security Service has been working as part of the Royal Canadian Mounted Police. The Commissioner has been reporting to the Solicitor General effectively, competently and in a manner in which I am sure you would agree meets with your approval. You testify that this has been done in a manner which meets the appropriate sensibilities of the Canadian public. Is that not so?

That is the question I asked of the Solicitor General. The negative of all that was the reason that it was proposed that the security service be removed from the aegis of the RCMP. I asked the Solicitor General whether the security service under the RCMP for many years has been reporting effectively, competently and "in a manner in which I am sure you would agree meets with your approval". I said "You testified that this has been done in a manner which meets the appropriate sensibilities of the Canadian public. Is that not so?" That was my question. The Solicitor General replied:

> Yes, that is so.

The indication of the preliminary ruling of Mr. Speaker means that we could not vote on that issue, the argument being that it is somehow foreign to the main principle of the Bill. It is very curious that that is not what the Solicitor General spoke about as being the main purpose of the Bill at second reading. If I get a chance later, I will refer to that.

The motion to amend Clause 4 put forward by myself on behalf of my Party deals directly with whether or not the Director of the security service should be appointed at pleasure. That means that he is appointed by the Government.

Surely the Government should have the authority and the right to remove the Director for whatever cause the Government thinks is essential in the security interests of Canada.

Our amendment in committee to Clause 6, one of the amendments my friend from Burnaby (Mr. Robinson) has in front of the House at the moment, will be supported by us because our own is not there. That was an oversight. It is exactly the same. It involves the necessity for the Minister, not in a permissive way but in a direct and mandatory way, to issue directives directly to the Director. That would be an improvement to the Bill.

The amendment that we have moved to Clause 12 would make it necessary that when the duties and functions of the service are being considered, they would be those strictly necessary for the security of Canada. With regard to Clause 19, on the question of the release of private information we moved an amendment that only private disclosure should be made on the discretion of the Minister, not just the Director.

On Clause 20, we have moved that the federal Attorney General should report to the provincial Attorneys General with respect to relevant illegal activity as a consequence of knowledge gained by the security service.

On Clause 21, we moved in committee and will want to move again that warrants not be issued unless on reasonable and probable grounds. It is a better definition for the onus required on the part of the security service to obtain a warrant than merely on reasonable grounds.

We have also moved amendments to limit the warrants with respect to Canadians who have not yet committed any crime. That refers to sub-paragraph (d) of the definition section. We have further moved amendments that warrants should only last for 60 days before renewal, which is the amount of time specified in the Criminal Code, not a year as set out in this Bill. We have moved amendments to tighten requirements in the affidavit.

With regard to Clause 22, we have moved an amendment with respect to the renewal of warrants and eliminating renewal of warrants in cases coming under Sub-clause (d), which is the domestic clause covering legal activities of Canadians.

On Clause 24, we have moved an amendment to clarify the role of innocent third persons who are ordered to do things by somebody who has a warrant, thereby clarifying the liability that innocent third persons might otherwise incur.

On Clause 31, we have moved that the Inspector General have access to Cabinet documents relevant to directions to the security service. That is absolutely essential if the Inspector General is to have any overview.

On Clause 38, we have moved that all security agencies in Canada should come under the review committee established by this legislation.

● (1220)

On Clause 39, we again made the amendment that would allow the review committee to see Cabinet documents, because it is quite incredible that a review committee would not have access to documents that may actually change policy or give specific orders to the security service.

Regarding Clause 55, we moved to establish a parliamentary review committee which, if the preliminary ruling is to hold, is an amendment with which somehow the House of Commons cannot deal.

With regard to Clause 61 of Part IV, we moved an amendment which would give the Royal Canadian Mounted Police, acting under the direction of the federal Attorney General, the duty to consult with municipal and provincial police forces. That seems to us to be only common sense.

With regard to Motion No. 2 which the preliminary ruling would rule out, we made a number of amendments which deal with that area of the Bill that has created the most concern for the witnesses who came before us. Those amendments are designed to clarify the language of Clause 2 in order to make it quite certain that those activities which are to be investigated are activities which are against the security interests of Canada and not simply the interests of Canada. We dealt specifically with Sub-paragraph (d) of Clause 2 in order to make that clause much more acceptable to those Canadians who are concerned about the intrusion of surveillance on Canadians who have not committed any crime and who are operating only within this country.

I know that my time is limited at this stage of the debate. However, I would like to put this on the record because the amendments which we are putting forward are important amendments, particularly when taking into account the words of Mr. Alan Borovoy, the general counsel to the Canadian Civil Liberties Association. He spoke about this legislation as it was reported out of committee because it was not amended in committee. The Government did not want any amendments. As reported in yesterday's *Globe and Mail*, Mr. Borovoy said that the legislation creating a new civilian spy force is "one of the greatest threats to civil liberties Canada has seen in many years". As a consequence, we think these amendments are important. They are not too excessive and I would hope that they would be heard.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I rise with some sadness at report stage of this Bill because we are again faced with a situation in which NDP members are helping the Government achieve one of its goals while loudly protesting what the Government is doing. NDP members are actually helping the Government because they are going to force the Government to put time allocation on report stage and third reading stage and we will not have the opportunity to debate the great issues raised by this Bill. Once again the Liberal Party West is helping the Liberal Party East to bear down on the Canadian people and oppress them under their thumb, which is exactly what they want. They want an all-powerful central state that will press down upon the people and turn them into serfs.

Without a shadow of a doubt, Bill C-9 is the second most important Bill we shall debate in this Thirty-second Parliament. I believe the Bill that was most important was, of

course, the Constitution Act of 1982. That Act implemented fundamental changes in our country, the effects of which will be felt, generations and generations. Bill C-9 does exactly the same thing. It is creating a change to our culture.

I speak as a westerner, and westerners have a very deep attachment to the RCMP. That is true not only of westerners. In my travels through Ontario and the Atlantic provinces, I found that the people there also have a very deep attachment to the RCMP. The force has a long tradition of stability, of discipline and of fraternity and loyalty to the country. The big danger that many people fear is that a new civilian agency may not be able to achieve those qualities. That is a very honest and legitimate point about which people are concerned and that is what we should be debating. However, the tactics of members of the NDP end up blocking that proper debate and consideration of the Bill by the citizens.

Let us not forget that at second reading of this Bill it should have been appropriate for Opposition Parties to put in amendments so that some of these grand issues could have been discussed. That was not done because the Government moved closure. We have not had the opportunity to let the citizens witness a full discussion of this matter. The same was true in committee as well. We were faced with closure and attempts to block us off.

At the committee stage of this Bill in which several Members participated, we heard from some 24 or 25 witnesses. Over 50 briefs were presented to us and were read and considered. We sat day after day. We had long debates on these clauses. It became clear to us that there is no broad consensus across this country as to whether this Bill is totally good or whether it is totally bad. The witnesses raised some very honest and legitimate points to which they recommended changes. We put those changes forward and the Government rejected them.

Surely committee stage exists so that a small group of Members of Parliament may hear witnesses give hard evidence and come up with changes that reflect that evidence. The amendments put forward by the Progressive Conservative Party reflect the hard evidence given by well meaning, educated, intelligent Canadians who gave us the benefit of their views. On one occasion, even Government Members accepted one such amendment after having heard the evidence.

Government Members accepted the amendment which proposed that the review committee would have access to Cabinet documents. The amendment was accepted at committee but we find that the Cabinet will not accept what the citizens want and is not prepared to accept the wisdom of a committee on which a majority of Government Members sat. Those Government Members indicated that the review committee should have access to Cabinet documents. Never having heard any of the witnesses, the Cabinet will not accept that and will force an amendment through at report stage that will delete that important change that was brought about as a result of hearing the evidence. Why do we have a committee stage, Mr. Speaker, if Cabinet members are not prepared to accept the evidence that is brought forward and the changes that are recommended?

My colleague has described our amendments to the House. Our first amendment would have the effect of leaving the security service with the RCMP. That is a very legitimate amendment. We looked at the Mackenzie report in some detail. The Mackenzie report of 1969 recommended the creation of a civilian security agency because it felt that the RCMP would not be able to adapt to the modern technologies required to become an intelligence service. In actual fact, since 1969 the RCMP has become a very sophisticated agency. In terms of intelligence, it has done a very excellent job for this country by intercepting KGB agents. As well, when looking at its commercial crime operation, its handling of drug cases and its handling of the Mafia, one sees that the RCMP is capable of being just as sophisticated as any civilian agency could ever be. Therefore, the report of the Mackenzie Commission falls. It carries no weight or evidence and would be rejected in a court of law because the subsequent history of the RCMP has discounted it.

The same is true of the McDonald Commission. All of its reasons for taking the security service away from the RCMP fall under the weight of the hard evidence that we heard from the people. The last reason the McDonald Commission gave for separating the agencies was that it would enhance the image of the RCMP if it was not involved in security. That is nonsense, Mr. Speaker. Members of the RCMP were not the ones who were to blame for the incidents surrounding the 1970 FLQ crisis. They received instructions from the highest office of the land to find out what was going on. It is true that they burned barns and that was wrong. It is true that they broke into offices and opened mail and that was wrong. However, they were doing those things on the instructions of the highest political office of this land. Where were the politicians when the situation blew up? They were running and hiding behind fences and barns themselves. They were not prepared to take the heat.

Mr. Kaplan: There were no such instructions.

Mr. Thacker: There sure were. Canadians do not believe for a moment that the RCMP was doing that on its own. Yet it was left out to hang on the clothes line and it took all the heat. We do not accept that. The amendments that we have put forward would provide a proper chain of accountability so that the RCMP and the security agency would follow the political masters and the political masters would take the heat if something was done wrong. It is a fraud and a cover-up of which I will not be a part.

● (1230)

Other amendments which were put forward by our Party dealt with domestic subversion. In particular, under the new definition in Clause 2(d), the description of domestic subversion is cast so widely that it can honestly and truly be abused. If one sits down with ordinary citizens at their kitchen table and asks them what they think a security service should be

able to do, they have no trouble at all dealing with foreign KGB agents, foreign espionage, foreign countries and people who come into Canada to subvert our country. However, when we are talking about our own citizens who want to support groups in other countries through their church groups, and who want to be able to join marches, whether it is anti-Cruise or whatever, or speak out against the Crow legislation, they want to be able to do that without feeling intimidated. Clause 2(d) is written so widely that even church groups will be very nervous in what they do. The effect of that is to cast a chilling climate of fear and apprehension. It is a form of intimidation.

When I spoke with the Western Canada Concept group and tried to convince them that this country was worth saving, that in itself would have been sufficient to be classified as domestic subversion. Under the wording "intended ultimately" to hurt this country, the security service could target me and put on extra special surveillance. They could intercept my mail, telephone conversations and put tails on me. Those are intimidating acts for Members of Parliament. We all speak with groups every day. We were trying to narrow the definition of that clause in order to eliminate the chilling effect and the potential intimidation.

I will speak to each of these clauses individually as they arise. However, over-all I would say that I am concerned. I hope that as a result of the mindless obstructionism and opposition of the NDP, the Government does not over-react and move time allocation before there has been an opportunity to discuss half a dozen of the major issues upon which Canadians want to express their views. I also hope that Canadians will receive a response.

Mr. Dan Heap (Spadina): Mr. Speaker, I am very sorry that this legislation is before us in such a destructive form. However, I am happy to speak against Bill C-9. I notice that the previous speaker was frightened that, by some magic he did not explain, a few NDP speakers would prevent the Conservative speakers, who have three times as many chances as we do to speak, from making their points. I notice that they have not fully used their opportunity this morning, so I will proceed instead of one of them.

The previous speaker also made a very sensible point.

Mr. Fraser: Mr. Speaker, I rise on a point of order. I do not know why the Hon. Member for Spadina (Mr. Heap) would say that the Conservative Party has not fully used its opportunity this morning. We have spoken just as much as, if not more than, any other Party in the House. The fact that we extend to the NDP the courtesy to speak after two Conservative speakers in a row does not warrant his comment. The innuendo is that we are not seriously taking part in this debate. I do not think it advances his cause or anyone else's cause and I resent it.

The Acting Speaker (Mr. Guilbault): May I suggest that the remarks which have been made by both hon. gentlemen have little to do with procedure or manner of debate. Of course, what one Member says may not please another Member, but there is little the Chair can do in that case.

Mr. Heap: Mr. Speaker, I will continue with debate as I was doing legitimately, not illegitimately as was the previous speaker under the pretence of a point of order. The point which I was making when I was cut off by that frivolous point of order was that the Hon. Member for Lethbridge-Foothills (Mr. Thacker) made a good and valid point when he spoke about the great uneasiness of the churches in Canada over the likely effects of this Bill in its present form.

One of the major church congregations in the riding of Spadina, which I represent, has in fact commented on this very forcefully through a publication entitled *Bloor Street Leap*. It is a publication of the Outreach Committee of the Bloor Street United Church. They are very, very gravely concerned about the affect of the Bill. They suggest a possible scenario which could perhaps take place any time after this week if the Government succeeds in driving this Bill through the House.

For example, they suggest that if the World Outreach Committee of the Bloor Street United Church was pursuing its normal concern for refugees from Latin America, it might find the following scenario. The committee votes to give a sum of money to a relief organization in El Salvador. Suddenly one day it is visited by people who identify themselves as agents of the CSIS, the Canadian Security Intelligence Service. Its representatives are quizzed about why the organization is sending money to El Salvador. They are asked if it is sympathetic to rebels who are against the Government of El Salvador. They are also asked if it is perhaps opposed to the democratic process, which some members of the Canadian Government and some members of the Official Opposition think is represented by the present Government of El Salvador.

The term "political subversion" is thrown around. The Outreach Committee could be told by an agent "We've been watching you". As the previous speaker implied, that would be quite a shock to members of any church congregation in Canada. Under the circumstances, the Outreach Committee would assume that it was engaged in a lawful and humanitarian action. However, now that action may well be judged as being a threat against the security of Canada.

What the Committee is saying on the basis of its study of the Bill, which has been guided by a brief prepared and presented by the Canadian Council of Churches to the parliamentary committee and which was made available throughout the church, is that it considers that to be a realistic scenario which the Bill could possibly effect upon the religious activities of its congregation.

The Outreach Committee pointed out the vagueness of the definition of a security threat as follows:

> Foreign-influenced activities within or relating to Canada that are detrimental to the interests of Canada and are clandestine or deceptive or involve a threat to any person—

It is very, very concerned about the vague wording of that clause. The United Church of Canada has activities in many

parts of the world, not only in countries which are controlled directly by NATO.

In the *Bloor Street Leap* the Committee suggests:

Suppose a visiting foreign government minister, whose country has for many years been the recipient of Canadian church mission work, requests a private meeting with Canadian church officials.

That might be interpreted as meaning that the church was thereby being influenced by a foreign power. Inasmuch as the meeting was private, it could be interpreted as being clandestine. The Committee is speaking of the kind of activity which happens from time to time in Canada and is carried on by churches for purposes about which they are quite open, but which might under this legislation be viewed as worthy of intrusion, phone bugging, mail opening, the planting of informers, or even an *agent provocateur*. The proposed surveillance of lawful activities has the Bloor Street United Church and other churches worried. The Bloor Street United Church quotes from the Canadian Council of Churches' brief, which reads:

—how much of the day-to-day life and work of the church could be held to be foreign-influenced?

The church was an international organization before Europeans ever heard of Canada or North America. For 2,000 years the church has been sending messengers and representatives to every country it could, keeping up contact and mutual influence with the people of those countries. This legislation could be taken as grounds for attacking the very foundation of the historical growth of the Christian church.

● (1240)

The Bloor Street group says further on, and I quote:

Even a partial increase in surveillance could do harm to the network of voluntary participation that Canadian churches have established throughout the world.

The group points out, on the basis of the brief of the Canadian Council of Churches and its own study, that there is no definition in the Bill, not event a listing or even any mention, of possible limits to surveillance. In other words, it is saying, what is to stop this new force from carrying on, and even extending, the kind of illegal activities which were the subject of the McDonald Commission?

The religion of which I am a representative, ordained as such, was founded by a person who was executed for treason. He was also accused of blasphemy, but that was not the charge for which he was executed. He was executed for being, in effect, a threat to the security of the Roman state, the most militarized power on earth. The United Church of Canada is seriously concerned, nationally and in its congregations, that the militarized thinking of this Government is now being turned into a threat to the basic liberty of Canadians. The alternative of the United Church, Mr. Speaker, is that Christians must respond against this militarized thinking with the assertion that freedom, not war, is the chief condition of humankind, and I quote:

To this end, a critique of national security doctrine, based on the Gospel, has been developed.

"Whereas national security doctrine urges the individual to renounce freedom by seeking security from an evil world under the protection of lords and tyrants . . . the Christian Gospel urges love of enemy, refusing to give absolute value to security and finding the only absolute value in love."

The Acting Speaker (Mr. Guilbault): Order, please. The Hon. Member's time has elapsed. Debate.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I want to say a few words on this particular Bill and on this clause. The points which have been raised have been interesting. The purpose of legislation in a democracy, as I understand it, is to endeavour to reflect the thinking of the greatest possible number of people, both in the legislation and in the administration. When that is done, there is more than one thing accomplished. When the legislation is in line with what the mass of the people of a country think, then it is going to have the support of that mass of people. When legislation is not supported by the majority of a population, then there are difficulties. Things then go under cover and things are done because people feel that the law is stupid or, as someone once said, that "the law is an ass". I do not believe we should put our people in that position. When we pass legislation which is contrary to the thinking of a vast number of our people then we are really looking for some difficulties.

I believe that is what we are doing with regard to this legislation, particularly if the ruling of the Speaker is confirmed—and I hope it will not be—and we are unable to discuss security under the RCMP at the report stage of this Bill. The Bill deals with security, and the fact that it does deal with security, I believe, should leave open all types of security for discussion, not just the particular one recommended in the Bill. Otherwise it is useless discussing principles on second reading of a Bill. If you cannot change any of the principles, you might just as well save your time and energy. Surely things can be changed in a Bill. If it cannot be changed after second reading, then we are introducing a new scenario in which I feel every parliament would have to be very careful of what it passes in second reading. Every second reading might have to be opposed. Even then there would be no chance of making changes.

Surely, we have to be sensible in our legislation. When legislation is passed in principle on second reading, it does not mean that the important parts of the Bill cannot be changed. That is the way I understand the making of legislation. In every legislature in the country, and probably in every Parliament in the British Empire, Bills are passed in second reading and then a very important principle of that Bill is changed by the majority of the people. If that cannot be done, we are not

As my seatmate, the Hon. Member for Lethbridge-Foothills (Mr. Thacker), mentioned earlier, my people very strongly want the RCMP retained as the security force in this country. It will be a blow indeed to democracy if we are unable even to discuss that at report stage of this Bill, as was suggested this morning in the interim or temporary ruling of the Speaker of the House.

I would like to advance two or three reasons why I believe the legislation should deal with every type of security, includ-

ing the RCMP. It should be the consensus of this House, by a majority, as to which one is the best for the country. If there are only two security services, which one is better for the country? That is the proper approach to take, not to say we cannot discuss an item as important as the RCMP being the security and intelligence service of this country. It would be a sad day indeed if that were the decision.

I would like to talk first about the point I have already mentioned, that under our democracy a government should reflect in its legislation the thinking of the people to the greatest possible degree. I am convinced—perhaps others are not—that the majority of the people of Canada want to retain the RCMP as their security force. That statement, I feel, is the strongest argument, if it cannot be challenged, and I do not believe it can be. The rank and file of our people in Canada are not illiterate. They come to conclusions because of what they see and what they hear and on what happens. They have watched this matter of security over the years and they are satisfied with what the RCMP have been doing.

Another reason, though, which is probably almost as valid, is that the RCMP is noted for protecting the rights of Canadians against undue interference with their civil liberties. If I find my civil liberties are being attacked, I can go to the RCMP and I know I will find a friendly officer who is going to make sure that, to the greatest possible degree, those civil liberties are going to be protected. That is their life. The RCMP came into being to fight unlawfulness, not lawfulness. They fight against those things that are unfair, whether it was for the Indians in the early days, new immigrants, or Canadian women and children. Those who are doing things that are wrong are the ones who are afraid of the RCMP because they stand for doing the right thing, things in accordance with the law. Therefore, when we change our security service we are saying in effect that the RCMP has not been doing its job. But that is not the case.

• (1250)

The Solicitor General (Mr. Kaplan) paid tribute to the work that the RCMP have done and are doing in the security service. If they are doing well, why do we want to throw out the known for the unknown? We do not know how this new body is going to react to various things in the country, how it will fit in. What is it going to do in regard to civil liberties? That is the worry of many of the speakers in this House today. When we say we should keep the RCMP in this area, we are basing that on the confidence the people have in the RCMP.

I wanted to deal with another point, Mr. Speaker, concerning the spy situation but I see that my time is running out. However, I want to urge Members of the House to realize what we are doing. We can build on the force we have. Surely we do not want to throw that out and start building something brand-new which may be built on a faulty foundation.

The Acting Speaker (Mr. Guilbault): Debate.

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I want to assure everyone that the Opposition have as much time as possible to make their points. As indignant as I am about some of the things I have heard today, because they are simply not valid criticisms of the Bill, I will not take the time required to deal with each of them. Let me just say in summary that, having sat and listened to the far-fetched concerns and fears, all of which were raised on second reading when we heard 57 speeches on the subject of this Bill, and in committee where we spent dozens of hours and hundreds of briefs were received and dozens of witnesses heard, I can assure you, Mr. Speaker, that the Government feels there are good answers to all of the suggestions made.

The suggestions are that this Bill goes further in the direction of violation of the privacy and civil liberties of Canadians. Far from it. We are dealing at the moment with an area of activity presently within the security service of the RCMP. We are moving it into an organization which can be put under much better controls and safeguards than is appropriate for a police force under the Canadian system of government. I know some Hon. Members opposite recognize that. I note that the Calgary *Herald* urged the Conservative Party, in its editorial of June 2, to stop the long bid to keep national security under the wing of the Royal Canadian Mounted Police and get on with the task of scrutinizing the Bill to ensure that Canada gets the most efficient security service consistent with the maintenance of civil liberties.

The Calgary *Herald*, for one, backs separation and it is not alone. There are many, many observers across the country who have studied the Bill. They are not saying the Bill is perfect, and that is not the Government's case. The purpose of report stage is to try and improve the Bill. But we recognize that this Bill represents a step forward in further securing the privacy and civil liberties of Canadians. We are subjecting our security service to a more careful and effective outside scrutiny and control than it has ever had before. I am delighted that we have reached report stage and are talking about clauses rather than seeing the spectacle that we have had in the past of delay for its own sake by an Opposition Party, the NDP, which has firmly declared, apart from what they are saying about clauses and due debate, that they are going to be doing everything—to quote the Hon. Member for Burnaby (Mr. Robinson):

> —going to be doing everything within our power, using all of the parliamentary devices at our disposal, to ensure that this does not in fact become enacted before the end of the session.

That is what we are witnessing and we might as well recognize it.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the Solicitor General (Mr. Kaplan), in his usual way, tells just part of the story. Of course, we have said we are going to oppose this Bill, that we are going to try and stop its passage. But we have said it for very good reasons, reasons which are supported by the Canadian Civil Liberties Association, most of the major churches, by organizations such as Operation Dismantle, and by the provincial Attorneys General. We are in very good company.

The reason we are opposing this Bill is not because we are opposed to legislation which would give Canada the security

service it needs and must have; we are opposed to the Bill because it does not do that. This Bill gives the security service the kind of power it had in the past. It legalizes the security service doing things which the McDonald Commission proved so conclusively it should not have done. It will permit the security service to continue to keep files on hundreds of thousands of Canadians, which it has done. The McDonald Commission told the people of Canada that the security service had files on 700,000 people. Would the Solicitor General, as conservative and as ready as he is to accept every fairytale told to him by the security service, say to this House that there was ever any need for the security service to get information and have files on 700,000 Canadians? Has anything changed?

Let me tell the Solicitor General what my own proposal experience has been. I have been an elected representative in one forum or another for 40 years. The things I have said and done are on the public record. After we passed the Access to Information Act I made a request to the Solicitor General and the RCMP to see my file and the things I supposedly have done which they have in their records. I was turned down because that kind of information is excluded under the Act. I made the same request to the U.S. Federal Bureau of Investigation and I got what they had in their records about me. Therefore, if we are suspicious about this legislation, of what the Solicitor General will try to get through the House, I think we have every right to be.

Let us remember that we Canadians are pretty self-satisfied, we are pretty arrogant; we look at things which have happened in the U.S. and we say they are terrible. "Look what the FBI did! Look what the CIA did! Is it not terrible? It could not happen in Canada." It was not until a former corporal in the RCMP, a member of the security service, got involved, for reasons which have never been explained, in an attempt—

The Acting Speaker (Mr. Guilbault): Order, please. I regret having to interrupt the hon. gentleman, but it being one o'clock I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

S.O. 21

STATEMENTS PURSUANT TO S.O. 21

[*English*]

NORTHERN CANADA POWER COMMISSION

RATE INCREASES IN EXCESS OF GOVERNMENT RESTRAINT PROGRAM GUIDELINES

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, once again the Liberal Government has proven that it is not to be trusted and that its solemn declaration of intention is without substance or meaning. In his past Budget speeches the Minister of Finance stated categorically that prices charged by Government agencies would be subject to the 6 and 5 per cent guidelines. The Minister of Indian Affairs and Northern Development confirmed this with respect to the Northern Canada Power Commission, the federal Crown agency which has a monopoly on electrical energy in much of northern Canada. From January, 1983, to January, 1984, electrical consumers in Fort Simpson were subjected to price increases in excess of 40 per cent, far exceeding the stated guidelines.

If the Minister's words are to be honoured, NCPC must reduce its rates in Fort Simpson and rebate its customers. Otherwise, we will all know that the Minister of Indian Affairs and Northern Development, who would aspire to the leadership of his discredited Party, is a man who says one thing and does something entirely different.

* * *

D-DAY

REFLECTIONS ON ALLIES' SACRIFICES

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, on June 6, 1944, with the command "O.K. We'll go", General Eisenhower unleashed the most massive, hazardous, and bloody seaborne military operation in history, the allied invasion of Normandy. The intensity of the struggle against the Nazis was described in 1941 by Watson Kirkconnel, a McMaster University author and professor, who wrote as follows:

> Hitler's Germany is an atavistic return to barbarism, has renounced the ethic of christianity, the scientific pursuit of truth, and civilized insistance on law and has subjected all of these to tribal violence for its own savage sake.

With the D-Day invasion of Normandy the allied forces began the attacks which, combined with the Eastern Front offensive of our wartime ally, the Soviet Union, finally did succeed in defeating the fascist system of Hitler.

Now, forty years later, the question arises—did the sacrifice of life, limb, and material goods restore world order and bring about peace? However, the gallant men who gave their lives in Normandy for the cause of freedom, if alive today, might well wonder if their sacrifice was in vain. The lack of freedom behind the Iron Curtain would, I am sure, be a source of great sorrow for them.

We had a common goal during World War II—to defeat the forces of fascism. We now have another common goal—

mutual survival, a goal which I hope one day will improve relations between East and West so as to reduce the threat of another world conflict.

* * *

CANADA POST CORPORATION

ANNOUNCED CLOSURE OF HAMILTON SUB POST OFFICE

Mr. Geoff Scott (Hamilton-Wentworth): Mr. Speaker, in expressing my very serious complaint about the Post Office, may I take this opportunity, on behalf of all Members, to wish Canada Post's President, Mr. Michael Warren, a comfortable and complete recovery from his unfortunate mishap during the weekend.

Some Hon. Members: Hear, hear!

Mr. Scott (Hamilton-Wentworth): Perhaps Mr. Warren's officials will take note of the imminent damage about to be done to a constituent of mine, Mr. Allan Beattie, who is Post Master of sub Post Office 41 at the Westcliffe Mall on Hamilton Mountain. This thriving little post office has been operating out of Westcliffe Home Hardware for approximately 12 years with no complaints. Mr. Beattie feels he has provided an excellent service for his many loyal customers in the area. Suddenly Canada Post is shutting him down, effective June 30.

The Post Office has an agreement with the sub post offices that Ottawa can close them down on 30 days' notice without explanation. Mr. Beattie was given 60 days' notice without explanation.

To make matters worse, Canada Post wants to locate its full Post Office in the same Westcliffe Mall in larger quarters at expense to the Canadian taxpayer. There is no space available in the Mall anyway.

I have learned that the reason Allan Beattie is being hit is because the union feels these small stations are competition for it. I have real sympathy with organized labour in many cases. Indeed, I am a union member myself. However, I draw the line when a loyal and hard working entrepreneur is pressured out of a valuable community service because of a militant postal union. Mr. Warren and Canada Post officials, please take note, and rescind this ridiculous closing.

* * *

HOUSING

NON-ATTENDANCE OF GOVERNMENT REPRESENTATIVE AT TORONTO CO-OPERATIVE HOUSING MEETING

Mr. Neil Young (Beaches): Mr. Speaker, recently the Co-operative Housing Federal of Toronto, in co-operation with three other non profit developers of co-operative housing and the Co-operative Housing Foundation of Canada, held a public meeting to discuss the future of co-operative housing in metro Toronto and the Government of Canada's proposed reduction in funding for co-op development. Approximately 800 people attended the meeting, hoping to hear an explanation of the federal Government's reasons for reducing its support to co-ops. Unfortunately, although he had been invited three weeks earlier, the Minister did not attend the meeting and chose not to send anyone in his place. His telegram expressing his regrets arrived the day after the meeting.

Members of the audience were left wondering what the Liberal Government's position is on co-operative housing. In the face of the Minister's failure to explain why he has cut the co-op housing budget by 65 per cent locally and 45 per cent nationally, I have to question whether this sector enjoys the Minister's support.

In the House the Minister stated that co-ops are not serving the Government's target groups as well as other forms of non profit housing. I find this an extraordinary and unfounded claim. It is deeply insulting to co-ops in Metro Toronto and across Canada which have a proud record of serving the disadvantaged alongside moderate income members. The Minister ought to know that Toronto and Canada need more co-operative housing units this year. If the Minister has concerns about the effectiveness of the co-op program relative to other—

Mr. Speaker: The Hon. Member's time has, unfortunately, expired.

* * *

EMPLOYMENT

SUMMER STUDENT JOB FUNDING—COMPARISON BETWEEN RURAL AND URBAN AREAS

Mr. George Baker (Gander-Twillingate): Mr. Speaker, many rural high unemployment areas are being discriminated against by what I call an urban bias in federal and provincial government job-creation programs. Under the program for summer jobs sponsored by government Departments, students are hired mainly where the government Departments exist, in urban ridings. I suppose that is the only way it can be. However, Summer Canada or community group sponsored projects are funded to the same degree in urban and rural ridings. This means that urban areas, as a rule, receive twice the allocation of summer student jobs funded by government. Private enterprise summer jobs are also heavily concentrated in urban areas.

This despicable, clear as the nose on your face, outright discrimination against high unemployment rural areas is prevalent as well in Canada Works allocations because of a $3 million cap on riding allocations. If your unemployment rate is 15 per cent you are treated the same as if it were 50 per cent, and you only receive $3 million.

It is unfortunate, Mr. Speaker, that although this system has operated for years in the federal and provincial Governments, those in a position of authority appear not to have the interest to do something about it.

CANADA POST CORPORATION

INVOLVEMENT IN SALE OF SPORTS POOL TICKETS

Mr. Gordon Taylor (Bow River): Mr. Speaker, a Canada Post press release dated April 19, 1984, says in part:

—Canada Post has introduced a series of service improvement programs that dramatically improved the speed of delivery between major cities—

Yesterday I received a letter from Canada Post, Ottawa, dated June 6. It took five days for the letter to reach my office. What did the letter say? The letter said that:

Canada Post has decided to begin selling sports pool tickets on a trial basis in approximately 300 post offices in Alberta.

What will Canada Post be doing next? It is already experimenting with the mail order service with Consumers Distributing which it plans to evaluate thoroughly. Now it plans to go into the gambling business by selling sports pool tickets.

The reason we have the Canada Post Corporation is to deliver the mail, not to compete with businesses that pay taxes, or to sell lottery tickets. Why can't we have the type of mail delivery we had a few years ago? It takes eight to 10 days, and sometimes as long as 12 days, for a letter from my constituency to reach me.

● (1410)

At some post offices in Alberta, Canadians have to stand in line for lengthy periods to get their mail. Now the post office staff is to be given another chore, namely, to sell lottery tickets. Canada Post should be told to improve its mail delivery service.

The odds on winning a lottery are about a million to one. Will the odds on getting our mail be the same? The people of Canada have a big enough gamble now to get their mail without starting another gamble in our post offices.

* * *

CANADA MORTGAGE AND HOUSING CORPORATION

FUND ALLOCATIONS FOR CO-OPERATIVE AND NON-PROFIT HOUSING

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I join my colleague in protesting CMHC cutbacks for co-operative and non-profit housing. There has been a 45 per cent over-all reduction in the number of units compared to last year. In B.C. units are down from an inadequate 2,200 to 1,800. Only a very small percentage of this allocation will go to co-op housing. I have also had complaints that allocations are based on favouritism since allocations are now made by staff in the Minister's office rather than by CMHC professionals.

There are thousands of low income people in my riding alone who are living in downtown Vancouver rooms or cheap hotels who urgently need decent, affordable housing. Profit making developers are renovating or replacing older accommodation in preparation for Expo '86. Few units are being allocated from CMHC for those being displaced.

Despite the very favourable federal land deal which was given to B.C. Place development, the Board of B.C. Place refused to include affordable housing, which was to have been part of this deal. The Minister should intervene to insist that such housing must be included, and CMHC should have extra allocations to replace downtown housing. This was done in Montreal, and Vancouver deserves similar treatment.

Finally, I want to register our Party's complaint again that the Minister responsible for CMHC refuses to adhere to the Fair Wages and Hours of Labour Act of Canada for co-op housing. This, in effect, is a union busting policy—

Mr. Speaker: The Hon. Member's time has, unfortunately, expired.

* * *

POOLS

CANADA SPORTS POOL CORPORATION—CONDEMNATION OF GOVERNMENT POLICY

Mr. John Bosley (Don Valley West): Mr. Speaker, I wish to use this opportunity to express my utter disgust at the way the Government of Canada is treating Canadians through the sports pool.

I have reached the point where I do not believe there is any misuse of public funds below which the Liberal Party would not sink.

We now know reliably that sports pool ticket sales have fallen to less than 200,000 from the original 500,000. The point that has to be made in this House of Commons to Members opposite, and to those who stand to lose, those the Government was told would be affected in medical research in amateur sports, throughout this country—because the Government was told this pool would fail at the beginning—is that decent thinking Canadians believe the Government of Canada set up the sports pool entirely to break its arrangement with the provinces, entirely to put all Liberals on the payroll of the Government of Canada, in full awareness that the sports pool would fail, and that Canadians would have to shell out funds to people who have two-year severance contracts.

I believe that the House of Commons has an obligation to express to the Government its utter, utter disgust at the way the Government has treated people through the sports pool.

ORAL QUESTION PERIOD

[*English*]

CANADIAN WHEAT BOARD

REQUEST FOR INCREASE IN INITIAL GRAIN PRICES

Mr. Len Gustafson (Assiniboia): Mr. Speaker, I have a question for the Minister of Transport. It is most important at

this time that farmers receive increased prices for their grain. They are facing very difficult cash flow problems. The Wheat Board tells us that grain exports from the West Coast since the beginning of the crop year have totalled ten million tonnes, up a million tonnes from the same time last year. And the asking price for grain at Vancouver and at Thunder Bay has increased considerably. Will the Minister consider increasing the initial price of grain to help out farmers with the very severe cash flow problems which they face at this time?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I think first the Hon. Member should acknowledge the very major achievement in being able to move a record volume of grain this year which is in part due to the initiatives we have taken to expand the capacity. It is an achievement which his Party objected to and fought against in this House. I think the fact that we are able to sell and move more grain in an efficient way is testimony to the wisdom of that course.

As far as the question of further advance payments is concerned, as the Hon. Member knows, this House is presently seized with a number of initiatives to improve the financial position of the western farmer, in particular the question of the western grain stabilization payments, which I hope we will have an opportunity to dispose of within a matter of a few days. I think we are responding very much to the cash position which the farmers face. We hope the House will co-operate in allowing us to complete that motion within the matter of this week.

Mr. Gustafson: Mr. Speaker, the Minister will know that when it comes to western grain stabilization payments, initial or interim, this Government continues to play politics with the farmers' money.

Some Hon. Members: Hear, hear!

Mr. Gustafson: And I want to emphasize the farmers' money.

Some Hon. Members: Hear, hear!

REQUEST THAT MINISTER TAKE ACTION

Mr. Len Gustafson (Assiniboia): Mr. Speaker, will the Minister reconsider the answer he has given the farmers, consider the difficult situation in which they find themselves, and return to the farmers their own money by increasing the initial price of grain, when it is within the Minister's jurisdiction to do so?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I am quite surprised at the question raised by the Hon. Member. Up to this point in time he was generally recognized as knowing something about the way the grain industry works. The tone of his question shows that he is not paying attention to what is going on.

The farmer is receiving and will be receiving, Parliament willing, a substantial increase in the payments from the western grain stabilization fund. This will go a substantial way to meeting some of the cash problems.

As far as any initial payment is concerned, we would have to take into account the recommendations and findings of the Wheat Board and the other bodies to determine what the level of that would be. I think what the Hon. Member should recognize first is that we are selling and moving record volumes of grain because of the expansion of the grain handling system in western Canada, which his Party opposed and fought against, and which this Government had the wisdom to promote.

Mr. Hnatyshyn: You are a joke. All you know about is pork.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. Gustafson: Mr. Speaker, it is obvious the Minister does not understand what is happening and he is confusing the western grain stabilization payments with the initial price of grain.

CASH FLOW SITUATION OF FARMERS

Mr. Len Gustafson (Assiniboia): Mr. Speaker, the level of the grain price since January has been considerably higher than the initial payments paid to farmers have been. We are asking the Minister to consider the very serious cash problems which farmerrs have, and either make an interim payment or raise the level of the initial price so farmers can receive a greater portion of their own money with which to pay their bills and to meet their obligations. Will the Minister of Transport show some confidence in the farmers of this country, Mr. Speaker?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, we have shown that confidence by going ahead with major plans to promote the expansion of farming activity in western Canada, unlike Members of the Opposition who show a total lack of confidence by not being prepared to support those kinds of initiatives that would allow us to expand the system.

As far as the initial price is concerned, as the Hon. Member knows, that is not an income protection plan. That must reflect market conditions. In the Board's judgment it is far too early to make any determination of those market conditions until there is further reporting, perhaps into the mid-July period. That is the kind of judgment we have to make without putting at risk the kind of pool situation which the Wheat Board must face. I do not think anybody in this House would want to jeopardize in any way the financial stability or accountability of the Wheat Board, which is what the Hon. Member seems to be recommending.

• (1420)

EMPLOYMENT

SPECIAL RECOVERY CAPITAL PROJECTS PROGRAM—ROLE OF REGIONAL MINISTERS

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, my question is directed to the Minister of Finance. It is further to the question asked by the Hon. Member for St. John's East yesterday when the Minister answered that Special Recovery Capital Projects funds "have never been in the purview of regional", or political, "Ministers to withhold." We know that regional Ministers have been holding up many of these Special Recovery Capital Projects in anticipation of an election. Does the Minister still stand by his statement of yesterday that these SRCP funds have never been in the purview of regional Ministers to withhold?

Hon. Marc Lalonde (Minister of Finance): Definitely, Mr. Speaker.

USE OF FUNDS

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, I have a Cabinet document which indicates the contrary, that regional Ministers are responsible for delays in the Halifax Federal Building, the Nova Scotia Nautical Institute, and the Maritime Forestry Institute. The most despicable example is the one in Gaspé, which has a very serious unemployment problem. The document indicates that there have been excessive delays on behalf of Ministers and concludes by indicating that projects in New Brunswick are still untouched because "the regional Minister for New Brunswick has yet to advance proposals". Would the Minister confirm, now that the evidence is before him, that the Government is using this very large porkbarrel fund merely to hand out patronage in advance of an election?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I am sorry to say that the Hon. Member is all wet.

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INCOME TAX

RATE APPLICABLE TO UPPER INCOME EARNERS

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, my question is directed to the Minister of Finance. Yesterday he agreed to look into some of the alleged abuses associated with the corporate tax credit scheme which is in place for R and D. Today I want to ask him a question concerning abuses of the personal tax system.

The Minister will know that in 1970 there were only three people with incomes over $100,000 who paid no income tax. As a result of the loopholes introduced over the years, in 1981 that increased to 1,500 people with incomes over $100,000 paying no income tax. However, as if that was not enough, in 1981 the Government reduced the tax rate to upper income earners across the board. How does the Minister justify decreasing the tax being paid by upper income earners at a time when it is being raised for low income earners?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I invite my friend to take note of all the measures which we have taken in the last few years, in the last few Budgets, including the most recent one, to help low income people. The latest one was the $50 increase in the Guaranteed Income Supplement for the single elderly. I refer him also to the increases which we have provided in terms of the Child Tax Credit, as well as the very significant increases in the amounts of money provided for direct employment and direct employment support for those who are unemployed. It is by billions of dollars that we have come to the support of low income people in the last couple of years.

As far as his question is concerned, he knows—and I have explained it to him or to his colleagues several times—that it is not correct to refer to people earning $100,000 per year paying no income tax as if it were a permanent feature. It may very well happen that in a particular year an individual with a high income would not pay taxes because indeed he would be entitled to claim, like anyone else, losses in previous years. The Hon. Member knows the rules provided under the Income Tax Act in that respect. There is a law which applies in the same way to all citizens. He knows that if one has losses in a particular year, one can claim those losses against income in another year.

Mr. Riis: I do not think the Minister answered my question directly. He will know that reducing the tax rate to upper income earners cost Canadian taxpayers about $1.5 billion each year.

REQUEST THAT 1981 TAX RATE BE RESTORED

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, does the Minister have any plans to restore the tax rate to what it was back in 1981, and therefore collect $1.5 billion more? Or, does he expect low and middle income Canadians to pick up the balance? Does he plan to restore it? If he does not, why not?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, first I would like to challenge the assumption of $1.5 billion being collectable in this particular way. The marginal rate was reduced in 1981, but the Hon. Member should remember that a number of loopholes were closed at the time, increasing the taxes on higher income people. Indeed, a number of these measures are still in effect, and the Hon. Member knows it.

Mr. Riis: Yes, I am well aware, as the Minister has indicated, that tax loopholes were closed in 1981, only to be reopened by the present Minister of Finance.

Oral Questions

TAX PAID BY LOW INCOME EARNERS

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, since 1981, not many years ago, more than a million Canadians have been added to the poverty level in terms of income. Because of the Minister's Budget last year, the poor of Canada, those with incomes at the poverty line, will see an increase in tax payable next year of $100. With more and more Canadians finding themselves at the poverty level, why on earth would the Minister increase the taxes which these people are expected to pay, making the poor people of Canada poorer at the same time as making the wealthy wealthier?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I would like to remind my friend that a number of the adjustments made to the 1981 Budget were made following representations by the Hon. Member's Party. Does he want me to introduce, for instance, a taxation on health benefits and dental benefits of workers, which I have maintained to benefit workers, and which represent hundreds of millions of dollars? Is that what the NDP is asking for, that we tax workers more? That is not the view of this Party. As far as the poor are concerned, I remind him that the measure before the House on which the NDP is still dragging will provide $600 per year more to elderly citizens.

Mr. Deans: Which one are we dragging on?

Mr. Lalonde: That is only one example among many.

Mr. Deans: That is a lie; that is a lie.

Mr. Nielsen: Oh, oh!

Mr. Hnatyshyn: I heard unparliamentary language, Mr. Speaker.

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THE CANADA COUNCIL

POSITION ON BILL C-24—ROLE OF DEPUTY MINISTER

Hon. David Crombie (Rosedale): Mr. Speaker, last week the Director of the Canada Council, Mr. Tim Porteous, testified that the Deputy Minister of Communications, Mr. Rabinovitch, had instructed him that public criticism of Bill C-24 by him or his staff, or even board members of the Canada Council, would not be tolerated. When I raised the matter with the Acting Prime Minister last week he advised the House that the Deputy Minister was acting with the consent and, indeed, at the request of the Minister of Communications. Why did the Minister of Communications embark upon this policy of intimidation which has so infected the freedom of speech of the arts and cultural communities in the country?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, the Hon. Member simply cannot be serious. He has asked me to comment upon the question of instructions. He alleged that instructions were given by my Deputy Minister to the Canada Council. I have discussed it with my Deputy Minister and he has confirmed that he did not in any case give any instructions of the kind to which the Hon. Member just referred, to the Canada Council. As a matter of fact I am on the record, and another Minister is on the record, Senator Austin, to the effect that we thought the Canada Council ought to appear before the parliamentary committee.

It seems to me that we have said, time and time again on this side of the House, that we are indeed interested in seeing that the traditional arms length relationship between the Government and cultural agencies be maintained, that if for some reason or other the legislative drafting of Bill C-24 did not meet this, we very much hoped that the Canada Council and other agencies of a cultural nature would appear before a committee of the House to make their case known to Members. I very much believe that legislation, by going through this process, can indeed be improved.

On the questions of instructions, once again no instructions of the kind referred to by the Hon. Member were given by my Deputy Minister.

MINISTERIAL RESPONSIBILITY

Hon. David Crombie (Rosedale): Mr. Speaker, surely the Minister knows that the damage was already done. Indeed, Mr. Brian Anthony of the Canadian Conference of the Arts representing arts and cultural communities, said in his testimony last week:

> We have certainly been led to believe that it would be inappropriate for any agency to risk its good standing and well-being at this moment by speaking out against Bill C-24.

Why is the Minister hiding behind his Deputy Minister and hanging him out to dry? Why will he not take the responsibility and dispel the atmosphere of intimidation for which he, not his Deputy Minister, is clearly responsible?

• (1430)

Hon. Francis Fox (Minister of Communications): Mr. Speaker, I am on the record, not only in this House in previous replies to questions from my hon. friend, but also in the newspapers of the land. I refer to *The Globe and Mail* where I indicated quite clearly that the Canada Council was welcome to appear before the House of Commons Committee examining Bill C-24. The proof, as they say, is in the pudding. They have done so. It was indicated in the same article in *The Globe and Mail* on the part of the official critic of the Opposition on matters of culture and communications that the only thing he could reproach this Government for, in the field of culture and communications over the past four years, was for having done too much for the cultural community.

TESTIMONY GIVEN BY COUNCIL DIRECTOR

Hon. David Crombie (Rosedale): Mr. Speaker, clearly what those of us who have been involved in the committee know, because of the testimony, is that the Minister is saying that the

Director of the Canada Council, when he answered yes to the question of intimidation, was wrong and that that telephone call did not take place. From all the testimony, surely what has happened is that the arts and cultural communities believe that the Deputy Minister acted in that fashion. Will the Minister at least take responsibility to take steps to dispel that atmosphere of intimidation so that they can come forward to the committee?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, I am saying that it is indeed an erroneous interpretation to say that instructions were given. No instructions were given. I indicated that two Ministers of the Crown, myself and another Minister, in public statements, one of which is included in a release by the Canada Council—let's get back to the Hon. Member's question. He has asked whether there is a climate of intimidation. There is no climate of intimidation. The Canada Council appeared before the committee, of which the Hon. Member is a member, last week and gave testimony. Once again, it was invited by two Ministers of the Crown to appear before the committee to give its testimony and its point of view. We on this side of the House believe that the House of Commons is part of the legislative process. We on this side believe that legislation can be improved by going through that process. If it comes out of that process improved, so much the better.

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MUSEUMS AND ART GALLERIES

CANADA MUSEUMS CONSTRUCTION CORPORATION—FUND RAISING CAMPAIGN

Mr. Geoff Scott (Hamilton-Wentworth): Mr. Speaker, my question is directed to the Minister of Communications. I hope I get more straightforward answers than those he just gave to my colleague from Rosedale. I want to follow up on a question that I asked the Minister on April 11 when he described the $24 million federal fund raising campaign for adornments to the Museum of Man and the National Gallery as a once-in-a-lifetime project. That spells the end of a lifetime for many private museums and little historical societies in Canada. Quite apart from the principle of the federal Government going after private funds, why are these things costing $24 million more than the Government stated in February, 1982?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, I will repeat my answer once again. I hope this time the Hon. Member will listen. What I indicated last time was that in making an appropriation of approximately $190 million to build two fine museums in the national capital region of Canada, the new National Gallery and the new Museum of Man, the federal Government had indeed made available to the Canada Museums Construction Corporation sufficient funds to build these museums. However, over a period of time, it was thought that these museums should have an outward appearance befitting their position in the national capital of the country. To improve part of the facade and the appearance of that museum, it was estimated that an additional $24 million would be required. The Hon. Member is most welcome to ask those questions of the Chairman of the Canada Museums Construction Corporation during the course of the Estimates or at other appropriate times.

As to the Hon. Member's comments on the effect on fund raising in Canada, obviously this type of fund raising will not affect the small regional museums because we are not approaching the same type of clientele that is being approached by the small regional museums to which he refers.

MINISTER'S CORRESPONDENCE

Mr. Geoff Scott (Hamilton-Wentworth): Mr. Speaker, I do not have to go to the President of the Canada Museums Corporation to ask the Minister to explain comments in two letters, one in 1981 and one in 1984. I quote:

> —the federal Government recognizes that providing improved facilities for the National Gallery of Canada is its financial responsibility and there are no plans to solicit funds from the private sector for this project.

In a letter written in 1984, signed by the Minister's own hand, he stated:

> The federal Government has made a substantial contribution toward the cost of building new facilities for the National Gallery and the National Museum of Man. Adequate structures could be built with these funds.

Why does the Minister not live up to his responsibilities, reorganize those budgets, make use of the funds that the taxpayers are already spending for this upgrading and these adornments of the National Gallery and the Museum of Man, and stop robbing the private sector of vitally needed funds?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, the Hon. Member is just repeating what I said. I stated quite clearly that adequate structures could indeed be put up with the funds that had been made available to the Canada Museums Construction Corporation by the Government. However, we thought that these buildings should have an appearance befitting their presence in the national capital of our country, that they be buildings of which all Canadians can be proud. To do so, we thought it would be a good idea to have a partnership with the private sector, that Canadians from various parts of the country, by making a financial contribution to the building of that museum, would identify more closely with it and not see it as a government museum but as a museum that belonged to the people of Canada.

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CANADIAN PACIFIC RAILWAY

PROJECTED REDUCTION OF WORKFORCE

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to direct a question to the Minister of Transport. I am sure the Minister will remember the many speeches he made during the long and acrimonious debate on the Crow freight rates. On many occasions the Minister said the passage of the Bill would lead to increased employment. On March 25 the Minister said:

"The change in the Crow rate . . . will create employment", giving the impression that it would create thousands of jobs.

The railway union which acts for workers of the CPR have been told, and I understand they have been in communication with the Minister, that in the next few years the CPR proposes to reduce its work force by something in the neighbourhood of 4,000 workers. This will have a very serious effect on workers in Moncton, Montreal, Winnipeg, and Calgary. Has the Minister discussed this fact with officials of CPR? If so, can he explain how his promise that there would be increased employment will likely lead to a very sharp reduction in the number of people working for the CPR?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, the predictions that we made concerning the economic impact of the Western Grain Transportation Bill are bearing out. This year alone over $1 billion worth of new capital will be invested in this country, with a substantially large and major impact and the development of jobs in a wide variety of occupations. I draw to the Hon. Member's attention the tendering a few weeks back of major contracts for the Rogers Pass tunnel, which will be a $600 million project and have very major economic impact on the construction trades and others. When we talked about employment we were covering a broad base of employment in a wide variety of occupations.

On the particular matter of the proposed changes in the structuring of some of the workforces in the railroad, it is my understanding that those are caused primarily by new changes in technology in the attempts to gain productivity improvements. Certain practices become obsolescent and, therefore, savings can be occasioned. That is not something that has in any way been decided. It is my understanding that this is a matter that the railroads want to introduce as part of their labour negotiations, to work out agreements over a period of time with the unions. That is what collective bargaining is about, to sit down and look at a problem that jointly affects the operation of a corporation, in this case, and to have management and labour work out what would be a mutually satisfactory way of doing that. That is the kind of practice this Government deals in, to allow those problems to be properly addressed through the collective bargaining process.

Mr. Orlikow: When the Minister was making those rousing speeches about what the Crow rate changes would do, he certainly did not imply to the railway workers that part of the package would be a very substantial reduction in the number of people employed. I would point out that building the Rogers Pass tunnel will only create very temporary jobs.

REQUEST THAT MINISTER CONVENE MEETING OF INTERESTED PARTIES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the President of the CPR Machinists' Union sent a telegram to the Minister asking him to convene a meeting between the officials of CPR, the railway unions, the Minister, and his Department, to discuss this threatened major lay-off. Has the Minister responded yet? Is he making arrangements for that kind of a meeting, or is it something which he will leave to the tender mercies of his friends in the CPR?

• (1440)

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I am afraid that the Hon. Member is trying to shade the point. I have met on a couple of occasions with members of the railway unions to discuss the matter. I had intended to meet with them yesterday in Winnipeg but my presence was required back here for a vote that members of the NDP intended to have held but never got around to holding. As a result, I was not able to fulfil that responsibility and meet with the unions.

Mr. Deans: What are you talking about? That's not true.

Mr. Axworthy: However, we will be meeting with them at the first opportunity, and will also be meeting with the railway management to discuss the matter.

The Hon. Member for Hamilton Mountain seems to be growling in his chair in an irrelevant manner.

Mr. Deans: Damned right I am!

Mr. Axworthy: If he would permit me, I would like to answer his colleague's question. If he would have the courtesy to allow me to answer his colleague, I would appreciate it.

Mr. Deans: Why would I have courtesy for you? You're not telling the truth.

Mr. Axworthy: The fact of the matter is that we are concerned about these matters. We will meet with the unions and the management to make sure that the employment is there.

Mr. Deans: Sit down!

Mr. Axworthy: I would hope that members of the NDP would not have such an obsolete point of view that they would be prepared to say that no company at any time should be allowed to look at how it can improve the productivity of its workforce and therefore be able to provide a more competitive and lower cost service to the shippers of the country so that we may compete economically around the world.

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ADMINISTRATION OF JUSTICE

REQUEST THAT PRISONER IN KANSAS BE TRANSFERRED TO CANADIAN PENITENTIARY

Hon. Bud Cullen (Sarnia-Lambton): Mr. Speaker, my question is directed to the Solicitor General. Under what, I am sure, was a well intentioned but seemingly misguided policy of the Manitoba Government, young Indian children were sent to the United States for adoption. One Cameron Kerley was allowed to be adopted by a single male who, as it later turned out, was a homosexual. After repeated attempts to escape, and

after much provocation, Cameron Kerley killed his adoptive parent. This situation was described on CTV's television program, *W-5*.

Having killed this person, Cameron Kerley is now serving a sentence in the United States. Has the Solicitor General been contacted by counsel for Cameron Kerley with a request to move this young man back to Canada?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, a few days ago the Hon. Member brought this case to my attention. I would like to thank him for doing so.

Today, I was in touch with a lawyer in Winnipeg who is acting for Mr. Kerley. Since Kansas is one of the few American states with which we do have a transfer of offenders agreement, I agreed on behalf of the government to approve that transfer if a request for it is made by Mr. Kerley and by the State of Kansas. I was told that Mr. Kerley still has rights of appeal and, of course, the transfer option does not arise until his rights of appeal are used or abandoned.

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NATIONAL ENERGY PROGRAM

IMPACT ON OIL SANDS PROJECTS

Mr. Jack Shields (Athabasca): Mr. Speaker, my question is directed to the Minister of Finance. He will know that the National Energy Program killed oil sands mining in northeastern Alberta, that the Syncrude expansion was tabled, and that the Alsands mining operation folded completely, at a cost of 100,000 to 150,000 jobs to Canadians across the country. As well, it killed Canada's chances for achieving oil self-sufficiency by 1990. What is the Minister doing to create incentives for oil sands mining in northeastern Alberta?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member forgot to add to his list the decision that was made by Exxon in the United States to cancel a $1 billion investment that it had already made in oil shales in the United States at the same time as some multinationals and other companies in Canada decided not to proceed with oil sands development projects. This happened because, as in the United States, the price of oil was not increasing as fast as had been expected, and because of the high cost of constructing those plants. The Hon. Member should know about those decisions which were made in the United States. This is something that the Hon. Member forgot to mention.

Second, I invite the Hon. Member to pay a visit to northern Alberta. If he did, he would find that at Wolf Lake and Cold Lake, for instance, investments are taking place at this time that are in the hundreds of millions of dollars. I believe that these investments are being made in his riding. He might be interested in paying a visit to those projects so that he may realize what is happening in his own back yard.

Third, our goal was to achieve self-sufficiency by 1990. The Hon. Member should know that, since last August, Canada has been a net exporter of oil. We have been self-sufficient to the tune of about 25,000 barrels a day. This is a record that my friend should indeed find very difficult to match.

Finally, the Hon. Member knows about the letter of intent that was signed last week between the federal Government, Husky, the Government of Alberta and the Government of Saskatchewan, whereby a heavy oil upgrader will be built at a cost of over $3 billion. This is not something that is bad.

Mr. Shields: Mr. Speaker, I would like to recommend to the Minister that he look into the difference between oil shales and oil sands. Oil shales involve a very high cost of recovery. The *in situ* investments in northeastern Alberta to which the Minister referred, being the Imperial Oil project at Cold Lake and the BP project at Wolf Lake, are going ahead because the National Energy Program was changed. I am talking about the mining operations in northeastern Alberta and I am talking about things like the Alsands and the Syncrude expansion. The Minister spoke of net export. We are importing high grade crude oil and we are exporting bunker fuel. That is what the Minister has failed to tell us.

REQUEST THAT GOVERNMENT CHANGE PROGRAM

Mr. Jack Shields (Athabasca): Mr. Speaker, I would ask the Minister when he will allow 150,000 to 200,000 jobs to be created across the country by changing the National Energy Program. The President of Petro-Canada, Bill Hopper, has suggested that if the Government will put the proper incentives in place, those mining operations will go ahead. Perhaps the Minister could answer the question and stop evading it.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member referred to oil shales as being too costly in the United States, and to Exxon having to abandon a $1-billion investment. The same thing is happening in Canada. If the cost of building a tar sands plant is excessive compared to the cost of enhanced oil recovery and the cost of the recuperation and the upgrading of heavy oil, those plants will, of course, not be able to compete.

The Hon. Member knows that adjustments have been made to the National Energy Program. For instance, the Wolf Lake and Cold Lake projects, as the Hon. Member himself has said, are being realized because such adjustments have been made. We have always been ready to consider making adjustments. We have negotiated these adjustments with the Government of Alberta in particular, and both Governments have come to the conclusion that there is a limit to the level of government support that can be provided for any kind of project. The fact is that Canada is oil self-sufficient today. The Hon. Member should know that. That has been achieved thanks to the policies that have been followed by the Government over the years.

Oral Questions

THE CANADA COUNCIL

TELEPHONE CALL MADE BY DEPUTY MINISTER

Mr. John Bosley (Don Valley West): Mr. Speaker, my question is directed to the Minister of Communications and is supplementary to the questions asked by the Hon. Member for Rosedale. The Minister knows that Mr. Porteous of the Canada Council testified in committee that he received a telephone call from the Minister's Deputy Minister. The Minister also knows that last week in the House the Acting Prime Minister said that the phone call was made at the request of the Minister of Communications and with the consent of the Minister of Communications.

Does the Minister want the House to understand that the phone call was made, that it was made with his consent, and that he gave instructions with regard to that phone call? Further, since the Minister says that he did not give the instructions to which the Hon. Member for Rosedale referred, would he therefore tell us precisely what instructions he did give his Deputy Minister?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, a number of phone calls are made on a daily basis between officials of my Department and the Canada Council. I think it is quite obvious that there must be a working relationship between them. A number of issues, including ongoing issues, are indeed discussed during the course of these conversations.

After having reviewed the matter with my Deputy Minister, he informs me that there were indeed no instructions given to the Director of the Canada Council along the lines suggested by the Hon. Member. These may have been interpreted as instructions, and this is probably what Mr. Porteous is suggesting. But I have informed the House that there were indeed no instructions of that kind, and that perhaps the conversation was misunderstood.

● (1450)

To make it even clearer than that, I am referring to two earlier statements on the part of two Ministers of the Crown indicating that the Canada Council was welcome to appear before that committee. As a matter of fact, I personally told Mr. Porteous that the Canada Council ought to appear in front of that committee if it felt there were points which ought to be discussed and clarified.

REQUEST THAT DEPUTY MINISTER APPEAR AS COMMITTEE WITNESS

Mr. John Bosley (Don Valley West): Mr. Speaker, the Minister will particularly know how important the credibility of the Canada Council is in the arts community. Since the Minister seems to be implying that either Mr. Porteous misunderstood the conversation or has misrepresented it, will the Minister instruct his Deputy Minister to appear before the Standing Committee as a witness, now that the Canada Council has appeared before it, so that the Standing Committee may ask his Deputy Minister, as it asked the Canada Council, direct questions with regard to this matter, in order that the committee may determine whether in fact the Minister is hanging his Deputy Minister out to dry to protect himself?

Hon. Francis Fox (Minister of Communications): Mr. Speaker, I am indeed indicating on behalf of my Deputy Minister, as the Minister does—the Minister responds to questions in this House on behalf of his officials—that my Deputy Minister did not give any instructions to the Canada Council along the lines suggested by the Hon. Member. I am indicating that if the executive Director of the Council thought these to be instructions, he did not understand the conversation properly.

There were no instructions given to the Canada Council telling it not to appear in front of that committee. If you will allow me to repeat myself once more this afternoon—I said it four times, perhaps five times—I will say it a sixth time. I personally invited the Canada Council to appear in front of the committee. My colleague, Mr. Austin, did the same thing. The proof, once again, is in the pudding. The Council appeared. It appeared with members of the Council, members appointed by this Government, and it made its point of view known very clearly indeed.

As I indicated to the Hon. Member for Rosedale previously, we believe that perhaps as a result of this interaction by the Council and the committee, some good ideas may be generated on the other side of the House. If there are none generated on that side of the House, I am fully confident they will be generated on this side of the House and that this question will indeed be resolved to the satisfaction of all concerned.

* * *

INDUSTRIAL AND REGIONAL DEVELOPMENT PROGRAM

FORMULA GOVERNING DESIGNATION OF VICTORIA, B.C.

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, my question is directed to the Minister of Regional Industrial Expansion. On Friday the Minister claimed that no formula could be more fair or equitable than the present formula used to determine the tier designations for benefits under the Industrial and Regional Development Program.

Does the Minister know that for the last six months the unemployment rate in Victoria, British Columbia, has averaged more than 3 per cent above the national average? What does the Minister think is fair or equitable about a formula which designates Victoria for the lowest level of benefits, when its unemployment rate has fluctuated between 13.5 per cent and 17.6 per cent, which in February was the second highest unemployment rate for any city in Canada? What is fair or equitable about a formula which leaves Victoria at the lowest level of benefits?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, a full answer would be so long that I

would not want to take the valuable time of this House to respond. Perhaps the Hon. Member can come to the committee when we discuss the program and the computation of the formula, and I will give him all the details. The fact is that the formula applies to every single census area in Canada. It is re-evaluated once a year. If, by the statistics indicated by the Hon. Member, Victoria is in worse shape than all of the other cities, that will affect the formula. Obviously, in that case, the census area of Victoria will change automatically.

APPEAL TO MINISTER TO REVIEW REGULATIONS

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, my supplementary question is directed to the same Minister. If the Minister cannot tell me what is fair about the formula, I would like to tell him what is unfair about it. It is based on a ratio of unemployment insurance beneficiaries to the general population of working age. In Victoria, not only are there a large number of unemployed people whose benefits have expired, but there are also many people who have taken early retirement and moved there. Both of these factors distort this ratio. I would like to make a personal appeal to the Minister. Will he himself look into the Victoria situation, will he look at the hardship faced by that community, and determine whether some changes have to be made to the regulations so that people and businesses in Victoria can receive the benefits they need and deserve?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, I understand that the Hon. Member is trying to make some political points. However, I would hope he would go back and read the committee minutes with respect to the development of that formula. As a matter of fact, I believe one of the Hon. Member's own colleagues was applauding my response to the Hon. Member for Victoria last week when I indicated that the formula applies equally to all census areas across the country. It also happens to be, Mr. Speaker, the first time that a formula for regional development incentives to industry and tourism coincides with the job-creation program formulae conducted by the Minister of Employment and Immigration. The formula we use is exactly the same, Mr. Speaker.

* * *

FISHERIES

COD BLOCK INVENTORIES

Hon. James A. McGrath (St. John's East): Mr. Speaker, my question is directed to the Minister of Fisheries and Oceans. The Minister knows that as a result of marketing difficulties there are now high inventories in eastern Canada, especially in Newfoundland, of cod blocks. This will create problems for inshore fishermen as we get into the season. Will the Minister tell the House what steps the Government intends to take to alleviate the situation, either directly or through the Fisheries Prices Support Board?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, I would like to thank the Hon. Member, who is a former Minister of the Department of Fisheries and Oceans. I am happy to report to him that Cabinet will be making a decision very shortly.

MARKETING SYSTEM

Hon. James A. McGrath (St. John's East): Time is of the essence, Mr. Speaker, because this situation is creating problems for inshore fishermen in terms of disposing of their fish. Has the Minister taken any steps with regard to single desk marketing, setting up some kind of cafe kind of system so that cod blocks as a commodity can be sold through a single desk?

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, I believe that, first the Hon. Member will not have to wait very long for the announcement of the Government's policy. Second, I will be expecting some initiative from the industry itself which will suggest an orderly marketing organization structure.

* * *

THE CONSTITUTION

CONSTITUTIONALITY OF QUEBEC'S BILL 101—REQUEST FOR REFERENCE TO SUPREME COURT

Mr. John Gamble (York North): Mr. Speaker, in the absence of the Minister of Justice I will direct my question to the Prime Minister, who will know that the Supreme Court of Canada has been urged by counsel representing the federal Government to disallow some 4,500 laws passed by the Province of Manitoba since 1890. The issue with respect to the legality or lack of it in connection with the laws of Manitoba was referred to the Supreme Court of Canada by the federal Government, for an opinion of the Court, within six weeks of the decision by the Government of Manitoba to abandon its plan to amend its constitution to extend constitutional language rights to the Franco-Manitobans.

Today a group from the Province of Quebec, representing the Quebec Federation of Home and School Associations, is in Ottawa for the purpose of urging upon the federal Government a reference to the Supreme Court of Canada of the constitutionality of some 31 provisions of Bill 101.

These people have waited some five and a half years to get on the regular Supreme Court docket in Quebec regarding the issues with which they are concerned. Is the Government of the Prime Minister concerned with protecting only certain kinds of minority rights in this country, that is to say, minority rights as they affect French-speaking Canadians? If it is not, why will the Government not take the step of referring the offensive provisions of Bill 101—which offends some 800,000 English-speaking Canadians in the Province of Quebec—to the Supreme Court of Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I personally have some concern that it is taking so long to get this matter before the courts of Quebec, where the matter should properly be dealt with. As the Hon. Member would know, I have no authority over the administration of justice in the running of the rolls in the courts of Quebec, nor does this Government. However, I do hope some way will be found to have these cases brought to trial much sooner.

This being said, Mr. Speaker, I believe there is a difference between the two situations. The Hon. Member tries to draw a parallel between the actions of the Government in both cases. I would point out to him that when the courts in Quebec and in Canada decided that certain Sections of Bill 101 were *ultra vires*, the day after the decision the Government of Quebec righted those wrongs by rendering official the laws in both languages which had been proclaimed only in one language. In other words, when the courts rendered a decision the Quebec Government—for all my disagreement with it—acted immediately to conform with the courts. Therefore I think the people of Quebec who have wrongs and can have them righted by the courts will see a Government which respects the courts. Unfortunately, that is not what happened in Manitoba, as the Hon. Member knows.

• (1500)

The Supreme Court in 1979 declared *ultra vires* the laws adopted in one language only by Manitoba since 1890. The Government of that province did not do what the Government of Quebec did; it did not right that wrong, it let it live on.

Some Hon. Members: Hear, hear!

FEDERAL GOVERNMENT'S POWERS

Mr. John Gamble (York North): Mr. Speaker, that sounds very nice, with the exception of a couple of matters. To begin with, in asking what the Government might do, I provided the solution to that in my original question. What the Government might do is refer immediately the issue of the offensive provisions of Bill 101 to the Supreme Court of Canada.

With respect to the issues which are of concern to many people, the language of business in the Province of Quebec is an issue which directly conflicts with the trade and commerce power of the federal Government under the 1867 Constitution. If the Prime Minister wants grounds for dealing with that issue, they lie directly in the federal sphere of influence, as does, indeed, the power of extending English language education rights which his Government brought through by way of constitutional amendment. Bill 101 is in direct conflict with these provisions. For that reason I submit that he has the very best of reasons for referring these matters to the Supreme Court.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this Government has always taken the position that it was better and easier for the courts to judge the law in particular cases—and I have been saying that for 10 or 20 years—rather than submitting a theoretical proposition to them. When things can be brought to justice by applying to the courts by the public sector, or by individual litigants, in many cases, as the Hon. Member knows, we assist them with funds. When that is possible, that is the preferred course. That is the course preferred not only by the lawyers but by the courts themselves. They are judging on specific cases.

The Hon. Member should know that in the case of Bill 101 we have assisted many litigants in Quebec in seeking justice, and they obtained justice and redress all the way through the courts. The one exception is this case which has taken five years. I have already said that I regret that, and that I did not see an immediate redress to it. However, when you have the contra case, when litigants in Manitoba obtained, as Mr. Forest did in 1979, a favourable judgment and when the Legislature does not act to redress the injustice because its Members want to drag it out, or act in particular cases and so on, then this is indeed a case for reference.

I would point out to the Hon. Member that in our reference on Manitoba we referred not only Section 23 but Section 133, which is the Section which applies to Quebec and Canada. Since there seems to be some doubt in the minds of the Manitoba Government—I should say the Manitoba Opposition—which prevented the redress from being granted by the Manitoba Government, which Government attempted to grant redress and correct the injustice which the courts had recognized and this was prevented by the bell-ringing incidents of the Tory Opposition in Manitoba. Since this appeared to be the attitude, we said that we needed a more general decision, not a decision for each specific case.

The Hon. Member should understand that Mr. Forest won his case and nothing came of it. Then there was the Bilodeau case. If this is won, presumably nothing would be done with it either. What could happen is that a hundred cases would come forward and nothing would ever happen. Therefore, we want a general statement on the law in Manitoba. That statement is the one which we are now pleading for in the courts.

Some Hon. Members: Hear, hear!

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HOUSE OF COMMONS

SERVICES FOR THE HEARING IMPAIRED

Mr. Neil Young (Beaches): Mr. Speaker, I rise on a point of order. Earlier today I noticed, for the first time since I have been in this House, a group of hearing impaired individuals in the public galleries who also had available to them a sign interpreter provided through the good offices of the Speaker. I would like to congratulate you on that, Mr. Speaker.

I would also like to take this opportunity to suggest that you give consideration to the installation in the House of a loop system which would help those individuals who are required to wear a hearing aid device in order to listen to the proceedings

in the House. I would hope that the Speaker would take that under consideration.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

VISIBLE MINORITIES—SECOND REPORT OF SPECIAL COMMITTEE

Mr. Robert Daudlin (Essex-Kent): Mr. Speaker, I have the honour to present the second report of the Special Committee on Visible Minorities in both official languages. If the House would give its consent, I intend to move concurrence in the report later this day.

HEALTH, WELFARE AND SOCIAL AFFAIRS—SECOND AND THIRD REPORTS OF STANDING COMMITTEE

Mr. David Weatherhead (Scarborough West): Mr. Speaker, I have the honour to present the second and third reports of the Standing Committee on Health, Welfare and Social Affairs in both official languages.

[*Translation*]

AGRICULTURE—FOURTH AND FIFTH REPORTS OF STANDING COMMITTEE

Mr. Claude Tessier (Mégantic-Compton-Stanstead): Mr. Speaker, I have the honour of tabling, in both official languages, the Fourth and Fifth Reports of the Standing Committee on Agriculture.

[*Editor's Note: For above reports, see today's Votes and Proceedings.*]

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[*English*]

BILINGUALISM

TABLING OF LETTER TO PREMIER DAVIS OF ONTARIO

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I wish to table under the provisions of Standing Order 46(2) copies in both official languages of a letter which I have sent to Premier Davis of Ontario concerning minority language rights in the province. Given the nature of the correspondence, I wonder if I could ask for the consent of the House to have this letter printed as an appendix to this day's *Hansard*.

Mr. Speaker: Is there unanimous consent?

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, the usual practice and tradition with respect to these matters is that there is prior consultation. I would be glad to take the matter under advisement and we could possibly deal with it later. I have not been apprised of any suggestions.

Some Hon. Members: Oh, oh!

Mr. Hnatyshyn: I am quite happy to have the request of the Prime Minister accommodated, but the courtesies of the House, regardless of whether the matter is a serious one or a trivial one, should be observed. If this House is to perform its function properly, I would appreciate having the House Leader consult with me.

* * *

• (1510)

PETITIONS

MR. ROBINSON (BURNABY)—CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, there are a number of citizens who are expressing serious concern in their petition with respect to the fact that the Government has refused to allow for broad public input into the drafting of security legislation by denying cross-country hearings. They express their concern for the fact that the proposed legislation would allow the new security service to target thousands of individuals who have broken no law whatsoever but fall within the sweeping scope of the definition of a threat to the security of Canada. They call for full and extensive public hearings across Canada and that the Bill not be proceeded with before such hearings have taken place. And as in duty bound your petitioners will ever pray.

MR. MITGES—LAW RELATING TO DIVORCE

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, I have a petition from a number of constituents of mine. The petition states that the family is essential to the well-being of society and it urges on the Government that any amendment to Bill C-10 consider very carefully the implications of obtaining an easy divorce by not allowing enough time for a cooling off period. This would detrimentally affect the family unit and any children which may be involved.

MR. FLIS—HUNGER STRIKE OF POLISH CANADIANS

Mr. Jesse P. Flis (Parkdale-High Park): Mr. Speaker, under the provisions of Standing Order 71 I have the honour to present a petition of 1,197 residents of the constituency of Parkdale-High Park and other regions of Ontario, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide a remedy, which humbly sheweth that the undersigned citizens strongly support the hunger strike staged by three Polish Canadians, and urges the Canadian Government to help the spouses and children of the strikers to join them in Canada. And as in duty bound your petitioners will ever pray.

Petitions

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I have a number of petitions to present to the House today. The first petition to the honourable the House of Commons in Parliament assembled relates to the proposed security legislation. The petitioner, a resident of Ottawa, indicates that the proposed Bill poses a profound threat to the civil liberties and privacy of all Canadians. It grants sweeping new powers to the security service, including the power to open first-class mail, target foreign visitors, break and enter and steal, to examine income tax records, medical records, and all other confidential materials.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to demand full and extensive public hearings across Canada on the proposed Bill to establish a civilian security service and that the Bill not be proceeded with before such hearings have taken place. And as in duty bound your petitioners will ever pray.

I have another petition signed by a resident of Ottawa with respect to the proposed security legislation, expressing concern about the unreasonable closure of debate in committee and at second reading. It notes that the Bill poses a profound threat to the civil liberties and privacy of all Canadians in that, despite the strong recommendation of the McDonald Commission, the committee refused to provide for any parliamentary oversight committee to prevent the service from becoming a political weapon in the hands of the government of the day.

Wherefore the undersigned, your petitioners, humbly pray and call on Parliament to demand full and extensive public hearings across Canada on the proposed Bill to establish a civilian security service,and that the Bill not be proceeded with before such hearings have taken place. And as in duty bound your petitioners will ever pray.

I have the honour to present a petition signed by a resident of Ottawa who is expressing concern, as have the previous petitioners, with respect to the—

Mr. Speaker: Is the Hon. Member tabling a petition signed by a single individual?

An Hon. Member: That is what he said.

Mr. Speaker: If the Hon. Member intends to proceed with a series of petitions signed by single individuals, I suggest he might be able to indicate the general nature of such communications and provide them in summary form to the House.

Mr. Robinson (Burnaby): My understanding of the rules is that the petition need not be signed by more than one individual. Certainly I am proceeding in accordance with the Standing Orders of the House.

Mr. Evans: Who was it signed by? Svend Robinson?

Mr. Speaker: If the Hon. Member has a series of petitions dealing with the same subject matter, he might be able to indicate the general nature of the subject matter.

Mr. Robinson (Burnaby): Mr. Speaker, I know that the Chair would not in any way want to impair the right of citizens of this country to petition the House of Commons. In accordance with long-standing precedent, which I certainly would be pleased to cite if the Speaker is in any doubt as to procedural acceptability, I am proposing to present a petition to the honourable the House of Commons in Parliament assembled which, as do the previous petitions and others, Mr. Speaker—because there is a great deal of public concern with respect to the subject matter of the petitions I am presenting—

Some Hon. Members: Order!

Mr. Speaker: The Hon. Member cannot make a speech. I have invited him to indicate the general subject matter and file his documents. I am well aware that if the Hon. Member is going through the device of presenting documents signed by individuals and citing at great length the nature of the communication, this can be a very time-consuming procedure indeed, if that is his objective. But I invite the Hon. Member to indicate the nature of the communications, summarize them, and file them with the Clerk.

Mr. Robinson (Burnaby): I know the Speaker would not want to impute motives to any Member of this House.

Some Hon. Members: Order!

Mr. Robinson (Burnaby): I am presenting a petition to the honourable the House of Commons in Parliament assembled. The petitioner in question is expressing grave concern with respect to the proposed security legislation, in particular that it would deny access by the proposed Security Intelligence Review Committee and the Inspector General to Cabinet documents in possession of the security service, making this—

Mr. Speaker: If the Hon. Member has a series of petitions dealing with the security legislation, he might indicate the general subject matter without repeating or reading essentially the same material time afer time to the House.

Mr. Robinson (Burnaby): Mr. Speaker, I certainly was not repeating the material. This was a petition relating to one particular concern of the petitioner with respect to the process of review which is contemplated. I certainly had not dealt with that prior to this time. I will summarize, however. The petitioner, in light of the concern expressed, is calling for full and extensive hearings to deal with that concern. And as in duty bound your petitioners will ever pray.

I have the honour to present a petition from a concerned resident of the Ottawa area with respect to the long-established, ancient and undoubted right to present a grievance. This individual wishes this grievance to be brought to the attention of this House with respect to the proposed security legislation. The petitioner notes that despite the fact the security service opened files on almost one million Canadians, the Bill would allow the new service to target thousands of individuals who have broken no law whatsoever but who fall within the sweeping scope of the definitions in the Bill. It also

refers to some of the sweeping new powers proposed in the legislation.

Wherefore the undersigned, your petitioner, humbly prays and calls upon Parliament to demand full and extensive public hearings with respect to the concerns raised in the petition and asks that the Bill not be proceeded with before such proceedings have taken place and these concerns are addressed. And as in duty bound your petitioners will ever pray.

Mr. Thacker: A point of order, Mr. Speaker.

Mr. Speaker: Was the Hon. Member for Lethbridge-Foothills (Mr. Thacker) rising on a point of order?

Mr. Thacker: Mr. Speaker, my point of order is that you ought not to be fooled under the rules. The Liberal Party West is forcing the Government to bring in time allocation, thereby giving the Government the out. That is how the NDP, the Liberal Party West, is going to hurt the people in the west through this obnoxious strategy.

Mr. Robinson (Burnaby): Mr. Speaker, because the Conservative Party was hand in glove with the Liberal Party in committee on this legislation, I can understand why the—

Mr. Hnatyshyn: Just a minute. You go too far.

Mr. Robinson (Burnaby): —Hon. Member is somewhat sensitive on this question. The fact that the Conservative Party stood idly by while the Government attempted to ram this Bill through committee is good reason for the sensitivity, Mr. Speaker.

● (1520)

Mr. Hnatyshyn: Mr. Speaker, a point of order.

Mr. Speaker: The Hon. Member for Saskatoon West rises on a point of order.

Mr. Hnatyshyn: Mr. Speaker, I do not mind the Hon. Member for Burnaby (Mr. Robinson) reading petitions, but when he tells untruths in the House I think you should be interceding. It is not argument now. We are dealing with petitions. He is making a dissertation about what happened in the committee which he knows is patently false.

Mr. Speaker: Will the Hon. Member for Burnaby, who seeks to be recognized on petitions, confine himself to petitions?

Mr. Hnatyshyn: Precisely. Thank you, Mr. Speaker.

Mr. Robinson (Burnaby): Yes, Mr. Speaker, I was responding to my colleague from Lethbridge-Foothills (Mr. Thacker).

I have the honour to present a petition to the honourable the House of Commons of Canada in Parliament assembled with respect to the concern on the part of the petitioner about the proposed security legislation. The Government has refused to allow for broad public output by denying cross-country hearings and has raised concerns with respect to the scope of the potential targeting of the legislation.

Mr. Speaker: The Hon. Member obviously has a series of petitions all requesting public hearings. Could he indicate the number of petitions and file them with the Clerk?

Mr. Robinson (Burnaby): He cannot deny the right for a petition, for Heaven's sake.

Mr. Speaker: I invite the Hon. Member to indicate the number of petitions in his hand and to file them with the Clerk. They all appear to deal with the security legislation. They all appear to have the object of asking for public hearings on the Bill. The Hon. Member may have the intention to consume a considerable amount of the time of the House on this matter. In the interest of saving time, which I am sure is his concern as it is everyone else's, I invite him simply to indicate the number of petitions he has and to file them. Is the Hon. Member prepared to do so?

Mr. Deans: No. Point of order.

Mr. Speaker: The Hon. Member for Hamilton Mountain (Mr. Deans) rises on a point of order.

Mr. Deans: Mr. Speaker, I am rather puzzled by your request. I am assuming that you are asking the Member if he would care to do that. I can appreciate, as you do, that within the rules he is entitled, in fact honour bound, to present petitions in one of two ways. He can present them, as you have indicated, by filing them with the Clerk. However, he can also rise in his place and present the petitions orally from his place in the House of Commons. He has the choice. It is not the choice of anyone else; it is his choice which way he chooses to present the petitions. I am sure Your Honour is not suggesting to him that he must accede to a request to do it in either of the two ways. He is entitled to do it either way he pleases.

Mr. Pinard: Mr. Speaker, I rise on the same point. It is true that you also have the responsibility of making sure that there is order in the House. I submit very respectfully that it is the duty of the Speaker to make sure that no one wastes the time of the House and makes a joke out of Parliament the way the Hon. Member for Burnaby (Mr. Robinson) is trying to do now.

Standing Order 71(1) reads:

> A petition to the House may be presented by a Member at any time during the sitting of the House by filing the same with the Clerk of the House.

Of course the Hon. Member has this option. However, since he seems to prefer to delay, obstruct and waste the time of the House, he takes advantages of the paragraph to read the same type of petition, to use the time of the House and to prevent us from reaching Orders of the Day and debating a most important Bill. There are a lot of people here in the galleries who are witnessing this childish tactic and lack of respect for Parliament. There are even more people watching on television the dilatory tactics of the NDP on this legislation.

We have spent months debating this Bill on second reading. We have spent weeks debating this Bill clause by clause in committee. We are now willing to devote a reasonable length of time to debate this Bill at its final stages. The NDP have chosen to obstruct. The way that they have done it this morning and are trying to do it now is simply unacceptable and disrespectful of Parliament. I submit that you are absolutely right, Mr. Speaker, to intervene at this stage, to plead for order of the House, and to assume your responsibilities and ask that the Hon. Member do the honourable thing, and that is table his petitions according to Standing Order 71(1).

Mr. Deans: Point of Order.

Mr. Speaker: I will cite to the House Citation 339 of Beauchesne:

> While a member may, if he desires, present a petition in his place in the House during routine proceedings and before the introduction of Bills, the general practice is to present petitions by filing the same with the Clerk of the House.

That is the general practice. It has been the general practice of the House. At this stage I am inviting the Hon. Member to file the remaining petitions with the Clerk of the House.

Mr. Robinson (Burnaby): Mr. Speaker, what was the citation to which you referred? I have Beauchesne's Citation 339 in front of me. It does not relate to petitions.

Mr. Speaker: I am citing from the Fourth Edition of Beauchesne.

Mr. Deans: Mr. Speaker, I wonder if you would be kind enough to refer me to the section in the Fifth Edition of Beauchesne in order that I can follow it. I do not have the Fourth Edition.

Mr. Pinard: It is on the Table.

Mr. Speaker: The Chair is under no obligation to cite another edition. The Chair is citing the Fourth Edition of Beauchesne, Citation 339, page 259, which is a practice observed in the House for a long time. In the circumstances, the Chair is calling Introduction of Bills.

Mr. Robinson (Burnaby): Point of order.

Mr. Speaker: Introduction of Bills.

Mr. Robinson (Burnaby): Point of order.

Mr. Hovdebo: Point of order.

Mr. Robinson (Burnaby): Point of order.

Mr. Speaker: I invite the Hon. Member for Burnaby to resume his seat.

Mr. Robinson (Burnaby): Point of order.

Mr. Speaker: I invite the Hon. Member for Burnaby to resume his seat.

Mr. Robinson (Burnaby): Point of order. I have a point of order, Mr. Speaker.

Mr. Heap: Point of order.

Mr. Speaker: I have heard the Hon. Member on points of order and I have heard his House Leader on points of order.

Mr. Robinson (Burnaby): This is a new point of order.

Mr. Speaker: I will hear him for the last time on a point of order relating to this matter.

Mr. Robinson (Burnaby): Mr. Speaker, thank you for letting me present the point of order. I cite Beauchesne's Citation 692 which refers to petitions. Citation 692 has in fact superseded Beauchesne's Citation 339 which was referred to by the Speaker previously. Beauchesne's Citation 692 is different in substance from Citation 339 and reads as follows:

> While a Member may, if he desires, present a petition from his place in the House during Routine Proceedings and before the Introduction of Bills, he may also present his petition by filing it with the Clerk of the House.

I emphasize "may". Mr. Speaker, that is fundamentally different from the citation which the Speaker referred to previously, that is, Citation 339 which refers to some alleged general practice which clearly had fallen into disuse.

Mr. Speaker: The Hon. Member cannot reflect on a ruling of the Chair.

Mr. Deans: Point of order.

Mr. Speaker: The Standing Orders have not changed—

Mr. Deans: Point of order.

Mr. Speaker: Will the Hon. Member for Hamilton Mountain resume his seat, please?

Mr. Deans: Point of order.

Mr. Speaker: Will the Hon. Member please resume his seat? The Standing Orders of the House of Commons have not changed in this matter since the Fourth and Fifth Editions of Beauchesne's.

Mr. Robinson (Burnaby): They have so. It reads differently.

Mr. Speaker: The Standing Orders of the House of Commons have not changed on this matter since the Fourth and Fifth Editions of Beauchesne's.

Mr. Robinson (Burnaby): Beauchesne's has changed.

Mr. Speaker: The fact remains that the wording may have changed a little bit. In the circumstances there is still an obligation on the Chair to preserve the orderly conduct of House business. In the circumstances, the Chair now calls for introduction of Bills.

CANADA-UNITED STATES TAX CONVENTION ACT, 1984

MEASURE TO ESTABLISH

Hon. Roy MacLaren (Minister of State (Finance)) moved the first reading of Bill S-14 (from the Senate), an Act to implement a convention between Canada and the United States with respect to taxes on income and on capital.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to and Bill read the first time.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

● (1530)

VISIBLE MINORITIES

CONCURRENCE IN SECOND REPORT OF SPECIAL COMMITTEE

Mr. Robert Daudlin (Essex-Kent): Mr. Speaker, if the House gives its consent and without debate, I move, seconded by the Hon. Member for Verdun-Saint Paul (Mr. Savard), that the second report of the Special Committee on Visible Minorities presented to the House earlier this day be concurred in.

Mr. Hnatyshyn: Mr. Speaker, the Hon. Member has consulted with us with respect to what is in essence an extension of the life of the Committee on Visible Minorities until the end of June or until the next election, whichever should occur first. Naturally we would not want to stand in the way of that kind of motion. Therefore, we give unanimous consent.

Mr. Deans: Mr. Speaker, notwithstanding the antagonistic attitude of the House Leader for the Government, we will also give unanimous consent.

Motion agreed to.

[*Editor's Note: For above report, see today's Votes and Proceedings.*]

* * *

QUESTIONS ON THE ORDER PAPER

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 414, 437, 469, 476, and 539.

Order Paper Questions

[*Text*]

CFB GAGETOWN—COMBAT ARMS SCHOOL TRAINING CENTRE

Question No. 414—**Mr. Howie:**

1. Will tenders be called for the construction of the Combat Arms School Training Centre at CFB Gagetown, Oromocto, New Brunswick and, if so, on what date?

2. What is the present status of planning for the project?

3. Were outside consultants, architects, or planners engaged and, if so, what (a) are their names (b) amount was allocated for their services?

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): 1. Subject to Treasury Board approval it is planned that tenders be called in July, 1985.

2. A functional program of the space usage relative to the Centre's curriculum, has been completed. A master implementation plan is now being prepared which will govern further design and construction.

3. (a) Architects Four Limited of Moncton, N.B. (b) Estimated cost—$795,000.

DND—CONSTRUCTION OR DEVELOPMENT PROJECTS IN NEW BRUNSWICK

Question No. 437—**Mr. Howie:**

On January 1, 1984 were any Department of National Defence construction or development projects in New Brunswick and, if so, what were they?

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Yes. (a) CFB Gagetown—small arms range, (b) CFB Gagetown—combat training centre, (c) CFB Chatham—directorate of pay services relocation, (d) CFB Gagetown—tank wash facility.

RESERVE FORCE EMPLOYED AT CFB GAGETOWN

Question No. 469—**Mr. Howie:**

On December 31, 1983 were any Class C and Class B Reserve Force personnel employed by the Department of National Defence at CFB Gagetown and, if so, how many?

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Yes. (a) Class "C" employment—11, (b) Class "B" employment—22.

CFB GAGETOWN—TRAINING OF U.S. PERSONNEL

Question No. 476—**Mr. Howie:**

Are any United States military personnel expected to train at Canadian Forces Base Gagetown in the summer and fall of 1984 and, if so (a) how many (b) how many civilian personnel will be employed, during the same period, to accommodate any increased demand on facilities?

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Yes, (a) 3,700, (b) None.

Order Paper Questions

RENOVATIONS AT COMBAT ARMS TRAINING CENTRE

Question No. 539—**Mr. Howie:**

Are renovations contemplated or under way at the new Combat Arms Training Centre at Canadian Forces Base Gagetown and, if so (a) on what date will they be completed (b) at what estimated cost?

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Yes. (a) Subject to Treasury Board approval, the construction completion date is estimated to be late 1987. (b) Preliminary cost estimate is $49M.

* * *

[*English*]

STARRED QUESTION

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, would you be so kind as to call starred question No. 702?

[*Text*]

*CBC—REPORTING OF SPECIAL EVENTS

Question No. 702—**Mr. Hopkins:**

1. Did the Canadian Broadcasting Corporation assign additional equipment and personnel to be available for special reporting of events anticipated to occur on or about February 22, 1984, in Ottawa and, if so, (a) for what reason (b) at what cost (c) in making its decision, did the Corporation consult any person in a position to give advice as to the possibility of the anticipated events taking place and, if so, whom (d) who authorized the assignment?

2. Will the Corporation consider making available to its news services an amount equal to that mentioned in part 1?

[*English*]

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I am informed by the Canadian Broadcasting Corporation as follows:

1. (a) Those responsible for CBC television News and Current Affairs on both the English and French Networks made special arrangements; including, where necessary, the assignment of additional equipment and personnel, in order to be prepared in the event of a major story such as the resignation of the Prime Minister.

   (b) With regard to the costs involved, it has not been customary for Parliament to require the Corporation to provide such details of its internal management and administration as specific program costs. The background to this custom is explained in detail in the reply to question No. 2530, tabled November 6, 1975.

   (c) Yes, several sources were consulted, and, as well, patterns and scheduling of public events and appearances were analyzed. Editorial sources are confidential.

   (d) The executive producers of the programs involved.

2. Coverage of the events was handled from existing program budgets and, in the case of the major news specials, from network contingency funds.

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

Mr. Speaker: The questions enumerated by the Parliamentary Secretary have been answered. Shall the remaining questions stand?

Some Hon. Members: Agreed.

* * *

POINT OF ORDER

MR. DEANS—BEAUCHESNE'S FOURTH AND FIFTH EDITIONS

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I rise on a point of order. I rise with some trepidation, but I rise nevertheless to ask you to consider a matter that I think is of vital importance for the orderly conduct of the House of Commons.

I draw to your attention, Sir, the Fifth Edition of Beauchesne. In the Preface we find the following:

Twenty years have now lapsed since Arthur Beauchesne published his Fourth Edition. With the extensive amendments to the Standing Orders of the House of Commons in 1968, the procedural advice offered by his book soon became outdated. In this regard, we decided to update and revise Beauchesne's work.

You are aware, Sir, as I am that the Fifth Edition of Beauchesne was written in 1978, which would now make it some six years old. That means it is 26 years since the Fourth Edition of Beauchesne's was written. It was written to reflect both the Standing Orders and the practices of the time preceding 26 years ago.

In the Fifth Edition of Beauchesne, written some 20 years later, changes were made. It has been the practice in this House, at least since 1980, to refer, when making rulings or when providing background for rulings, to the Fifth Edition of Beauchesne the reason being that the Fifth Edition dealt with until now, and continues to deal with, the most up to date Standing Orders and procedures.

I find it passing strange that on this occasion we should make use of an edition of Beauchesne which is clearly out of date and which has fallen into disuse I would ask, Mr. Speaker, without questioning the motive or without in any way questioning the right of the Speaker to make rulings, that the Speaker review the proceedings which brought about the reference to the Fourth Edition of Beauchesne and note the difference in interpretation contained in the Fourth Edition from that contained in the Fifth Edition. In addition, I ask that you recognize that under normal practice in the House of Commons reference has been only to the Fifth Edition, except in cases where there was no clear indication in the Fifth Edition of the matter which was in dispute before the House, and that we get an understanding as to which edition of Beauchesne we are supposed to use for reference purposes.

Concerning the House Leader for the Government and his participation in the proceedings, I would urge upon you to consider that he took more time to make his argument against what we were doing than we took in doing what we were doing.

Mr. Evans: Nonsense.

Mr. Deans: The fact that the Government is up-tight and the Table is giving bad advice to the Chair ought not to put the Chair in an embarrassing position.

Mr. Speaker: In reply to the Hon. Member, the Chair would state that we have changed neither the Standing Orders nor the practice relating—

Mr. Deans: We have changed the book.

Mr. Speaker: We have not changed as far as petitions are concerned. We often use earlier editions of procedural manuals, including Bourinot published in 1916. As far as the Chair is concerned, the practice relating to petitions in this House has not changed in the period between the Fourth and the Fifth Editions of Beauchesne.

The Chair quoted the Fourth Edition of Beauchesne, being, in the opinion of the Chair, a more careful and considered statement of the practice of the House and more relevant to the issue before us.

In the circumstances, the Chair has made a decision regarding the presentation of petitions and procedures that, in the judgment of the Chair, bordered upon a threat to the orderly conduct of the business of this House.

Orders of the day.

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs; and Motion No. 1 (Mr. Robinson) (Burnaby).

Mr. David Orlikow (Winnipeg North): Mr. Speaker, when we adjourned at one o'clock I was pointing out that Canadians knew very little about the activities of the security service until the then Corporal Samson of the Security Section of the RCMP was involved in an attempted bombing during which he injured himself. When he was brought to trial he blurted out that what he had done was something that was done quite frequently by the security service in conducting its operations.

Mr. Lambert: Mr. Speaker, I rise on a point of order. In the past I have drawn to the attention of the Chair that report stage debate or even third reading debate, when there have been no amendments put in committee which are being changed by the Government or when there are no notices of amendments on the Order Paper, starts within 48 hours after the presentation of the Chairman's report. However, there is no proper printed record of the evidence as put forward before the committee, of the discussions which took place therein, available to Hon. Members of the House. If there is one thing which has to be done, if committee work is to mean anything, it is that Hon. Members have the full evidence of what went on before the committee.

● (1540)

The Chair has allowed the debate to start and, with the greatest respect, the Chair is responsible for the administration and the services to Members. It is the Chair's responsibility to ensure, through the administration, that all Hon. Members of the House have copies of the printed evidence of any committee hearing which forms part of a chairman's report. Unless that is done it is an abuse, and I say a transgression, of the privileges of Hon. Members of the House.

As a matter of fact, upon reflection, I would think that I am speaking more on a point of privilege than on a point of order because I am prevented from participating in this debate as are all Hon. Members unless they happen to be the chairman of the committee who has a copy of the rough "blues" of the evidence as taken before the committee. Therefore, we cannot do our work properly. I do not know what went on in that committee. Even the press does not know what went on in that committee. Therefore, I suggest that it is improper at this stage to take part in this debate without the administration of the House bringing forward the record of the evidence before the committee.

The Acting Speaker (Mr. Herbert): The Chair has well received the point made by the Hon. Member for Edmonton West (Mr. Lambert) and appreciates it. Of course, the Chair is in no position at this stage to ascertain whether the allegation is true or false. The Chair has every intention of investigating it. Debate at the present time is continuing, and while it continues the Chair will take the matter under advisement and report as quickly as possible.

Mr. Lambert: I should not question the Chair—

The Acting Speaker (Mr. Herbert): The Hon. Member must have an additional point of order. On an additional point of order, the Hon. Member for Edmonton West.

Mr. Lambert: Yes, the additional point is that if this is an abuse of privileges and the debate continues while a routine administrative inquiry, shall we say, is made, then that is a further abuse of the privilege of the House.

The Acting Speaker (Mr. Herbert): It should be abundantly apparent to the Hon. Member that the Chair at the present time has no way of telling whether his allegations are true or false. When a debate such as this is continuing, there is no way that the Chair can stop debate in order to find out whether what the Member said is true or false. The matter will be taken under advisement and we will let the House know as quickly as possible what has been found out by the Chair.

Security Intelligence Service

Mr. Orlikow: Mr. Speaker, following the testimony given by Corporal Samson, a large number of questions were directed by all Parties in the House to the Minister of Justice (Mr. MacGuigan) and to the Solicitor General (Mr. Kaplan), questions which they were unable to answer. This led to the appointment of the McDonald Commission. The commission took four years to travel across the country and take evidence from scores of people. It cost the people of Canada several million dollars. It found, and so reported, that members of the security service had been guilty of wrongdoing and breaking the law. There has been instances of barn burning, break and entry, theft of dynamite, opening of mail, and theft of a membership list of a legitimate political Party, the Parti Québécois.

I would just like to discuss that for a moment. I am opposed to separatism, whether it be in Alberta, Quebec or any other province. As long as we live in a democratic society, people will have the right to advocate separatism or anything else. What happened is that that Party, which believed in separatism, won an election, but not because of separatism. It held a very soft referendum which could not carry. According to the polls, it is now facing virtual extinction. The democratic process is working very well. Is there any reason for the security service or anyone else having the right to steal the membership list of any political Party? That is what was done.

This Bill legitimizes and makes legal all kinds of violations of the law which took place before the McDonald Commission held its hearings, violations which were planned at the highest level of the security service. They were probably—at least I hope so—hidden from the Ministers who were then in office. They are now condoned and even made acceptable and legal by the Bill.

I indicated when I began my remarks that I accepted the reality that Canada like any other country must have a security service. However, the powers given to a security service should be those which are necessary to meet the real security needs of the country. There need to be safeguards in the legislation to reduce and if necessary to permit the redress of any abuses of these powers.

It is being implied, because we are opposing this Bill, that somehow we are all alone, that somehow we are wrong and that we are just a bunch of kooks. As I indicated earlier, a host of organizations, churches, community groups, the attorneys general of the provinces and civil liberties associations have pointed out what is wrong with the Bill as it is today. The Canadian Civil Liberties Association believes that the powers the Bill would create are excessive and that the safeguards which it would adopt are inadequate. It pointed out that there was little or no attempt to gear the investigative response to the magnitude of the threat, and that virtually anything which falls within the wide definitions could justify virtually any surveillance techniques. It went on to indicate:

> Under Bill C-157, the new security and intelligence agency will have far too much intrusive snooping power—electronic bugging, surreptitious searches, mail opening, and invasion of confidential records.
>
> In common with the Official Secrets Act and the 1975 mandate, Bill C-157 would permit such intrusive surveillance techniques to be used for "activities directed toward" certain types of security related misconduct.

What is the scope of these words? Mr. Borovoy, general counsel to the Canadian Civil Liberties Association, indicated just yesterday that Canadians who raise money for the rebels in El Salvador, South Africa or Afghanistan could find their conversations bugged and homes surreptitiously searched under Canada's proposed federal security legislation. We could add to that list. I am sure some of the activities of the Sikh communities in Canada in opposition to recent happenings in India could be misinterpreted by our security service. It has demonstated again and again little sophistication or real understanding of legitimate protest movements. A group of Canadians of Jewish descent who support the Government of Israel or a group of Canadians of Lebanese descent who support some of the activities in Lebanon could be included in this list.

In my remaining time I should like to point out to the Minister that the Canadian Civil Liberties Association put before the committee which dealt with the Bill 21 concrete proposals or amendments that it thought the Bill would need before it would be acceptable. As far as I know, not one of those was accepted by the Minister. As usual, he demonstrated his completely slavish, unthinking support of the bureaucrats in his Department. For that reason I have no hesitation in opposing this Bill.

• (1550)

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, the Progressive Conservative Party apparently supports this Bill. It is not willing to put up speakers. In fact, there are very few Members of that Party here to debate or to listen. In view of the long debate on the two Bills, Bill C-157 and this Bill, this debate is particularly important. Those of us who were not involved in the committee structure appreciate the opportunity to put this Bill in its historical perspective. I therefore ask your indulgence for a moment.

Mr. Fraser: Mr. Speaker, I rise on a question of privilege. The Hon. Member for Vancouver East (Ms. Mitchell) just said that the Progressive Conservative Party supports this Bill. She knows well that we have had speakers up since eleven o'clock this morning. She also knows that we voted against every part of this Bill in committee. For her to continue saying this is a flagrant disregard of the truth. That should be considered a question of privilege of all Members.

The Acting Speaker (Mr. Herbert): I would very much like to, but I am afraid I do not, consider it a question of privilege. Rather, it is a point of debate. The point has been made.

Ms. Mitchell: Mr. Speaker, I certainly hope that the Hon. Member who just spoke will see that the Conservative Members will speak to these points.

Mr. Fraser: Where were you this morning?

Ms. Mitchell: Only one Member of our Party is allowed to sit on the Justice Committee which considered this Bill. The rest of us would like to hear what points the Progressive Conservatives wish to make. I do not know because—

Mr. Fraser: Mr. Speaker, I rise on a point of order. The Hon. Member continues to ask where the Conservative Party is on this. Apparently she was not here this morning and has had no reports from the committee.

The Acting Speaker (Mr. Herbert): Once again that is not a point of order but a point of debate.

Mr. Robinson (Burnaby): Mr. Speaker, I rise on a point of order. Surely the point is that the Tories have the right to speak this afternoon and they are not putting up any speakers. For them to suggest that somehow the proceedings—

The Acting Speaker (Mr. Herbert): It is entirely within the rights of any Member to speak or to stay silent as he or she wishes.

Ms. Mitchell: Mr. Speaker, I think your remarks indicate that the Progressive Conservatives have chosen not to speak. I would point out to the previous speaker that I was in the Chamber this morning. I did not hear any of the speakers seriously state their objections.

Mr. Fraser: I dealt with all the amendments, Margaret. Get the cotton out of your ears.

Ms. Mitchell: Mr. Speaker, as I said earlier, I would like to summarize the historical context which led up to the present irresponsible and deplorable Bill. It is really important that we look at the history of RCMP wrongdoings, the McDonald Commission recommendations, and Bill C-157, which was even worse than the present Bill, Bill C-9.

In 1976, the RCMP criminal wrongdoings in Quebec became a matter of national concern. These were documented in 1977 by the McDonald Commission which criticized severely the illegal acts undertaken by members of the security force of the RCMP. The McDonald Commission concluded that there had been widespread institutional law breaking by members of the security service. Most Canadians had been really proud of our national police force, the RCMP. They were shocked at that time to learn of these undercover activities, which we never dreamed would ever take place in Canada.

Even worse is the fact that once the McDonald Commission had revealed these wrongdoings, the Government did not take disciplinary action except in a few minor cases. It appeared that the Government was protecting the RCMP and even condoning such acts. Canadian laws, which must apply to all Canadians, including members of the RCMP, were ignored.

The McDonald Commission recommended that a civilian security service be established. However, it was clear that it did not intend a security service similar to that proposed in Bill C-9. I am sure the commission would be very concerned that Bill C-9 proposes a private spy agency which can do almost anything. It will have inadequate safeguards with respect to oversight. There will be no control over its powers.

The first attempt by the Solicitor General (Mr. Kaplan) was a very negative attempt to do something about a separate security service. That was Bill C-157, which was totally inadequate. It was a complete embarrassment to the Government and should have been to that Minister. I do not see why he was not forced to resign. The Minister did not bring this back to Parliament. He allowed the Senate to revise it. The Senate Liberal appointees disregarded much of what was in that Bill and went back to the McDonald Commission recommendations.

In developing both Bills, the Government completely disregarded the reports and criticisms of experts in the whole field of civil liberties, as mentioned repeatedly by my colleague, the Hon. Member for Burnaby (Mr. Robinson). Bill C-9 gives sweeping powers to interfere in civil liberties. It lacks proper oversight and accountability. We strongly object to the establishment of such a new civilian spy agency which has special powers to open mail, wiretap, and make surreptious entry into homes and offices of Canadians, even those who have not broken the law. The proposed agency will have the power to use confidential personal information, government records, doctor's records and so on. As my colleague said this morning, the only exemption will be Stats Canada.

I am opposed to this Bill personally as well as in my capacity as a member of the New Democratic Party. I am opposed as a professional social worker as well as a Member of Parliament. I wish to take a moment to give some examples from this profession. The application of this Bill respecting the security police service such as this Bill proposes is completely in conflict with professional ethics and the democratic concepts of confidentiality as espoused by the Canadian Association of Social Workers and by professional social workers.

All too often poor people are victims of government institutions. Many times they feel intimidated and not protected in their rights. However, this Bill will go much further. Innocent people, particularly those registered with social service agencies because they are required to seek social assistance, who have the guts and the courage to oppose some of what they are experiencing, those who fight for welfare rights, for example, are likely to be photographed, if they are not already, by the RCMP. They will likely be victimized even more as a result of this Bill.

• (1600)

We know that unemployed people who are on social assistance and who, for example, are involved in protesting poverty, unemployment and the cutbacks that are being experienced, particularly in British Columbia, are likely to be suspect. If they organize welfare rights groups and advocacy groups and become more militant in demanding decent incomes, their activities are likely to be documented. If they dared to question the reasons for poverty, reasons which definitely involve the Government, and perhaps even use violent language, they will indeed be suspect even further. If they become militant enough

to get involved in civil disobedience as a form of protest against injustices, we know that their activities will be documented.

The Acting Speaker (Mr. Herbert): Order, please. I regret to interrupt the Hon. Member but her time has expired.

Mr. de Jong: Mr. Speaker, I rise on a point of order. I wonder if you could report to the House whether or not your investigation concerning the point of order raised by the Hon. Member for Edmonton West (Mr. Lambert) has been completed and whether or not the transcripts are available to Members of the House. I was not a member of the committee, and in preparing my notes and thoughts for the debate, the transcripts would certainly be helpful to me.

The Acting Speaker (Mr. Herbert): Order, please. Order. The Chair has taken the necessary steps to verify the question. The initial indications may be that the material is available. We must wait a few more minutes for verification before I can make a ruling on that point of order.

Mr. Robinson (Burnaby): Mr. Speaker, I rise on a point of order. Two members of the New Democratic Party have now been heard. We would certainly welcome the participation of members of the Conservative Party in this debate if they wish to rise at this point.

The Acting Speaker (Mr. Herbert): The Chair has already indicated that it is entirely up to the individual Members to decide whether or not they wish to speak. Is there anyone else who wishes to participate in the debate?

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, if the Tories are really serious about their opposition to this Bill, I think that they should be making the public aware of their position. I am the third member of the New Democratic Party in a row who has risen to make a speech. Although we welcome the opportunity to get our point across, we would like to make this a serious debate by having someone from the Government and someone from the Opposition make their views on this Bill known.

The foundation of the Canadian judicial system is the rule of law. The bottom line of this system is that the law must apply to all Canadians, whether or not they are members of a security service. I consider myself to be a layman in the area addressed by this particular piece of legislation, so my point of view is really the point of view of a layman. Perhaps that view from the street is the approach we need to take when dealing with this particular legislation.

The first concern of most citizens is that we protect ourselves from an insurrection. When hearing of insurrections in other parts of the world, many of us have said that such a thing could not happen in Canada. I spent a number of years living in an African country that had been through a civil war and a couple of coups. I must say that the people who lived in that country had the tendency to say: "It cannot happen here". But it did happen there and it can happen here. In fact, it happened in that particular country more than once.

The country to which I just referred considered itself to be a democracy. Democracy can be undermined by the very institutions which are intended to protect it. Therefore, it becomes exceedingly important that we as parliamentarians control the forces that are necessary to protect our democracy. If we do not make the kind of laws that will protect our democracy, not only from without but from within, we will be entering into an unacceptable situation. We must carefully structure the security service of which we are speaking today in such a way that it will protect us not only from insurrection from outside the country but also from the kind of tyranny which is possible from within the country.

I do not think anyone disputes the need to be watchful. However, we must be sure that the structure we put in place does not itself create the circumstances under which there may be a possible insurgence. Over thousands of years, history has told us that there is such a danger. For instance, I wonder if the German SS did not begin as a secret service which was considered necessary and in fact good. I know that people say that Germany was a fascist country at the time but it did not start out that way. In 1933, Hitler was elected and later became a dictator. Germany was a democracy in 1933.

Power can very easily be institutionalized. The secret service or the security force can become a tyrant that thinks what it does is right and thinks that it has the power to do whatever it wishes. Back a few years ago, we were worried about the involvement of the RCMP security force in a number of criminal wrongdoings. It seems that the McDonald Commission report put forward some recommendations to solve the problem for us. However, the problem was not solved.

After the McDonald Commission report, the Government brought forward Bill C-157, a Bill which was intended to put in place a civilian security force which would not have the powers we thought the RCMP had and which would not do the kind of things that the RCMP had been doing. As my colleague, the Hon. Member for Vancouver East (Ms. Mitchell), has said, that Bill was so bad that even the most lamb-like Liberal was aghast. The Bill died after receiving a devastating critique from the committee in the other place.

The Government then brought forward Bill C-9, a Bill which might possibly be a little bit better than Bill C-157. However, it still gives police state powers to the civilian security force. Under those circumstances, we are better off with the RCMP because the RCMP has a reputation across the country and has a contact with the public that a civilian force will never have. Consequently, it operates as a police force which is widely respected and loved across the country. If we are going to put into the hands of the civilian force powers which are unacceptable, without control or oversight by Parliament, then we are much better off with the RCMP security force. That is not to say that a civilian force is not what we really need, but at least under the old structure we were dealing with a group about which we knew.

• (1610)

When we look at the Bill, we must measure it against an objective standard. That standard can be explained in two very simple statements: First, does the Bill protect the individual rights and liberties of citizens? Second, in the process of operation, does the Bill have some kind of accountability to the political forces of this country—to the Parliament of Canada? In both cases, unfortunately, we must say no.

Bill C-9 was introduced in the House last January and has been discussed off and on since that time. In the next week, as we discuss the Bill we must look at the provisions in the Bill which are unacceptable. We must either eliminate them, or entirely eliminate the Bill. Consequently, our position is that we will not support the Bill as it stands. We will support a civilian force if there are safeguards in the Bill which we think are necessary and, incidentally, which many groups of people across Canada think are necessary. These are groups which have spent a lot more time thinking about and discussing this particular kind of protection than we have in this House.

In conclusion, I would say that it is very necessary that any threat to the security of Canada be balanced with threats to the civil liberties of the citizens of Canada.

The Acting Speaker (Mr. Herbert): For continuing debate, the Hon. Member for Broadview-Greenwood (Ms. McDonald).

Mr. Robinson (Burnaby): Mr. Speaker, I rise on a point of order. Before the Hon. Member for Broadview-Greenwood (Ms. McDonald) takes the floor, I wonder if there might be a Conservative Member who wishes to take her place. There have been four speakers from the New Democratic Party and we would welcome the intervention of at least one member of the Official Opposition on this important Bill. Perhaps, they are going to let it slide through the House the way they did in committee.

The Acting Speaker (Mr. Herbert): On that point of order, which is not a point of order, it is entirely up to Members to decide whether they want to debate that point. The Hon. Member for Lethbridge-Foothills (Mr. Thacker) on a point of order.

Mr. Thacker: Mr. Speaker, on that point of order, you will note that we are dealing with the first motion of the Hon. Member for Burnaby (Mr. Robinson) which would delete the title of the Bill. They are blocking our right to discuss Clause 2 which deals with definitions; Clause 12 which deals with powers; Clause 16 which deals with the collection of information; Clause 21 which deals with warrants; Clause 30 which deals with the Inspector General; Clause 34—

The Acting Speaker (Mr. Herbert): Order, please. That also is a point of debate. The Hon. Member for Broadview-Greenwood (Ms. McDonald).

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I have watched the debate on Bill C-9 for the last number of months with some concern. As well, I am very concerned with the way in which the Government is pushing the legislation through and the extreme reluctance which it has shown in accepting the necessary amendments to curb the unprecedented powers which would be given to the security service if Bill C-9 is passed.

[*Translation*]

The powers given the Canadian Security Intelligence Service in this legislation are too vast and are unprecedented in our system. The Government will have access to all governmental and private documents, excepting the data of Statistics Canada. For instance, the Canadian Security Intelligence Service will, if this Bill is adopted, be able to enter the offices of doctors, lawyers, priests and ministers, psychologists and private homes. A judge may issue a warrant authorizing the persons to whom it is directed, and I am quoting from the Bill:

(*a*) to enter any place or open or obtain access to any thing;

(*b*) to search for, remove or return, or examine, take extracts from or make copies of or record in any other manner the information, record, document or thing; or

(*c*) to install, maintain or remove any thing.

Perhaps I may note that among all these measures, there is a lack of any sense of proportion.

A person applying for a warrant for instance, to intercept and open mail or install bugging devices, is not obliged to establish the probability that a crime will be committed or the threat of a crime or a real or serious threat to the security of Canada!

Another serious shortcoming of Bill C-9 is the lack of any process of accountability.

The MacDonald Commission proposed that the Service's activities should be controlled by a parliamentary committee. The Bill before the House today gives the appearance of such controls but the powers granted to the parliamentary committee are inadequate. The proposed committee will have no right of access to Cabinet documents. As a result, it will be unable to judge whether or not activities undertaken by the Service are indeed necessary. The Government can always say that the committee does not have the necessary information to understand why interception procedures were carried out.

In other countries, including countries with security problems that are far worse than ours, these parliamentary committees do exist. In the United States and West Germany, parliamentary committees oversee security services, and have access to all information in the possession of these services.

[*English*]

The powers proposed in Bill C-9 are sweeping and unprecedented. Access to all private and government records, with the exception of the census documents of Statistics Canada, is a very modest amendment which was accepted. It was accepted probably for the reason that census records would not be very useful for security purposes. What would be useful are medical and psychological records, income tax returns, legal files,

journalists' notes—the security service could break into any place, home, or doctor's office with a warrant.

The procedures for safeguarding the abuse of warrants are not adequate.

There were over 800 applications last year and not one rejection for a search warrant. The applications allowed the opening of first-class mail.

Despite the McDonald Commission's recommendation that these powers not be used against Canadians who are not engaged in espionage or terrorism, this recommendation was not accepted. The existing security service does not have those powers. When it acted as if it had those powers, it acted illegally. We have the situation that, instead of the Government bringing the security service into line with what is lawful, what it wants to do is to make lawful a whole lot of things which are simply immoral, currently unlawful and contrary to what decent Canadians think we should have as principles for the operation of our security service.

● (1620)

One of the recommendations made by the Pitfield committee, which was rejected by the Government, was that before granting a warrant for intrusive powers, the security service would have to convince a judge that the invasion of privacy was outweighed by the nature of the material to be gained. In other words, there would have to be some proportion. Intrusive measures could only be used for a very serious threat. It could not be used idly. It could not be used for all kinds of activities such as fishing trips and so on which are permitted in Bill C-9 as it is currently drafted.

A judge can authorize the interception of any communication or the obtaining of any information, record, document or thing. The security service may enter any place or open or obtain access to anything; may search for, remove or return, or examine, take extracts from or make copies of or record in any other manner the information; may install, maintain or remove anything. These are enormous powers. They are scandalous powers and totally unacceptable powers. Our Party has fought against these powers initially in the House and then in committee. Voluntary organizations have spoken out against them. Churches are speaking up. We all continue to receive mail from concerned citizens saying that these powers are excessive and that what we are going to end up with is a security service with powers which are totally inappropriate for the task at hand. The irony of it all is that this is a security service which is supposed to protect Canadians, to protect the values we stand for, and it is now to be given powers which will themselves undermine the very things we treasure about Canada, the freedoms we have and the high standard of civil liberties we enjoy in Canada and we want to see protected.

The provisions in Bill C-9 for controls through an Inspector General are really very weak indeed. The Inspector General would be appointed by the Solicitor General (Mr. Kaplan), so that does not bode very well. The Opposition would be consulted, but that does not necessarily mean there would be any acceptance of any of the advice given. The Inspector General would be bound by an oath of secrecy. In other words, this is a very internal appointment bound by secrecy and there is absolutely no manner of control over the operations of the security service through the Inspector General.

What we need to have is a parliamentary committee which would be given adequate access to information, with safeguards of course. This is indeed possible. Other countries have shown they can use parliamentary committees and have done so without any threats to their national security. I believe that is a reasonable level of control which we could expect from Canada.

The Acting Speaker (Mr. Herbert): Order, please. I regret to interrupt the Hon. Member but her time has expired.

Ms. McDonald: Could I have unanimous consent, Mr. Speaker, to continue my remarks?

The Acting Speaker (Mr. Herbert): The Hon. Member has requested unanimous consent to continue her remarks. It would require the unanimous consent of all Members present in the House. Is there unanimous consent?

Some Hon. Members: Agreed.

Mr. Pinard: I understand the Hon. Member was about to conclude her remarks, so if it is a matter not exceeding five more minutes, we agree. It is conditional on the fact that it should not exceed five more minutes.

The Acting Speaker (Mr. Herbert): There would appear to be unanimous consent of the House to allow the Hon. Member up to five minutes to conclude her remarks.

Ms. McDonald: Thank you, Mr. Speaker. I believe I can conclude in less than five minutes.

[*Translation*]

Bill C-9 will mark a milestone in our history. For the first time in Canada, the mandate, powers and controls governing the operations of the new Service, with the conditions to which it would be subject, will be established through legislation. It is a laudable step, at least on paper. Unfortunately, the Government cannot be congratulated on the contents of this Bill. If measures to control the Service are inadequate, the principle of legislative controls will not suffice. Principle alone can do nothing. We must have both the principle of legislated controls and adequate measures in the Act.

[*English*]

This is a monstrous piece of legislation. It goes beyond all proportion. The controls for which we have argued and for which concerned citizens of this country have argued, are simply not there. It is very important that the Government listen and accept amendments. It should listen to the wisdom of people who are concerned and who know something about the issue and who are making these points constructively.

We have a number of amendments to bring to this legislation. We very much hope that the Government will accept these amendments. We cannot realistically expect the Govern-

ment at this late date to change its mind. However, let us hope that, with the building of public concern, perhaps it will listen. It has certainly been very slow and unresponsive at committee stage, and I can only urge people in the community to speak up forcefully and try to stop this monstrous piece of legislation before it is too late.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Herbert): It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The Hon. Member for Spadina (Mr. Heap)—Trade (*a*) Effect of clothing and textile imports. (*b*) Request that Minister meet industry representatives; the Hon. Member for Prince Albert (Mr. Hovdebo)—Regional Development (*a*) Workers' co-operatives—Request for government support. (*b*) Housing co-operatives; the Hon. Member for Winnipeg North (Mr. Orlikow)—Labour Relations (*a*) Increases in corporation executives' salaries. (*b*) Dome Petroleum—Executives' remuneration.

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs; and Motion No. 1 (Mr. Robinson) (Burnaby).

Mr. Dick: Point of order, Mr. Speaker.

The Acting Speaker (Mr. Herbert): On a point of order, the Hon. Member for Lanark-Renfrew-Carleton (Mr. Dick).

Mr. Dick: Mr. Speaker, in looking at page 7 of the Order Paper for Tuesday, June 12, Motion No. 19, which is included in a number of motions listed, does not have the name of the mover behind it, which would be on the next page, page 8. I am wondering whether we could be informed as to who, in fact, is moving Motion No. 19? Or is it printed in error in the Order Paper?

The Acting Speaker (Mr. Herbert): The Chair will take the point of order of the Hon. Member under advisement. Continuing debate.

Hon. Allan Lawrence (Durham-Northumberland): Mr. Speaker, we are at the report stage of Bill C-9. I just want to take a few moments to indicate one aspect of the committee's work which is now being reported to the House. Motion No. 1 with respect to Bill C-9 before the House is a motion put forward by the NDP critic of the Department of Justice, the Hon. Member for Burnaby (Mr. Robinson), that Clause 1 of Bill C-9 be deleted. I believe no further example need be shown of the rather destructive, negative, obstructionist point of view of members of the New Democratic Party in respect of this whole matter. After all, Clause 1 of the Bill is merely the title clause. I notice that there will be some discussion later, and perhaps a ruling from the Chair, as to whether or not that particular clause is in order. However, in any event I want to take advantage of the fact that Motion No. 1 is before us to indicate that one aspect of the committee's work has been a disappointment to me.

In committee, I believe a number of Hon. Members from all sides of the House were disturbed by the impression the public is receiving that this Bill is going to deal with an agency which is going to be all-inclusive and quite comprehensive in respect of security intelligence matters in this country. In actual fact, nothing could be further from the truth. Not only, of course, will this particular agency have jurisdiction in the security intelligence field, but within the Government itself there is authority, sometimes statutory, sometimes non-statutory and merely by Cabinet delegation for a number of different ministries, other agencies and other organizations within the Government to be involved also in the security intelligence-gathering field. This, basically, is the nature of my complaint.

● (1630)

The Department of National Defence, for instance, has some very large areas of jurisdiction respecting the gathering of intelligence. During the committee hearings I, for one, was instrumental in focusing the attention of the committee on some work being done by another agency within the Department of National Defence which has the jurisdiction to intercept, monitor and interpret long distance telephone calls within North America which happen to be sent over various microwave systems. As well, the Department of External Affairs is obviously quite heavily involved in security intelligence gathering. This is outside the country, but nevertheless they do it. One of the most important agencies for gathering interpreting security intelligence in the Government has not really been discussed in public, either before the Pitfield committee or before the House of Commons committee, that is, the work and functions of the Privy Council Office in respect of security intelligence gathering.

Having been a Solicitor General, I have reason to know that there have been occasions in the past when the right hand of Government in the security field did not know what the left hand was doing. On several occasions prior to 1979, the

Solicitor General and the RCMP were bypassed as far as certain security intelligence was concerned. The repository for this information and the action which was initiated to counter certain unfriendly acts within Canada by other nations was solely and exclusively the Privy Council Office. Over the last 15 or 20 years there have been occasions when very important policy decisions in the security field were taken strictly at the behest and initiative of officials in the Privy Council Office. The Solicitor General of the day—not me but my predecessors—knew absolutely nothing about the circumstances or the action taken.

The jurisdiction of the Department of External Affairs is obvious when it concerns the expulsion of diplomats and others, citizens of other countries, who engage in espionage activities in this country. On occasion there have been very real missteps taken regarding communications and information in the hands of the security service of the RCMP and the Department of External Affairs. I would go so far as to suggest that on occasion the wrong people have been expelled from this country by the Department of External Affairs because they misread signals, information or communications from the security service of the RCMP.

Why do I make this allegation before you today, Sir? The people of this country, if they have been studying what has been going on concerning this Bill, will believe that almost all the security intelligence gathering by the federal Government in this country will be centered in this particular agency. A lot of people are being reassured these days, especially by government spokesmen, that the monitoring, auditing and inspection powers of, first, the Inspector General and, second, the review committee under this Act, will result in a comprehensive review and inspection by independent people in respect of activities by the Canadian Government and its officials in the gathering of security intelligence. My point, and I make the same point in committee on at least one occasion, is that this is simply not true. If we really wanted to have an independent monitoring group, such as the review committee which will have the jurisdiction not only to look at the whole security intelligence-gathering apparatus of the Government but also to correlate it, then I suggest that this Bill fails miserably in that attempt. By the Minister's own admission, indeed his insistence in committee, the review committee will only have the jurisdiction to review the activities of the servants of the agency and the policy of the Government in respect of the agency.

My plea to you on the first motion, because I do not know where else we are going to have the opportunity to talk about it, is simply this. If this Government does not do it, another government will have to do it, otherwise we are going to get into the same mess that led to the Mackenzie Commission and the McDonald Commission. Future governments are going to continue to get into this same mess, simply because there is no area of correlation in this whole matter. The only group which correlates information at the moment is the Prime Minister's Cabinet Commission on Security and Intelligence. Believe it or not, and I believe it, that committee, chaired by the Prime Minister (Mr. Trudeau), did not meet for three and a half years prior to 1979. That same situation could happen again. My plea to the House, through you, Mr. Speaker, is to make sure that the provisions of this Bill are widened so that all of the accounting, monitoring, auditing, inspecting and reporting provisions of the review committee are widened in turn so that these other areas of security intelligence gathering are included in its jurisdiction and purview.

The Acting Speaker (Mr. Herbert): Order, please. Following on the point of order raised by the Hon. Member for Lanark-Renfrew-Carleton (Mr. Dick), the Chair has had an opportunity to look at the Order Paper. The point was raised in connection with Motion No. 19 that the name of the mover of the motion was not printed on the Order Paper. However, on looking at page VIII, I find that the version in the right hand column in the French language clearly indicates that the motion is moved by the Hon. Member for Burnaby (Mr. Robinson). Obviously the error on the part of the printers in not putting the name of the mover of Motion No. 19 in the English version will be corrected in tomorrow's edition.

For continuing debate, the Hon. Member for Dauphin-Swan River.

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, it is a great privilege to speak on Motion No. 1 amending Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto. The short title of the Bill is the Canadian Security Intelligence Service Act. It would be fairly safe to say that in western Canada the role of the Royal Canadian Mounted Police has been a bit different from the role they have played in the rest of Canada, and so has the history of Security. For the edification of the House I will mention that the Northwest Mounted Police Force started in Swan River, some 110 miles northwest of Dauphin, which is now a part of my riding. In the prairie provinces, and specifically in Manitoba, we do not have a provincial police force. That little thumbnail sketch perhaps indicates some of the differences that Members from the west may bring to bear in this discussion.

● (1640)

In recounting this history and in looking at some of the proposals which our Party has made, it is important to consider the fact that we have called for public hearings on this Bill, a Bill which would have such widespread implications. The reason I gave the thumbnail sketch is that as far as the west is concerned, this Bill would have profound implications in terms of Canadian security. It would be important to have such hearings, as the Hon. Member for Burnaby (Mr. Robinson) has stated many times before.

I will draw an analogy. I sat on the Special Parliamentary Committee on the Participation of Visible Minorities in Canadian society. As we travelled across Canada we discovered that all the ethno-cultural and various race relations

groups appreciated the opportunity to present their briefs and concerns to the special committee of Parliament. That first-hand experience which I gained very recently on a very important issue in Canadian society gives me an experiential feeling as to the value that having such hearings would bring to Bill C-9 which is under discussion.

We in the New Democratic Party have a number of concerns, as has been mentioned. The defintion of the "threats to the security" of Canada in Clause 2 gives us great concern. We feel that this definition should be significantly narrowed in scope so as to ensure that this new service does not engage in surveillance of what could be lawful dissenting activity. We have had good representations. I listened to some of the debate earlier this day. My colleague, the Hon. Member for Spadina (Mr. Heap), expressed the concerns that various churches have raised with regard to subparagraphs (c) and (d). The Hon. Member for Lethbridge-Foothills (Mr. Thacker) of the Conservative Party was very concerned that if he spoke to the Western Canadian Concept party he may become a target of surveillance. I will not comment on whether he should be a target of surveillance. He expressed that concern very cogently in his representations.

We feel that the Royal Canadian Mounted Police should have a mandate to deal with domestic surveillance according to the criminal standard, as is the case in the United States. This would of course involve the deletion of subparagraphs (c) and (d) in the proposed mandate of this proposed agency. We are very concerned about this very broad, general, vague and threatening defintion of the threats to the security of Canada as contained in Clause 2.

One of the elements of concern which we have expresed has been in conjunction with the criteria for the various security assessments. In 1982, some 75,000 people in the federal Public Service had to get security clearance. There is not an adequate set of criteria to examine the security assessments which it is proposed should be conducted by this new civilian security service. We feel that any criteria which may be imposed should be put in a statute or that there should be some sort of regulation which would be made public and gazetted. In that way the public would have an opportunity to examine the criteria. In addition to that, the agency should be subject to some sort of review by a parliamentary oversight committee. We feel that these criteria for security assessments must be looked at very carefully. Furthermore, we feel that the security assessments should be made either by the Royal Canadian Mounted Police or by a branch of the Public Service Commission, as was recommended by the McDonald Commission.

In addition, we are concerned about some of the broad implications of this Bill. Clause 16 of this Bill confers a new and unprecedented power on this new civilian security service which would target individuals who, we feel, pose no threat to the security of Canada. We feel that this clause would include political refugees, professors who are visiting lecturers at universities or even business or labour leaders. This power does not exist at present and we feel there is no justification for including it in the statutes at this time. I would remind Members of the House that the Canadian Association of University Teachers expressed itself on this particular matter. It has expressed concern that the security force may impinge on the activities of any visiting foreign professor or any foreign student at a Canadian university. We deinitely want to underline that particular concern.

Finally, I would like to discuss the review process. In his submission before the McDonald Commission, the Leader of the New Democratic Party said that there should be a small parliamentary oversight committee. The suggestion was made that this parliamentary oversight committee could be modelled after the American congressional oversight committee. That structure seems to be effective in monitoring these types of activities.

Given these considerations, we feel that our proposal for a series of public hearings across Canada is justified. We think that the proposal has merit since there is going to be such a great impact on the public. We feel that people deserve an opportunity to express their concerns, an opportunity to voice how they feel and an opportunity to give their suggestions to see what needs to be done in this area.

• (1650)

I notice, Sir, that you are nodding your head after signalling that my time has expired. I thank Hon. Members of the House of Commons for giving me this chance to express my concerns on Bill C-9.

Mr. Deputy Speaker: The Hon. Member for Lanark-Renfrew-Carleton.

Mr. Dick: Mr. Speaker, an hour and twenty minutes ago a point of order was raised by the Hon. Member for Edmonton West (Mr. Lambert). The Speaker said he was doing a quick search of the premises to find out whether, at report stage, the committee minutes giving the evidence were available. There was some doubt as to whether or not debate could continue when the evidence itself was not in printed form and available to all Members, because all Members do not serve on the committee. The time of one hour and 20 minutes is more than sufficient. I walked downstairs to General Distribution a few moments ago—

Mr. Deputy Speaker: Order, please. Is the Hon. Member speaking on a point of order or making a contribution to the debate? The Chair would like to know.

Mr. Dick: I was rising on a point of order, Mr. Speaker.

Mr. Deputy Speaker: I recognized the Hon. Member for debate.

Mr. Dick: I rise on a point of order, Mr. Speaker. Can the Chair advise us whether or not it is in a position, an hour and 20 minutes afterwards, to make a ruling?

Mr. Deputy Speaker: I thank the Hon. Member for his question. I am aware of the point of order raised by the Hon. Member for Edmonton West but the Chair is not in a position

at this time to make a ruling on that point. It is my understanding that a ruling may not be available before the end of debate today. It certainly will be in the Speaker's hands by tomorrow.

Mr. Lambert: Mr. Speaker, I then reserve my position possibly to address additional arguments to Mr. Speaker. I am aware of additional arguments. I raised the matter initially. I find frankly that the whole situation is unsatisfactory.

Mr. Deputy Speaker: The Chair makes good note of the Hon. Member's comments. The Hon. Member for Lanark-Renfrew Carleton (Mr. Dick) is rising on the same point of order?

Mr. Dick: Yes, Mr. Speaker. It is unreasonable to take an hour and 20 minutes to find out whether something has been printed. I went to General Distribution, which is the place at which all things printed are dispersed, and I found out that the minutes of the three sittings, sitting No. 38 of June 7, sitting No. 39 of June 7, sitting No. 40 of June 7, and sitting No. 41 of June 8, 1984, have not been printed. The evidence is not available. There is some discussion as to whether the evidence may be in rough draft form. I want to point out, Mr. Speaker, that if it is in rough draft form, it will appear in the language spoken in the committee. It will not be translated and, not being translated, it will not be acceptable in this House. Therefore, it is clear that the evidence given before the committee is not available and I cannot see how we can proceed.

An hour and twenty minutes is more than adequate. Could you make a ruling on that, Sir?

Mr. Deputy Speaker: I would not, of course, want to comment on the specifics of the Hon. Member's point at this time except to say that I accept as a fact the statement he has just made. But out of that there is still left the matter of preparing or writing and editing a ruling, and that is the matter pending at this time, as I understand it.

The Hon. Member for Regina East (Mr. de Jong) is rising on the same point of order?

Mr. de Jong: Yes, Mr. Speaker. I wanted to reiterate what the two previous speakers, who brought up this point of order, have said about the Government's being remiss in introducing legislation when all the records are not available. I was not a member of the committee. I certainly want to participate in this debate. I wish to have the opportunity to review the records of the committee, the testimony, the questions and the reasoning why the Government is in favour of some clauses and against other clauses in order to prepare my submission. We certainly have not heard from any government Members. I am very anxious to know what their reasoning is. Without having the transcripts available to me, I cannot prepare myself in an intelligent way to participate in this debate. I would urge you, Sir, to ensure that those transcripts are made available to all Members as soon as possible.

Mr. Robinson (Burnaby): Mr. Speaker, I rise on the same point of order. I think there is an additional difficulty which has not yet been noted. The committee was sitting, in effect, morning, noon and night under very strict time guidelines. It has dealt with a very large number of clauses during the days for which proceedings are not yet printed. As I understand it, this would seriously impair the ability of Members to address the issues that arise adequately. As I indicated, there may very well be the raw proceedings. They have not been translated. The Hon. Member for Lévis (Mr. Gourde) was sleeping during much of the proceedings. I know he would want to have an opportunity to review those proceedings. I would hope that in the very, very near future we might have an opportunity, Mr. Speaker, to have these very important minutes of the proceedings translated and properly transcribed.

Mr. Hnatyshyn: Mr. Speaker, I just want to make one or two observations with respect to the matter raised by my colleague, the Hon. Member for Edmonton West (Mr. Lambert), a former Speaker of the House of Commons and a distinguished parliamentarian of long standing. He is held in high regard by all of us. He has made, I think, a very valid point of order with respect to the ability of this House to carry out its responsibilities and a matter of privilege to him to carry out his responsibilities as a Member of Parliament.

I simply want to lend my support to the position the Hon. Member for Edmonton West has taken, particularly in light of the fact that, as we will learn by reading the transcript, there was an unusual precedent established, which I do not accept, in the arbitrary ruling of the Chairman of the Standing Committee on Justice and Legal Affairs in which he unilaterally imposed time allocation on the deliberations and debate. In order for us to discuss this matter of such serious consequence to Canadians generally on the floor of the House of Commons we should not have closure. It underlines the fact that, under whatever guise—and I do not speak of the motivation of the Chairman, who is an honourable and distinguished Member of this House—closure under any name is regrettable. It is an attempt to thwart free and unfettered discussion on a Bill, particularly one relating to national security. This is unacceptable in a free and democratic society. These matters have occurred during the course of debate, and my colleague from Edmonton West has rightly demanded that we have in our possession all records so that we may address this subject in terms of the legislation itself and with respect to some of the amendments proposed by way of motion by members of both opposition Parties.

I do not want to take up any more time of the House except to say that I firmly and unequivocally support the very germane point raised by my colleague from Edmonton West. I hope this matter will be rectified before the debate resumes on this legislation sometime tomorrow.

Mr. Deputy Speaker: Order, please, it being 5 p.m. the House will now proceed to the consideration of Private Members' Business as listed on the Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

Mr. Deputy Speaker: Shall all orders and items preceding No. 15 stand by unanimous consent?

Some Hon. Members: Agreed.

* * *

● (1700)

ADMINISTRATION OF JUSTICE

RATE OF INCARCERATION OF NATIVE PERSONS

Ms. Lynn McDonald (Broadview-Greenwood) moved:

That, in the opinion of this House, the rate of incarceration of native persons at six times the national average is to be condemned as a serious indictment of the criminal justice system; and

That the House urges the government to collaborate with other governments in Canada, native and other voluntary organizations in order to take constructive steps to reduce the rate of incarceration of native persons; and that such steps include (*a*) changes in police training and practice to reduce the frequency of charges (*b*) development of informal community-based responses to non-violent offences (*c*) commencement of work on the revival of customary law and practice in criminal justice matters.

She said: Mr. Speaker, the facts are that Canada is not a very violent or criminal society. We would wish for much less violence and much less criminality, but compared with many other countries, we are very fortunate. Yet we have a very high rate of incarceration, even though we do not have a high rate of crime in general or of violent and serious crime.

Canada's rate of incarceration is 134 per 100,000. Let us compare this with Britain and France, the two countries from which the majority of our population has come. Britain's rate of incarceration is 85.1 per 100,000 and France's is 66.7. If we go to the Netherlands, the rate goes down further, to 24.6, which is considerably lower than what we have in Canada. If we go to another Commonwealth country with a frontier and which is more like Canada, according to some people's thinking at least, Australia also has a much smaller rate of 67.4 per 100,000.

In the northern territories, the rates of incarceration are higher still. They are three to four times the Canadian average. In the Northwest Territories, the majority of inhabitants are native people. In the Yukon they are about a third of the population. It is the over-representation of native people, especially in our prisons, about which I want to talk. When we break down the rates for the Northwest Territories and the Yukon, we see that a far greater number of native peoples are being put in jail. In the Northwest Territories, the non-native population in jails is 195 per 100,000. In other words, it is higher than the Canadian average. However, the native rate is 836, or 6.2 times the rate for Canada as a whole. When we look at the Yukon, for non-natives it is 248, or roughly twice the Canadian average. For native peoples it is 873, or 6.5 times

the Canadian average. These are shocking and disgraceful statistics.

There is a similar over-representation of native peoples in the provinces of Canada. However, I suggest that is no excuse for those of us in Parliament concerned with the territories, which fall under the responsibility of the Solicitor General's Department and the Department of Justice. Yes, it is disgraceful what is happening in the provinces too, but it does not get us off the hook. We have responsibilities and we should be acting to reduce these drastic statistics of over-representation.

Instead, what have we had from the Government? We have had excuses that in fact native peoples are very violent and that society has to respond by using prisons. Let me point out that these statistics themselves are an underestimate of the over-representation because there are no federal institutions or penitentiaries in the federal territories. Any person native or non-native who commits an offence for which the penalty is two years or more, in other words the most serious offenders, go to southern prisons and are not even counted in the statistics. When we talk about these figures that are more than six times the national average, we are talking about people who are in prison for less serious offences.

We hear statements about leniency of treatment from the Assistant Deputy Minister of the Department of Justice before the Standing Committee on Justice and Legal Affairs in response to the issue I have raised who said:

In the North great attempts are made, perhaps on a scale that outdoes that of any other place in Canada, to deal with crime in a non-prosecutorial mode.

What is he talking about? We have an enormous number of prosecutions. The Chief Superintendent of the RCMP in the Northwest Territories, Mr. Feagan, said at the same hearing:

From my experience as the commanding officer in Prince Edward Island and in Nova Scotia, I feel safe in saying that we tend to treat offenders in the territories more leniently, in particular with respect to minor criminal offences and regulatory offences.

What does he mean by "more leniently"? The incarceration rates for native peoples in the territories are eight times those in Nova Scotia and Prince Edward Islands, eight times more severe. If he really means it when he says that this is more lenient treatment, he must have an idea that native peoples perhaps commit 10 times or 20 times more crimes and, because they are treated more leniently, they go to jail only six times or eight times more often. This is a disgraceful thing to suggest, yet that is the only logical conclusion we could reach from his statement about leniency.

Further, we obtain responses from the Ministers and their Departments about all the good intentions in terms of diversion programs. The facts are that we have higher proportions of northerners on probation, doing community service orders, paying fines and experiencing all these non-prison sentences. There are so-called diversion programs in place, but in fact the number of offences rises year by year. Informal fine option programs were started in the Yukon, and the Department of Justice put an end to them. On diversion itself, we get gobbledegook from the Department of Justice and the Department of the Solicitor General that diversion is being used. If that

were so, the rates would be declining. I should like to quote from a letter which I received from the Solicitor General (Mr. Kaplan). It reads:

> Specific information on the number of charges, convictions and prison sentences before and after the introduction of specific diversion methods are not available. While the common aim of crime prevention and diversion methods is to reduce crime, it is very difficult to show actual reduction in crime rates especially in the short term. Prison population normally fluctuates and this is caused by socio-economic and other conditions and not only as a result of law enforcement.

Or course, there are fluctuations, but there is a very simple way of dealing with them. In a diversion program we should look at the rates for the two or three years preceding, average them, and then look at the rates for the two or three years after the program has been introduced. If there is diversion, the rates will go down. If the rates are not going down, we do not have diversion.

I should like to refer to the following quotation from the Department of Justice:

> The existing data on diversion programs is sketchy and firm conclusions cannot be drawn as to the effectiveness of such initiatives in terms of reduced numbers of charges.

Utter nonsense. Diversion programs have not been given priority in Canada. They have not been serious.

[*Translation*]

The excuses of the two departments are pitiful. Either those diversion programs have worked out as expected, or they have not. If a diversion program works out, the number of people sentenced, condemned and jailed will go down. If there is no decrease in the statistics, we must conclude that the program has failed.

We can now understand very readily how it is that our jails contain six times as many native people as other Canadians.

First of all, the number of policemen per capita in the north is twice as high as in the south. Communities, particularly native people communities, are small. Everybody knows everybody else. Whenever an offence is committed, everybody knows who is responsible. The neighbours know the guilty party and so do the police. The police tell us that it is very easy to get a confession when they make an investigation. Indeed, native people are generally more honest than non-native people. Their culture encourages them to tell the truth. They have no idea that it is up to the police or the Crown to prove that a crime or an offence has been committed, that the accused does not have to admit anything. The police tell us that when they ask a native person if he has done something, he answers yes. According to their culture, that answer is not a confession but only a way of admitting what one has done while waiting for an investigation into the circumstances. However, in the non-native culture, the culture of the majority, it is nothing less than a confession, an admission of one's guilt. Property rights are not interpreted the same way in both cultures. In the culture of the majority, the emphasis is on individual rights, the rights of owners of private property. In the native culture, private property is less important. The land belonged to society as a whole. The sharing of property was more widely acknowledged, and that is a source of difficulties in enforcing the Criminal Code. Now then, there are more policemen in the north than in the south and communities are smaller, with the result that the number of crimes and offences reported to the police is much higher in the north than in the south of Canada. In major cities, most crimes and offences are not reported to the police. People tell us that it is a waste of time because the police will not find the criminal or because the police station is too far. Besides, they do not want to lose a day's work to testify in court. None of those excuses is valid in northern regions. Like everybody else, the police know who is responsible and that person admits his guilt. The police are there on the spot.

• (1710)

[*English*]

I have to point out that we have a veritable caste system in the enforcement of law, a system run by non-native people. Overwhelmingly, the judges, prosecutors and police are southerners of white European origin and not particularly familiar with native customs. We have the participation of native peoples largely as court workers and special constables. That means they are paid less, do not have full status, or are justices of the peace and not real judges. While we deplore this caste system, let me make very clear I am not arguing simply for the replacement of native people in the white southern system where we would have a native person sent to jail by a native judge with a native prosecutor. That is hardly the answer to the question.

The Ontario Native Council on Justice pointed out the broader social and economic questions involved. We must be mindful of these. If talks about a meaningful redistribution of income, wealth, economic opportunity and political power from those who have to those who have not. In other words, it concludes that there will be a change in the ratio of natives and non-natives inside the prisons when there is a fundamental change in their relationship outside. Yes, but let us not wait and do nothing about the criminal justice system while we are waiting for economic and social change. We must work to change the system. Clearly we must understand that broader social and economic context, but we must not wait for a hundred reforms to be made before we work on one, which is our responsibility, which we could be working on very directly.

What I propose is very simple, direct, frontal action. We do not need more conferences. A major conference was held on this subject, organized by the then Solicitor General in 1975 with participation from the territories and provinces. A whole list of recommendations came out of that conference. Some have been implemented, some have not. The ones that have been implemented tended to be those which make the system more heavy. Since that documentation of the problem, the problem has become worse. In the Yukon, the increase in the incarceration rate from 1972 to 1982 was in the order of 9 per cent. In the Northwest Territories, the increase in that same period was a disgraceful 57 per cent.

We have had a major conference and we have had proposals, but the problem seems to get worse. People are not monitoring the answers. They are not looking. They are not trying. They are using excuses. They are accepting excuses. My proposals are to begin with the premise that native people are not more criminal than anybody else. It is urgent that we get those figures down. Any figures that show a greater representation of native peoples in jail are an indictment of the system that shows that in the end there has been some discrimination. That is not to document where it occurs precisely along the way. Unless we believe that native people are more criminal, we cannot accept that they should be in our jails in those numbers.

The federal Government should work with the provincial and territorial governments to set up concrete plans to look at the figures, monitor them, publish the information yearly, change the methods of training of police officers, review the procedures, and monitor all this annually to see that the rates go down. We do not want a conference ten years hence to find that the rates have again gone up. It has to be looked at. It has to get into the system. People have to report. They have to be held accountable.

People make annual reports, but what is in them? What should be in the annual report is the rate of incarceration, the rate of charge and the rate of prosecution for that year compared to the previous year. If the area has not managed a diminution, you fire the staff, demote them or do something. There have to be implications for those involved in the system. They need some incentive to deal with the problem and not make pious speeches about how lenient they are and how many diversion programs there are, when there is no real leniency, not that is demonstrable, and no diversion programs.

I wonder what the response of the Government will be. If it is simply going to be more pious words about its intentions, if we are simply going to hear about all its good plans and how it is working on this, that is not enough. We have plenty in the Justice Committee. I have been receiving replies from people. They are not facing up to the real problem before us.

The over-representation of native peoples in our jails is an indictment of the criminal justice system. If the Government is serious about correcting this injustice, it will speak up and give its agreement. My motion before the House today is a motion. It states a principle. It gives direction to the Government. If the Government really wants to see this terrible over-representation of native peoples in our jails, it will welcome this motion and act on it constructively. Merely to talk the motion out with all kinds of other possibilities, fiddling with the statistics, blaming the provinces, talking about programs in place or stating that statistics are difficult to get, is not enough. We have plenty of years. Since the conference in 1975, nearly ten years have passed. We know what needs to be done. We do not need another conference. We do not need more time. Injustice is staring us in the face. We must act promptly and constructively. I ask Hon. Members to support my motion this afternoon.

• (1720)

[*Translation*]

Mr. Raymond Dupont (Chambly): Mr. Speaker, I am pleased with this opportunity to speak to the motion moved by the Hon. Member for Broadview-Greenwood (Ms. McDonald), concerning the incarceration of native persons.

The rate of incarceration of native persons is, quite rightly, a matter of concern to the Government. This concern has led to a number of initiatives aimed at establishing why so many native persons are incarcerated. Measures are being taken that should lead to a drop in the incarceration rate.

The Hon. Member for Broadview-Greenwood has emphasized three particular steps. Changes in police practice, informal community-based responses to non-violent offences and the revival of customary law and practice in criminal justice matters. I shall elaborate only on the last two points, since my hon. colleagues will probably be commenting on changes in police practice.

The concept of native government, in other words, a form of political autonomy for Canada's native peoples, is not a new one. Native peoples had their own governments before the Europeans arrived. Over the last ten years, native peoples have shown a renewed interest in controlling their own system of government, native peoples also had their own way of resolving conflicts. In some cases, the Indian nations had developed procedures for judgment and sentencing very similar to our present system. However, although some customs have continued to exist, their role in society has been almost entirely replaced by the Canadian legal system. To find out whether both customary law and our own legal system can co-exist will require a great deal of research and consultation by federal and provincial governments and native peoples. We have learned a lot from native customary law. For instance, the concept of mediation and reconciliation of the victim with the offender and the community is gradually becoming accepted in our present legal system.

I believe we are getting away from a system of government paternalism which will give way to a system in which native peoples will have the legal and real power to govern their own lives and their own institutions. The Department of Justice is trying to translate these objectives in concrete terms. The Minister of Justice and Attorney General of Canada (Mr. MacGuigan) announced in Calgary last September, at the Conference on Native Rights, that he was considering specific proposals by native governments, models of band government, alternatives to court proceedings and a vast range of specific issues. The Minister also indicated that he was seeking ways to ensure that the Canadian legal system would take into consideration the concept of native justice. This plan has already been realized in a number of provisions of Bill C-19 on criminal law reform, which I shall refer to later on.

The Department of Justice plays an active role in many initiatives designed to take into account the concepts and concerns of the native people and improve the way they are served by the judicial system. For instance:

The development and maintenance of a program to provide assistance to native persons outside the courts, the cost of which is shared with the Provinces;

A program of grants to encourage native persons to enter the legal profession;

Attempts to improve the provision of legal services to the native people through the fund called "Special Projects-Legal Aid Fund";

Legal information projects for both native and non-native communities;

A pilot project in Frobisher Bay concerned with providing legal services for the native people;

The financing of a survival law manual for native children in Saskatchewan high schools;

The Native Law Centre at the University of Saskatchewan; and finally:

The financing of a conference on Indian tribes which will be organized by the Saddle Lake Band in Alberta.

As I have already said, considerable work is underway to prepare the next First Ministers' Conference on constitutional issues of interest to the native peoples. One of the items on the agenda, Mr. Speaker, will be native self-government. This question touches on many legal areas, such as criminal law, family law, administrative law, the administration of justice, the courts, constitutional review and land claims. I am convinced that the work under way takes into account all these related issues.

The Hon. Member's motion also recommends the application of informal community-inspired sanctions for non-violent offences to reduce the number of native persons imprisoned. The Government has already proposed steps to reduce the rate of incarceration generally with the penalty reforms provided for in Bill C-19 on the reform of criminal law.

Mr. Speaker, these proposed amendments establish uniform principles and practices to guide the judges all across Canada by providing an official declaration of purpose and principles.

It is stated that the fundamental purpose of imposing a sentence is the protection of the public. The reform of sanctions is based on the principle that there are other methods besides imprisonment to protect the public. The proposed amendments reaffirm and encourage recourse to these non-carceral sanctions. The declaration of purpose and principles lists a number of ways of protecting society through sentencing, such as the imposition of just sentences, neutralization, deterrence, compensation and reintegration into society. The concept that the punishment must be suited to the crime reflects the objective of justice in sentencing. Fair sentences strengthen and promote respect for the law.

Certain serious offences require that the offender be cut off from society through imprisonment in order to guarantee the protection of the public. The amendments provide substantial assistance to the sentencing judge by stating the principles which determine whether it is appropriate to impose incarceration.

The first principle identifies the three main reasons which justify a prison sentence. First of all, to put away an offender who could threaten the life and security of others. Second, to put a stigma on a behaviour so reprehensible that any lighter sentence would be inappropriate. And third, to punish offenders who deliberately refuse to submit to other sanctions.

Another principle emphasizes the practical problems and the unfairness of imposing a prison sentence upon someone because of the supposedly positive effect it might have on that person's rehabilitation. When rehabilitation is the main objective of sentencing, the bill suggests other penalties which would be more appropriate.

The government's policy concerning the objective and principles of criminal law made public the Minister of Justice in 1982 in a document entitled Criminal law and the Canadian society. The purpose of criminal law is to ensure law and order within a society through prohibitions, sanctions and procedures meant to respond in a fair and equitable way to inacceptable forms of behaviour which cause or are likely to cause serious harm to individuals or groups of individuals. One of the principles to apply in order to achieve this goal is that, when sentencing, the judge should select the measure which is the least restrictive, while remaining sufficient and adequate in the circumstances. This basic principle inspired the provisions of the criminal law reform bill which deal with sentencing.

The consequences of the amendments are that for all offences, except the most serious ones, the judge should consider community service and non-prison sentences before imposing a prison sentence, and also, he should choose among a series of options ranging from light to very severe.

In addition to a variety of penalties, the legislation provides for a code of procedure concerning evidence heard in court to determine the penalty. That code ensures that the courts have complete and precise information available on the violator before chosing the adequate penalty. Under the proposals, the court must ask both parties for their comments and arguments on the facts relevant to the penalty, including the existence, availability and efficiency of various options applicable to the case. Mr. Speaker, the judge must also hear evidence on disputed facts. Further, the court must ask the culprit whether he has anything to say before sentence is passed. These provisions ensure that the court has all relevant evidence available. The court may hear or summon any witness other than the offender, whenever it deems necessary. For instance,

the court could hear representations from the potential beneficiary of a compensation order.

● (1730)

As a general rule, the court must consider a pre-sentence report before passing a prison sentence on a violator who has never been detained. The contents of the pre-sentence report has been widened to include more complete information from all relevant sources, including the violator's school, his employer or other community groups. When imposing a prison sentence, the court must state its reasons, which are noted in the record or put down in writing.

Those proposals ensure that the judge has all relevant information available on the violator and on the potential non-prison penalties before considering the whole gamut of relevant penalties in the circumstances.

As I said, one of the principles that the court must follow before meting out a sentence is that it must consider the range of penalties as a hierarchy, from the least to the most severe one. The scale of penalties proposed by the Criminal Law Reform Act widens the existing penalties and introduces new, efficient and creative ones without prison terms. Each proposed penalty can be imposed alone, or with another one. The least serious penalty under the new proposals is release, with or without parole. That penalty could apply to all the accused, excepting business corporations and persons pleading guilty or found guilty of a crime for which the law provides a minimum penalty or a 14-year or more prison term.

Mr. Speaker, the second option would be a conditional penalty. The offender would take a commitment to good conduct or adhere to other relevant conditions. The conditional penalty would be a regular one, but could only apply to violations for which the law provides no minimum penalty for offenders other than business corporations.

The third option would be probation. Under the proposed amendments, probation would be a regular penalty with mandatory surveillance, and could be imposed in addition to any other penalty.

The proposed amendments widen and encourage the use of compensation as a penalty. Compensation includes both the replacement of property and financial restitution to the victim by the offender. Penalties also include special and exemplary damages for property losses and other financial losses and damages for bodily harm. In addition, the victim or the victim's representative can appeal to the court respecting the loss or damage sustained.

Those proposals require the court to consider factors affecting the offender's ability to pay. This would prevent useless compensation orders.

Moreover, fines would be more frequently used. The current restrictions would be removed to enable the court to impose a fine for any offence, except in causes where minimum penalties are provided. The maximum fine for a summary conviction offence would be raised from $500 to $2,000 for an individual and to $25,000 for a business. The maximum fine for criminal acts would be set by the court.

Once again, Mr. Speaker, the court should be advised about the ability to pay of the offender before imposing a fine. In addition, jail terms for default of payment would be restricted to cases where default is voluntary and without any valid reason. Nobody would be jailed because he is unable to pay. The same would apply in the case of compensation. In the past, it has been suggested that most native people were jailed for default of payment. In any case, those proposals will guarantee that nobody will be jailed for being truly unable to pay a fine or to comply with a compensation order.

The proposals also officially recognize the alternative solutions to the fine for those who are unable to pay. Another possible penalty would be an order of compensatory work. Those orders would be an important alternative to incarceration which could be useful to the community in two ways. First, the community would save money on jail costs and secondly, the offender would take part in an activity of immediate benefit to the community. Such orders could be imposed for punishable offences on summary conviction as well as for crimes subject to a maximum of 400 hours. Voluntary default could entail a jail term of up to two years for criminal acts and a minimum of six months for offences punishable on summary conviction.

To ensure the effectiveness of penalties other than prison terms, the legislation provides a detailed mechanism of amendment and enforcement. The offender should give a satisfactory excuse in case of non compliance. If the court decides that there is voluntary default, it can alter the terms and conditions of the first penalty and in the case of fines and compensation, it can seize the salary or the property of the offender or, as a last resort, impose a jail term.

The combinations being offered provide an incredibly wide range of sanctions. There is nothing to prevent a creative judge from imposing sentences appropriate both to the offence and to the offender. Resorting to incarceration will be discouraged, but this sanction will always be available when circumstances justify.

The Government shares the concerns of the Hon. Member with respect to native persons and the traditional system, and it has taken steps to improve the situation. The Government is to be congratulated on the proposals contained in Bill C-19 on criminal law reform, which restate the law on sentencing, expand the range of sanctions and reflect the basic principle of our criminal law, namely, that we should always resort to the minimum amount of intervention required and justified by the circumstances.

[*English*]

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, thank you for recognizing me. Although I am not the

justice critic, I am the spokesman for the Progressive Conservative Party on Indian Affairs and Northern Development. I felt it incumbent upon me to address the motion which is before us today. I congratulate the Hon. Member for bringing this forward, but I am concerned that both she and the Government are again talking about band-aid approaches to a much larger problem. It is a problem which we do not have the opportunity to talk about very often in the House. It is a major, if not the major, social problem which we are experiencing in our country today.

The Hon. Member alluded to a number of statistics. I would be interested in finding out exactly when those statistics were published. I have found it most difficult to obtain up-to-date statistics. In fact, the latest statistics which I have been able to obtain are already seven years out of date. The last statistics which I have been able to obtain were published in 1977. However, the report, which was nick-named the Penner report—the official name of that report is: *Indian Self-Government in Canada: Report of the Special Committee*—has listed some startling statistics about which we should be concerned and which are pertinent to this debate. I do not think that we can overlook those startling statistics when talking about the justice system and the 280 Indians per 100,000 population who are penitentiary inmates as compared with the national figure of 40 penitentiary inmates per 100,000 population. We must ask ourselves as a society: Why is the number so high?

The Hon. Member for Broadview-Greenwood (Ms. McDonald) alludes to the reason and says that it is an indictment of our criminal justice system. I would say that it goes far beyond that. In fact, it is not only the criminal justice system which is at fault; it is the society in which our aboriginal people find themselves. I think it is very important to outline some of these facts. For example, let us consider child welfare. The proportion of Indian children in care has risen steadily to more than five times the national rate. In education, only 20 per cent of Indian children stay in school to the end of the secondary level. The comparable national rate is 75 per cent. When we talk about housing, nearly 19 per cent of on-reserve homes have two or more families living in them. These conditions affect 40 per cent of all status Indian families. We can talk about facilities. Again we must go back to 1977, and I condemn the Government for not having more up-to-date statistics and information on this very important social problem. It is ridiculous that we have to work on statistics which are seven years old. However, in 1977, fewer than 40 per cent of Indian houses had running water, sewage disposal or indoor plumbing facilities. The national level of properly serviced housing is well over 90 per cent. The average income of Indian people is one-half to two-thirds of the national average. Their unemployment rate is about 35 per cent of the working age population. In some areas it is as high as 90 per cent unemployment. Despite improvements over the last ten years, the death rate among Indian people is two to four times the death rate of non-Indians. Causes of death from accidents, poisoning and violence account for over 33 per cent of the death among Indian people, compared with 9 per cent for the Canadian population as a whole. Indian people die from fire at a rate which is seven times that for the rest of the Canadian population. That speaks to the condition under which they have to live. The over-all rate of violent deaths among Indian people is more than three times the national average. Indian deaths due to suicide is almost three times the national rate. Suicide is especially prevalent among the age group of 15 years to 24 years. That says an awful lot in itself, that one statistic.

• (1740)

The infant mortality rate among Indian children is 60 per cent higher than the national rate. The life expectancy is much lower. The number of hospital admissions are much greater. And to get back to the problem which is being addressed in this motion today, native people are over-represented in proportion to their population in federal and provincial penitentiaries. In Manitoba, Saskatchewan and the north, native people represent more than 40 per cent of the prison population. The proportion of Indian juveniles who are considered delinquent is three times the national average. That is a pretty sorry and bleak picture I paint today of the position in which our aboriginal people find themselves. Because of those social conditions, I believe it is clear to anyone who would take a look at those statistics that in fact turning to crime is something which many native people, I suppose out of necessity in many cases, engage in. Therefore, to just condemn our criminal justice system and to suggest improvements to the criminal justice system—and heaven knows we need them. And I agree with the Hon. Member for Broadview-Greenwood on that matter. It is not enough. I just do not believe it can be addressed in isolation. I believe we have to look at the much broader picture.

Why are our aboriginal people involved to such a great extent in crime and charges which involve incarceration? Something at which I did take a look was the major offences, just to make the comparison between native and non-native people. It is interesting to note that, in violent offences, our native people have a higher percentage than non-natives. However, the rate of offences against property is higher for non-native than for native people. The rate of offences against the Narcotic Control Act and the Food and Drugs Act is much higher for non-native than it is for native people. In other offences the rate is approximately the same.

With respect to the sentences to federal penitentiaries—and again the statistics are seven and eight years old, which is very frustrating—the number of less than two-year sentences is greater for native than for non-native people. However, the number of sentences over three years, on a percentage basis, is higher for native than for non-native people. The juvenile delinquency rate, as I mentioned earlier, is three times the national average. I suppose that when we look at these statistics we have to admit that the high Indian representation in our jails suggests there is a conflict between Indian and non-Indian values.

I believe Indian offences, as I mentioned before, mirror poor social and health conditions on the reserves. I do not believe there is any question about that. The high level of Indian juvenile delinquency, of young suicides, and the large number of children in care, suggest that deteriorated family and social conditions are having the greatest effect on Indian youth. The high representation of native people in jails and juvenile court also reflects the scarcity of preventive services and support systems for Indians as alternatives to jail.

A study was undertaken in 1979 regarding the issues affecting the total justice system, and the recommendations which were made were many and, I believe, very realistic. But those recommendations have not in fact been implemented. As I gathered from what the Parliamentary Secretary said earlier, the Government is still having conferences and debating what should be done and how it should be done. I suggest, Mr. Speaker, that confidence has to be given back to the Indian people. The paternalism of the federal Government over hundreds of years must come to an end. In fact, our aboriginal people must take control of their own lives. As recently as Friday, a Bill was passed in this House, referred to as the Cree-Naskapi Act, which in fact gave the responsibilities for local government back to the Cree bands of northern Quebec and the Naskapi of Schefferville, where they belong. This came out of the James Bay Agreement which was reached in 1975. It has only taken the Cree, Naskapi and the federal Government eight years to negotiate the agreement which was passed through the House on Friday. Hopefully, it will receive Senate approval in the not too distant future and be proclaimed so that the Crees and the Naskapi can get on with governing their own affairs.

One of the things we discussed with respect to this Bill was the policing which would go on in these municipalities, these band areas, this 1300 square miles of land in northern Quebec. The Crees have their own police forces which have proved very successful. Of course I would like to see this type of self-government, and I am not suggesting for a moment that the particular model used by the Cree-Naskapi would be the model to be used elsewhere in Canada, but there are some very positive points in that legislation which could pertain to other areas of jurisdiction across this country. We have to encourage the Indian First Nations to assume the responsibility for administration of their own affairs. They should decide their own future rather than have to come cap in hand to Ottawa for every nickel and dime. They should not have to have some faceless bureaucrat in that tower in Hull tell them what they can do, when they can do it and where they can do it. We have taken away the pride of a very proud people. We have taken away their hope. We have taken away the glory that was once theirs. It must be returned, and when it is I am very confident that these horrifying statistics we read out today will change, and fairly dramatically so. We are going to see some very positive results. Indian political leadership today is as mature and capable as any leadership in this country, be it municipal, provincial or federal. Indian people are more than capable of administering their affairs. Of course I encourage the Government to come forward with enabling legislation to allow what is referred to as Indian self-government, and to do it quickly. The Indian people are ready for it.

• (1750)

The Canadian people realize that something has to be done. After looking at these statistics no Canadian can fail to say that this should not happen. There should be more involvement by native people in our justice system. Some services should be specifically designed for native people. There should be more native para-professionals within the justice system to serve in a liaison capacity. We talked about understanding the traditions of the native way of life. The best way of doing that is by involving Indian people in the justice system.

I will conclude by thanking the Hon. Member for Broadview-Greenwood for bringing this motion forward. It allows us an opportunity to discuss some of the concerns we have about the aboriginal peoples in this country. Rather than condemn our justice system, which is a part of the problem, we should look at the broader problem of what is causing the people to turn to crime. That is the number one problem to be solved. We cannot do it piecemeal because it will not work piecemeal. For far too long this Government has done things on a band-aid basis. It keeps sticking one band-aid here, one there and another one over there. Well, it is not going to work any more. You cannot throw money at the problem, you have to solve it. We must show these people that we are not paying lip service to the problems, that in fact we mean business, and that we want the lot of the aboriginal peoples in this country improved.

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, I have spent most of my life working for and with natives in northern Saskatchewan and northern Canada. I know that as these statistics we have seen today grow more and more ridiculous, there is less and less respect for the law among the native community. There is a need for the natives to make their own decisions. I want to read into the record a news release from the Native Council of Canada which talks about this question directly. It says:

> We believe the time is ripe to adopt pro-active and positive policies now that will go beyond the negative social control policies of the past to establish a momentum for social growth. It is our contention that, if as much effort and vision were expended in preparing people for social, economic and employment opportunity as has been traditionally expended on singing out for punishment victims of deplorable social conditions, much could be done to correct this totally unacceptable situation.

It goes on to say much more, but it concludes with this:

> One of the excuses given for inaction by responsible authorities is that these problems will work themselves out through the mechanisms of constitutional discussions and the advent of First Nations self-government. To date, most provinces have refused to consider a set principles upon which native people can build any sense of confidence in resolving any issue, including those in the area of the administration of justice.

It goes on to support this particular motion and says:

> We want, however, to be assured of a commitment to change and to justice. Mere token involvement in a meaningless dialogue will not satisfy native people, nor we believe, Canadians in general.

I just wanted to put that on the record, Mr. Speaker.

Adjournment Debate

Mr. Ralph Ferguson (Parliamentary Secretary to Minister of Finance): Mr. Speaker, in the very limited time I have I want to indicate that in my particular constituency we have instilled a sense of pride in our native people. Last Friday we opened a new cultural administration centre built by the native peoples themselves through the Government of Canada NEED Program. We opened a new community centre a little over a year ago, again built by the native peoples. Part of the furniture in this building was supplied by a native peoples woodworking factory established in yet another reserve close by. I look at the progress made by the band counsels in my particular constituency and their involvement in every-day decisions that affect their life. They have indeed come a very long way. They have acquired a sense of pride so necessary in today's world.

[*Translation*]

Mr. Deputy Speaker: Order. The hour provided for consideration of Private Members' Business has now expired.

• (1800)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

TRADE—EFFECT OF CLOTHING AND TEXTILE IMPORTS. (B) REQUEST THAT MINISTER MEET INDUSTRY REPRESENTATIVES

Mr. Dan Heap (Spadina): Mr. Speaker, the answer given by the Minister in response to the question which I asked in the House a couple of weeks ago completely missed the point. He indicated that information about the importation of beef would do instead of information about the importation of clothing. This is how seriously the Cabinet seems to take the very grave situation in Canada's clothing industry.

About three years ago the slogan of the Government was to let industries like clothing, textiles and footwear go because they are losers, and instead to boost the winners, the megaprojects and the high tech industries. The megaprojects flopped a few months later when the price of oil dropped and high tech industries have mostly evaporated and never would have provided any serious quantity of jobs in any case. The Government policy seemed then one of rising permanent unemployment. If that was the policy, it has been a resounding success for the Government and those who like high unemployment as a means of holding or driving wages down.

In the clothing industry the Government's policy has been to increase imports. In fact, imports have been increasing during the past three years at the rate of 20 or 25 per cent per year. The main increase comes from countries where wages are often less than $1 an hour. The Government chooses to blame Canadian workers for wanting more than $1 an hour in wages. There is no evidence to support the Government's assurance that these products from very low wage countries are a benefit to Canadian consumers. Apart from that fact, a Canadian worker has very little chance to consume when he or she is unemployed, especially after running out of UIC benefits; apart from that fact, the prices are not substantially lower than Canadian made goods.

Three years ago the Government adopted a new plan. It established the CIRB, the Canadian Industrial Renewal Board, which was supposed to renovate the clothing and textile industry. It is very difficult to see what it has done for employment. In fact, the board has no manufacturers in the clothing, textiles or footwear industries on it. It is predominantly a group of financiers, civil servants, some with backgrounds in banking, two or three manufacturers in the metals industries, a couple of trade union representatives and one former consumer association representative. It is very unclear what this is doing for the clothing and textile industries because there have been only piecemeal reports of the grants they have made to various industries and no progress reports about what was achieved through those grants.

Almost a year ago a task force was promised. It was finally appointed in February. There is still no word from this task force as to what it will recommend. Presumably the task force is meant to keep a lid on the question until after the next election.

• (1805)

In May the Minister of International Trade (Mr. Regan), being questioned by the Hon. Member for Welland (Mr. Parent), admitted the problem is that in the last couple of years there has been a great proliferation in the number of sources from which various types of textiles have been coming. He assured us that "our staff is establishing agreements with all these countries that", according to him, "are satisfactory". I can tell you, Mr. Speaker, that according to the manufacturers in Spadina and in other places, some of whom have gone out of business because of the uncertainty engendered by this Government's policy, those agreements are not satisfactory, nor are they satisfactory to the unions.

Two weeks ago the whole question was laughed off by the acting Prime Minister who undertook not to make any difference between clothing and meat. What we need is a completely new start on our policy. We need to consider the value of producing as far as possible the things we need here in Canada, such as clothing, and providing work for the people of this country at jobs they are capable of doing. We used to have at least 200,000 capable workers in the clothing and textile industry. That number is now down to 150,000 or less. We still have many of those skilled workers on layoff. We have a capable workforce. We have the raw materials and the market. We ought to be developing that industry positively rather than following the Government's policy of undermining it and causing it to disappear.

Mr. Ralph Ferguson (Parliamentary Secretary to Minister of Finance): Mr. Speaker, Canada's policy for the textile and clothing sectors is based on the complementary elements of industrial adjustment and trade policy. With respect to adjustment, the policy seeks to establish viable and competitive textile and clothing firms through a variety of measures including the allocation of some $350 million over the 1982-86 period to be managed by the Canadian Industrial Renewal Board.

Regarding trade policy, as you are aware, Canada is a signatory to the multi-fibre agreement, which recognizes that developed countries may require temporary relief for their textile and clothing industries to allow them time to adjust and to increase their competitiveness with respect to disruptive imports from low-cost exporting countries. Accordingly, bilateral restraint arrangements for the period to the end of 1986 have been concluded with 21 low-cost suppliers of textiles and clothing to Canada with these having been concluded in the current year.

The Canadian textile and clothing sector is facing an increasingly serious situation as a result of low-cost imports. In this regard, imports increased by 25 per cent in 1983 and another 20 per cent in the first five months of 1984.

As a result of the import problem in the clothing sector, Canada has made several recent efforts at negotiating intended to address the problem within the framework of the multi-fibre agreement and the bilateral restraint arrangements.

One of a series of new initiatives was announced on July 21, 1983. These measures included seeking a more controlled flow of import shipments throughout the year, stricter customs inspections at ports of entry and examination of duty drawback and remission schemes.

Since that time, negotiations for new restraint arrangements with several sources, and expanded coverage under existing arrangements, have also been negotiated. Only last month, notifications were also made on nine additional low-cost sources for further restraint negotiations.

A Textiles and Clothing Advisory Committee has also been established by the Minister for International Trade (Mr. Regan), representing a range of private sector interests, that is, producers, consumers, retailers, importers and labour et cetera. The Committee was formed to advise the Minister on international trade issues having a bearing on the domestic textile and clothing sector. The Committee has had several meetings and recently submitted a set of consensus recommendations to the Minister. These proposals, which focus on the unilateral imposition by Canada of global import quotas for clothing rather than the current bilaterally negotiated restraint regime, will be the subject of careful consideration by the Government.

In addition, the Minister of Regional Industrial Expansion (Mr. Lumley), has established a private sector task force to review the development, competitive environment and position of the Canadian textile and clothing industries and to make recommendations to the Government aimed at assisting the industry's restructuring and modernization plans and enhancing their international competitiveness. A report by this task force is expected around the end of September.

● (1810)

REGIONAL DEVELOPMENT—WORKERS' CO-OPERATIVES—REQUEST FOR GOVERNMENT SUPPORT. (B) HOUSING CO-OPERATIVES

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, co-op housing is being attacked in Canada. During the last three months the Government has moved to eliminate non-profit co-op housing, and it has done so very surreptitiously by cutting down on its allocation. The infrastructure which has made the co-op housing program work well during the last few years is dependent upon this allocation. Having reduced the funds to co-op housing, the Government has devastated the regional infrastructure for co-op housing so that one third of the association will die, one third will be unable to provide service and one third will basically reduce their service. The Government therefore is in the process of eliminating co-op housing.

Co-op housing is one area of the co-operative community which has the greatest social impact. The Government has been devastating co-op housing even as it has pretended to be very supportive of co-ops. it mentioned co-ops in the Speech from the Throne and in the Budget. It paid for a co-op task force and appointed a Minister responsible for the interface with co-ops. However, its first move has been to devastate co-op housing.

I dwell upon this subject a little more than necessary because when I asked a question on co-operative development on May 29, I received a brush-off. Obviously the Minister had no idea what I was talking about when I suggested that we needed to establish a parallel infrastructure for workers' co-ops. The Minister's answer indicated acceptance of all proposals.

I wish to reiterate today the need for support. There is a Spanish model which would work well. Also there is a French legislative approach to which we could look as a model. Will the Government put in place a support system which will assist the co-operative movement to develop? Will it put in place a financial structure to help workers' co-ops to develop the necessary expertise and to conduct the necessary research to develop workers' co-ops? Will it do what is necessary, not approach it in the same way as it has approached co-op housing? Will it allow the development of an infrastructure by keeping in place the financing which has gone to housing co-ops, not devastating the possibility of workers' co-ops by removing any support which might be available?

Housing co-ops could use more support. They are losing it as a result of the reallocation of money. If that is the Government's approach to assistance to co-operatives, it will do more harm than good to the co-operative movement.

[*Translation*]

Mr. Rolland Dion (Parliamentary Secretary to Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, I am pleased to take the floor to answer the Hon. Member for Prince Albert (Mr. Hovdebo) who expresses concern about federal Government support for the co-operative movement.

After last December's Speech from the Throne, Mr. Speaker, a task force on the co-operative sector was established to study new ways in which that sector might improve its contribution to the economy. The Government has just received the task force report and will take it into consideration very soon, as it should.

With that in mind, Mr. Speaker, Senator Hazen Argue will set up an interdepartmental study group within a few weeks. This group will be chaired by a senior official responsible to Senator Argue and, through him, to the Cabinet. It would therefore be difficult and inappropriate to say more about the policy the Government might follow after considering the recommendations of the study group.

Mr. Speaker, I can state clearly that the Government has always been committed to promote the co-operative movement and contributed to make co-operatives play a larger role in the economy. In the early eighties, the Cabinet did realize that the objectives of the co-operative movement—fair prices, Canadian control and widespread participation—were at one with our own objectives in the energy sector. The Cabinet therefore began discussing the possibility of creating businesses jointly with the co-operative sector. Those discussions led to the creation of a joint energy venture, Co-Enerco.

In closing, Mr. Speaker, I believe it can be said that this Government is truly a keen supporter of the co-operative movement. I believe this has been demonstrated on many occasions and in many fields, including housing co-operatives, with which the Hon. Member for Prince Albert seems to be concerned. Of course, the co-operative movement in the field of housing is constantly evolving. Regular checking is needed to determine whether the various organizations or groups actually play their rote well. Mr. Speaker, this is the reply I wanted to make.

• (1815)

[*English*]

LABOUR RELATIONS—INCREASES IN CORPORATE EXECUTIVES' SALARIES. (B) DOME PETROLEUM—EXECUTIVES' REMUNERATION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, some weeks ago it was reported that executive salaries in Canadian industry and business rose by 12.5 per cent last year. This was at a time when the Government was urging restraint on ordinary working Canadians. The average increase for those who received wages or salaries was less than the increase in the cost of living last year. That is why I directed questions to the Minister of Finance (Mr. Lalonde). I questioned the difference in attitude of the Government to the ordinary Canadians and senior executives.

In 1975 this Government implemented so-called wage and price controls. As it turned out, it was actually only wage controls. The Government had fought and won an election by promising never to implement wage and price controls. In more recent times the Government implemented its so-called six and five program for federal public servants. It urged other governments and the private sector to follow suit, and many did. Last year wages and salaries increased by less than the increase in the cost of living. At the same time there have been tremendous executive salary increases in many corporations.

A good illustration of how not to do things can be found in Dome Petroleum. That corporation exists today because of the tremendous tax concessions and write-offs permitted by this Government to the oil and gas industry. Dome Petroleum has been tremendously successful in using each and every facet of the tax laws as they have been changed. This has permitted it to keep operating. It has been able to keep going as well because it has borrowed many billions of dollars from the banks. The loans are now guaranteed by the federal Government. It has reached the point where the bank cannot permit Dome Petroleum to go bankrupt. That would create a catastrophe for the banks. I am reminded of Lord Keynes' famous observation, that if one borrowed one hundred pounds from a bank and could not repay it that person would be in trouble. However, if that person had borrowed a million pounds and could not repay it the bank would be in big trouble.

United States laws and regulations, unlike ours, require corporations which sell their shares on the stock market to file a great deal of information with the United States Securities and Exchange Commission.

• (1820)

Thanks to the information which Dome Petroleum was required to file in the United States we have learned that the new chief executive officer of Dome Petroleum, John MacDonald, has an employment agreement for the next five years which will pay him a yearly salary of $500,000 in U.S. funds, plus annual increases equal at least to the rate of inflation, plus merit raises when the directors believe he is entitled to such increases, plus a moving allowance for moving from Calgary of $100,000. As well, he will have a guaranteed pension which will give him over $120,000 a year. According to the *Financial Times of Canada*, he received a total compensation of $687,000 in the last three months of 1983.

It is not surprising that Dome Petroleum has done that for the new chief executive officer because, according to the *Toronto Star*, the former Chairman of Dome Petroleum, Jack Gallagher, received $3,457,000 in 1983. Bill Richards, the former President of Dome Petroleum, received $1,408,000 in 1983. Those are exorbitant figures but they have been matched by many other corporations in Canada which have paid anywhere from $500,000 to $1.5 million to their chief executive officers.

Given the way in which the Government has called on ordinary Canadians to lower their expectations and to ask for less, given the lectures that Canadians have heard telling them that they cannot afford the kind of lifestyle they have had in the past and that they cannot expect to get, nor will they be able to get the kind of wage and salary increases they received in earlier years, and given the fact that the Government has used all its powers, moral and otherwise, to get ordinary Canadians to scale down their expectations, it seems to me that it would be at least fair and equitable for the Government to call upon the senior executives of Canadian corporations to show the same kind of restraint. Instead, it lets them run amuck and take whatever the traffic will bear. Often the amount the traffic will bear is not the amount the company can afford. That is what has happened to Dome Petroleum.

These directors take what the traffic will bear despite the fact that the companies have not been profitable and successful and despite the fact that what they are getting is being taken at the expense of ordinary Canadians. I say to the Government that that is not good enough. If the Government really believes that we should expect to get by on less than we have in the past, it should apply that belief to all Canadians and not just to the ordinary Canadians who are trying to live on their wages and salaries.

Mr. Ralph Ferguson (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the available data indicates that in recent years the increase in average incomes for most Canadians exceeded the increase in prices. Although there are a number of comprehensive measures of average wages and salaries and of average incomes, these generally tend to move similarly over a longer period of time but can show different rates of change over a shorter period of time. The same can be said of prices. Consequently, average wages and salaries and average incomes rose less rapidly in 1983 than in preceding years, reflecting both the impact of the recession and slower inflation.

Nevertheless, over the first four years of the 1980s average personal income and average personal disposable income, the most comprehensive measures of income, rose more rapidly than prices, while average wages, salaries and supplemental incomes rose only slightly less and at about the same rate as price increases. The relevant average compound rates of change over the four years from 1980 to 1983 are these. The Consumer Price Index rose by an average of 9.8 per cent; the gross national expenditure deflator rose by 9.4 per cent; the GNE deflator rose by 9.7 per cent; wages, salaries and supplemental income per employed rose by 9.5 per cent; personal income per employed person rose by 10.8 per cent and the personal disposable income per employed person rose by 10.3 per cent.

• (1825)

The rates of increase in executive compensation which have been cited are indeed high. I these increases are general and widespread then they are of extreme concern. However, the cited increases must be put in perspective. These increases came from a recent survey which was carried out by the *Financial Times* of Canada. It included only 29 major companies. Moreover, the report did not point out that there were declines at six of the enterprises, and at another five increases were in the 6 per cent range or less. Thus, the reported average increase of 12.5 per cent is based on a very small number of companies. Certainly, we cannot jump to the conclusion that Canadian executive salaries jumped last year by 12.5 per cent. Much more information is needed.

Of course, the fact remains that large pay increases, whether to executives or to workers, which contribute to higher prices and inflation are detrimental to the economic recovery which is under way and the longer term growth and development of the Canadian economy. In general, pay increases in excess of productivity growth cannot be sustained without price increases. It may well be that market forces will at times necessitate higher than average pay increases to attract and/or to maintain first-rate executives and/or high-skilled workers. Equally important in such instances, similar market forces should likewise be operating to restrain any consequent price increases.

In summary, responsible actions by all the major participants in the economy, including management and labour, must continue if the current recovery is to be sustained and the Canadian economy in the longer term is to grow and develop further. Additional jobs and a higher standard of living will result. But, this will not occur if pay increases to either executives or workers are inflationary. In particular, there is the danger that substantial increases in executive compensation will serve as examples to workers as they negotiate new collective agreements. Consequently, responsible action continues to be needed.

[*Translation*]

Mr. Deputy Speaker: The motion to adjourn now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 2(1).

At 6.27 p.m., the House adjourned.

HOUSE OF COMMONS

Wednesday, June 13, 1984

The House met at 2 p.m.

● (1405)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

NATIONAL HERITAGE

MAINTENANCE OF HISTORICAL HOUSE IN RIDGEWAY, ONT.

Mr. Girve Fretz (Erie): Mr. Speaker, the small Village of Ridgeway, where I make my home, was an area of great strategic importance during pre-Confederation days. One hundred and eighteen years ago on June 2, 1866, 54 years after the war of 1812, Ridgeway was not a peaceful little hamlet. Rather, it was the location of a fierce battle between the Canadian forces and the Fenian raiders from the United States of America.

A small house on a tract of land then owned by the Teal family, and recently restored by the Bertie Historical Society, was used as a field hospital to care for the wounded and dying soldiers. Bullets which missed their mark embedded themselves in the walls of the house, and are still visible. Women and children took shelter in a marsh just west of this house.

In 1975 the Bertie Historical Society undertook the project of restoring and moving the building. Now that this preliminary groundwork has been laid, the society would like to see the property taken over and maintained by the federal Government as an historical national site and park. Since my riding is experiencing high unemployment, and in light of the potential for job creation involved in the construction of a national historical site, I would ask that the Minister responsible for Parks Canada look into this matter immediately. I look forward to hearing from him, and providing more details.

* * *

NUCLEAR ARMAMENTS

NEED FOR PRESENTATION OF FACTUAL INFORMATION

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the recent study based on the survey of 1,100 Metro students varying in age from 12 to 18 shows that 10 per cent admit to being troubled by war fears, 28 per cent wonder whether or not they will marry and have families, 24 per cent indicate the desire to live for the present and forget the future. It is my concern that the very organizations wanting to prevent nuclear holocausts repeatedly and graphically present the horrors of such a conflict to the point of saturating the mind of the young and old without presenting factual information that gives some hope for the future, information such as the fact that, for 39 years, living with the nuclear arsenal has prevented wars in Europe, that there are powerful peace initiatives that have been activated in response to the threats of war associated with the escalation of nuclear material, and that, despite prevailing mistrust between the major powers, both are cognizant of the potential global destruction of a nuclear war between them and will not start one. This is not to say that nuclear weapons in the hands of terrorists do not pose a frightening possibility of a localized nuclear explosion.

Young people are courageous and intelligent and, if given balanced information and views, not only can they handle a threatening situation, but they will make innovative suggestions for ongoing peace initiatives.

* * *

CHARITABLE ORGANIZATIONS

CANADIAN HOME AND SCHOOL AND PARENT-TEACHER FEDERATION—REMOVAL OF PATRIOTISM CLAUSE FROM CONSTITUTION

Hon. Jake Epp (Provencher): Mr. Speaker, the Canadian Home and School and Parent-Teacher Federation is a long established organization in Canadian educational circles. Its objectives have focused on improving the educational system. At a recent annual meeting held in Winnipeg, the Federation removed the following declaration from its constitution:

—to foster high ideals of citizenship and patriotism and to promote, through educational means, international good will and peace.

It has come to my attention that this clause was removed because of threats from Revenue Canada that, if the clause were to remain, the organization would be under threat of deregistration as a registered charity. Much of this was raised in an article in *The Winnipeg Sun* by Peter Warren, investigative reporter.

It has come to our attention that the reason for Revenue Canada using this kind of threat is that patriotism is seen as being too political. I ask this House why is the Liberal Government, through the agency of Revenue Canada, arguing that citizenship and patriotism should not be taught, and that those who do will be deregistered by Revenue Canada?

S.O. 21

INDIAN AFFAIRS

DEPARTMENT'S RELATIONSHIP WITH INDIAN PEOPLE

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, Indian people felt a surge of hope last November when a special committee of this House tabled a report on Indian self-government. The report called for a new relationship between Indian first nations and the federal Government, and for recognition of Indian self-government.

The First Ministers' Conference failed to provide constitutional entrenchment for this right because the Liberal Government, two days before the conference began, did not even know what position it would take. How then could it mobilize public opinion in support of Indian self-government? The promises to bring in framework legislation have also been a hoax. Instead of a new relationship with the federal Government, Indian people are being sucked into a new relationship with the Department of Indian Affairs. As one Indian leader told me last week:

> The self-government report is failing our people. The Department is getting more involved in our lives rather than getting out. The Department is trying to tell us what Indian self-government is about.

Indian women have also been betrayed. The Government promised time and again to end Indian Act discrimination against them, but where is the Bill to do this? Why does the Government not bring it forward so that it can be studied and debated? Indian people have heard government promises for so long that they have become part of their heritage, almost like an aboriginal right. When will the Government begin to act? When will it bring in Bills to recognize—

Mr. Speaker: Order. The Hon. Member's time has expired.

* * *

CUSTOMS ACT

PROVISION GOVERNING DISPOSAL OF UNCLAIMED GOODS

Mr. Ron Stewart (Simcoe South): Mr. Speaker, Bill C-6, the new Customs Act, is the Government's latest attempt to update a 137-year old piece of legislation that is inadequate and obsolete. Certain of the proposed changes are also inadequate, in particular the one dealing with the disposal of seized or unclaimed goods that have become the property of the Crown. It proposes that disposal by public tender or auction continue to be done according to guidelines established by regulation rather than by legislation. Current regulations prescribe that two senior customs officers shall conduct the public tenders, which the public is not allowed to attend. They also state that any envelopes opened by customs in error shall be resealed and held for the close of bidding.

● (1410)

The potential for abuse is obvious. What safeguards are there to ensure that the officers do not open each submitted bid in error, enabling them to determine the amount that a friend or relative could bid in order to win the tender? What provision is there to ensure that the highest bid will indeed be chosen by the officers?

One of my constituents was recently denied the opportunity to attend a public tender. He was bidding on an item with a market value of $45,000. The customs officers had set a minimum reserve bid of $7,500 on that item. Surely it is not the policy of this deficit-ridden Government to sell off Crown property at fire sale prices! I urge the Minister to address these problems, either through the legislation or in the new regulations now being drafted by his Department.

* * *

AUTOMOTIVE INDUSTRY

INVESTMENT IN AMERICAN MOTORS PLANT AT BRAMPTON, ONT.

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, in January, 1961, American Motors opened up its Canadian production plant in Brampton. On Monday an announcement was made by the President and Chief Operating Officer of American Motors, Mr. José Dedeurwaerder, announcing an investment of three-quarters of a billion dollars in a new American Motors plant in Brampton.

The announcement was made by the President in conjunction with the provincial Government of Ontario and the federal Government, both of which participated in the negotiations and both of which are providing funding on a repayable basis through the payment of royalties over a number of years. I would like to add my congratulations to American Motors and to both levels of government. At the same time, I would like to congratulate Premier Davis on his 25 years of service to the public which began on June 11, 1959.

* * *

TRADE

UNITED STATES ACTION TO RESTRICT STEEL IMPORTS FROM CANADA

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I recently read with interest a statement in the press attributed to high-ranking U.S. officials indicating that they were about to enter into a free trade agreement with Canada in one or more of our key sectors. I understand that it is the intention of the Canadian Government to enter into free trade arrangements with the United States on matters relating to computerization.

On the same day, and in the same newspaper, I read that the United States has moved to restrict the importation of steel from Canada into the United States. The Americans cannot have it both ways. They cannot argue for free trade and draw our Government into a position in which it may sign an agreement which will be detrimental to Canada's best interests, while at the same time argue for restrictive trade practices regarding the importation of basic steel. I would ask the

Government of Canada to sign no free trade agreements with the United States until such time as it comes to grips with the problem of how to deal with access to the U.S. market for the Canadian steel industry.

* * *

POLITICAL PARTIES

LIBERAL PARTY LEADERSHIP CONVENTION

Mr. Bill Yurko (Edmonton East): Mr. Speaker, today there is a strange fog rolling into Ottawa from North and South, from East and West. This fog is thick and warm and full of spirits. I am told that this fog is to last for four days and then the sun is to break through, and a new chief disciple of confusion is to be proclaimed. Party politics is the very essence of confusion.

For months now, the airwaves have heralded the coming of John, and the promise of a new gospel according to John. But which John is it to be? Is it to be John, or Jean, or Johnston? Or is it to be John Turn-right, or Jean the Creator, or John-boy, or perhaps John the Reformer, or even Smoke-Signal John? Or is it to be Almost John, who is really Stetson Gene?

After the first salvo, who is to be marked as John the successor to Pierre the Great? Let us hope that, come Monday, the fog will have rolled out into the hinterland again and that this place will regain its perspective.

Some Hon. Members: Oh, oh!

* * *

● (1415)

FARM CREDIT CORPORATION

INTEREST RATE LEVELS—MINISTER'S POSITION

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, the Government claims to have the best interests of Canadian farmers at heart. Every day I hear different Cabinet Ministers rise in the House and announce assistance for large corporations and guaranteed loans for other financially failing companies, such as Dome Petroleum. Yet when the Minister of Agriculture was questioned about assisting farmers by reducing farm credit lending rates, his only response was that rates are determined by U.S. monetary policy. When asked to extend the Farm Credit Corporation's interest assistance program to protect farmers from a sudden rise to a higher rate of interest, the answer was that no such proposal was being considered.

This, to me, shows a complete lack of commitment to this vital sector of our economy. Surely if the Minister of Agriculture could convince Cabinet that we must have a thriving agricultural industry in order to feed our people, Cabinet would see that further protection from escalating interest rates is essential now. Perhaps the Minister knows there is no use talking to Cabinet because agriculture has not been on its list of priorities for the last 16 years. As a result, we risk the possibility of losing our reputation as a net exporter of agricultural products and, indeed, of even becoming unable to feed ourselves.

ORAL QUESTION PERIOD

[*English*]

POOLS

CANADA SPORTS POOL CORPORATION—FINANCIAL POSITION OF CORPORATION

Mr. John Bosley (Don Valley West): Mr. Speaker, my question is directed to the Minister of amateur sport. It is a simple question. How much money has the sports pool lost to date? How much is it losing weekly?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I must say that when the Canadian Sports Pool Corporation was started a number of weeks ago, it was very successful in getting a share of the market. The trouble began, however, when the provinces decided to boycott the sports Pool and to actually stop the sale of tickets in locations that had the facilities to sell them. The Canadian Sports Pool Corporation has made a tremendous effort to establish itself on the market and to stay there. To do so, the Corporation has spent funds it was allowed to spend under the Act.

[*English*]

Mr. Bosley: We have another clear, specific, and direct answer, Mr. Speaker.

CORPORATION'S FUTURE PLANS

Mr. John Bosley (Don Valley West): Mr. Speaker, since it would appear that the sports pool is losing approximately $750,000 a week, making even John Turner look like a piker, could the Minister tell the House what plans he now has in place, or is preparing to bail out the sports pool? Specifically, will the Minister confirm that he and his staff are considering a second game, modelled after the 6-49 lottery?

Will the Minister also confirm that a proposal is apparently under preparation to come to the Government to ask for a further $20 million for the sports pool?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I think the Hon. Member opposite is letting his rhetoric run away with him, and he is now trying to destroy any hope of helping—of doing what we wanted to

do. To answer his question quite frankly—Take the time to understand—You never understood a thing in your life! To answer his question—It always takes you half a minute more than anyone else to understand. What I wanted to say was that the Sports Pool has been set up and it is going to stay. We have no intention of getting involved in lotteries. We intend to continue the work we have begun, and when you say that we intend to borrow or that the Corporation has applied for a loan—First of all, I have never received an official request in this respect, and second, I invite all Members of the Parliament of Canada, whether they voted in favour or against, to see for themselves that under Section 20, the Act provides that funds may be borrowed to start up and continue the Sports Pool system.

[*English*]

REQUEST FOR PARLIAMENTARY INQUIRY

Mr. John Bosley (Don Valley West): Mr. Speaker, my final supplementary question directed to the Minister is this: since we now clearly know that the Minister does not care about public money, will the Minister guarantee the House of Commons that no further funds will be loaned, forwarded, or sent to the Sports Pool Corporation until the House of Commons has had a full public accounting and inquiry into what the money has been used for so far, what contracts have been granted, what people have been employed, and whether there was any tendering of the advertising contracts? In short, will the Minister guarantee the House of Commons the right to inquire into the mess which has been going on under his direction?

Some Hon. Members: Hear, hear!

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, the Opposition's only contribution to the Sports Pool has been to discredit the Corporation. We never said things like the Leader of the Official Opposition, who stated that if he had been Prime Minister for fifteen years, he would never have hired a Liberal as long as there was still one Progressive Conservative alive! That is not our policy. That is not what we do. Certainly not. When it selected agencies to take care of advertising, the Government of Canada was entirely aware of the quality of the services these companies were able to offer.

Furthermore, when the Canadian Sports Pool Corporation was established, we knew for a fact that the Progressive Conservative Party was being supported by the provincial Conservative governments in its bid to sabotage this opportunity for helping people in Western Canada with the 1988 Olympic Games in Calgary, to destroy amateur sport in Canada, to destroy opportunities for getting funds for medical research!

What happened was that the former Government eliminated completely any possibility for the Government of Canada to make a contribution to the cost of sending Canadian athletes to national and international events. That is what you have done!

• (1420)

CANADA SPORTS POOL CORPORATION—REQUEST THAT MINISTER EVALUATE FINANCIAL SITUATION

Hon. Roch La Salle (Joliette): Mr. Speaker, I must say I am very disappointed in the Minister's answers. If the Government is so anxious to help amateur sport and medical research, there are other and more honest ways of doing so.

Mr. Speaker, my question is—He can count on our support! My question, therefore, is as follows: The Minister is unable to inform the House what the Sports Pool's deficit is at the present time. The Minister is aware that there is a deficit, that it is getting bigger every day and that he is taking public funds to protect three or four hundred Liberal friends who will no longer have jobs after the next election. In the circumstances, I would ask the Minister to inform the House about the financial situation of the Canadian Sports Pool Corporation and at what stage the Minister will stop this blood-letting of public funds.

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I may remind my hon. friend from Joliette, and I have said so in the House, that I was available—and I have been available to Members on both sides of the House—to forward to the Canadian Sports Pool Corporation requests I received from Hon. Members for jobs for constituents within the Corporation. I accepted these requests which arrived at my office and I forwarded them to the President of the Corporation. If the Hon. Member for Joliette wants me to table the letters I received, I shall be glad to do so. But what I want to say is: we did not do what you are trying to prove we did. Certainly not! We made available to the Corporation, and this is public information, the amount of $10.5 million, which is allowed under the Act.

Furthermore, if the Corporation ever needs more money, Section 20 of the Act provides for mechanisms to allow funding, with the authorization of the Governor in Council, and we will see what happens then. Mr. Speaker, I have received no requests for funding at this time. What they are trying to do, Mr. Speaker, is discredit the Corporation just to show that at the national level there is no money available to help our athletes, support our commitments for Calgary and support medical research. That is what the Hon. Member for Joliette is doing by persisting in his criticism of the Canadian Sports Pool Corporation and by swallowing everything that has been said and printed without taking the trouble to do their own research. All they are doing is reading a few newspapers, and then asking questions! I am sure that the Hon.

Member for Joliette can read and that his information resources are far better than that.

REQUEST THAT MINISTER DISCLOSE FUTURE INVESTMENT IN CORPORATION

Hon. Roch La Salle (Joliette): Mr. Speaker, I am not impressed by the Hon. Minister's answers. The fact remains that he is incapable of informing the House what exactly the financial situation of this new Corporation is. The public is concerned, and the Government cannot afford to waste public funds at this time. That is the important point. The Minister knew perfectly well that he would not have the support of the Official Opposition for this "new creature", that he would not have the support of the provinces, because we had decided to give that source of revenue to the provinces—and we are glad we did so—and so, in the circumstances, the Minister is blaming the provinces, while he should be apologizing to the provinces instead of blaming them for being opposed to his system. Mr. Speaker, I am going to ask the Minister once more, and I will do so right now: How much public money will have to be spent to bail out an organization whose only purpose is to find jobs for partisans and Liberal friends?

Mr. Peterson: Louder!

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, if the Hon. Member for Joliette wants to put on a show, I can do that too! However, my responsibilities would not permit—I have just informed the House that the Canadian Government has made available the sum of $10.5 million under the legislation creating the Canadian Sports Pool Corporation. I have just informed the Hon. Member for Joliette, through you, Mr. Speaker, that I have yet to receive a request for—So if you are smart enough to understand, which I doubt, this means that the full $10.5 million has not yet been spent. Is that what you want to know? Since they did not ask—But I can say furthermore—In any case, we are not going to be as lavish as you were, when you gave the provinces $500 million and kept only $35 million for the federal Government—We need money to meet our commitments to Calgary. The people of Calgary and of Canada—

Mr. La Salle: There are other ways!

Mr. Olivier: —believe in the Olympics! We, Mr. Speaker, believe in amateur sport! We believe in medical research! As for the Hon. Members opposite, they are indulging in a lot of rhetoric to destroy the credibility of a Corporation—In any case, I would invite the Hon. Member to read the Corporation's press release. The Corporation says quite clearly how employees were hired and how contracts were signed. The Hon. Member was afraid of referring to it.

Mr. La Salle: That is false!

Mr. Olivier: The Opposition will never refer to it.

Mr. Speaker: Order. The Hon. Member for Brant (Mr. Blackburn).

* * *

• (1425)

[*English*]

TRADE

IMPORT QUOTAS FOR JAPANESE MANUFACTURED AUTOMOBILES

Mr. Derek Blackburn (Brant): Mr. Speaker, my question is for the Minister for International Trade. We in this Party are bitterly disappointed over the Minister's weak-kneed approach to Japanese automotive imports for 1984-85. Why did the Minister not demand a greater investment commitment on the part of Japanese automobile manufacturers than the almost negligible promise, in today's terms, of $100 million and 350 jobs, if we are lucky, by the end of this decade? Why was the Minister not stronger in his arguments?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, I am glad that the Hon. Member asked that question. I am also delighted that he showed to the public his lack of understanding of how to approach a very difficult question such as international negotiations on the level of car imports into our country.

The Hon. Member must keep several things in mind. First, we are a trading nation which exports more than it imports. Second, we sell far more to Japan than we buy from them. They are an important and growing market, creating jobs for Canadian workers. I want him to recognize that in continuing the voluntary agreement with the Japanese I wanted to achieve a level which would keep pressure on them to continue the very good start they have made with negotiations in this country.

It is all very easy for the Hon. Member to second guess. This is the first time the Japanese have started to invest and create Canadian jobs by manufacturing in Canada. This was negotiated by the Minister of Regional Industrial Expansion and is a big step forward.

Finally, he must keep in mind that this is not totally a one-sided thing. I have protected the Canadian workers with this level. I have also given Canadian consumers some continuing choice. They have the ability to buy Japanese cars if they choose to do so. That is the sort of world in which we should live.

Mr. Blackburn: Mr. Speaker, the Minister appeared so upset in giving his answer that I know very well he is not convinced that what he says is right. The Minister knows that he has not been bargaining with the strength he should have been bargaining with for the past four years. Japan has the most closed and most protected market in the world. I do not know why the Minister is not on top of it.

● (1430)

LEVEL OF JAPANESE INVESTMENT IN CANADA

Mr. Derek Blackburn (Brant): Mr. Speaker, my supplementary question is for the Minister for International Trade. Why could the Minister not work out a deal with the Japanese who have over 20 per cent of our market, similar to the one Renault and AMC have entered into in Brampton where that company is prepared to invest $750 million and directly create 1,800 new jobs as opposed to 350, plus another 4,200 spin-off jobs in the steel and other related industries? Why could the Minister not get as tough with the Japanese as they are with us? Has he ever tried to sell a Canadian made washing machine in Tokyo?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, I am not going to hire the Hon. Member as a salesman. That is the last thing I would do. He needs to learn, first, that Rome was not built in a day, and, second, that American Motors were already here.

I want to refer the Hon. Member to the statements of satisfaction with the quota I negotiated, from Ford and the other Canadian car companies. I think I would go by their judgment sooner than I would go by the Hon. Member's. I am glad to see the Hon. Member gave credit to what the Minister of DRIE did in relation to the Brampton deal. I want to tell you, Mr. Speaker, that that was a case where AMC was already in the country. In relation to the Japanese, we now have the Honda deal in Ontario and we have a wheel plant in British Columbia. We have the Japanese using more Canadian parts including Michelin Tires from Nova Scotia. We are making some real progress.

Yes, Japan has been a very closed market, but it is a market that is opening up—

Mr. Crosbie: Order.

Mr. Regan: —and it is offering more opportunity for our sales each time that it opens a bit more. I think we are bringing things along well, and at the same time we are putting first the interests of the Canadian workers in the automotive industry and providing a level of protection.

IMPACT OF AUTOMOBILE IMPORTS ON JOBS

Mr. Derek Blackburn (Brant): I have a final supplementary question, Mr. Speaker. The Minister has been failing for four years. He has achieved peanuts.

Mr. Nystrom: The peanut man.

Mr. Blackburn: When will the Minister ask the Japanese when they will give back those 20,000 jobs which they have taken from the auto industry and the auto parts industry? That is the question I am putting to the Minister.

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, the Hon. Member should keep in mind the fact that this Government turned the economy around in such a way that 25,000 Canadian automotive workers were recalled last year.

Some Hon. Members: Oh, oh!

Mr. Stevens: The industry is right down.

Mr. Nielsen: It is right on its backside.

Some Hon. Members: Hear, hear!

Mr. Regan: That is the first thing I want to say to the Hon. Member. The next thing I want him to do is to take some time this summer to understand the flow of multilateral trade. As a country that has such a large trade balance in relation to our exports as against our imports, if we are going to say to every country: "Well, let us trade back the jobs that used to be in the other direction", then we will lose badly. We are creating many more jobs by our exports than our imports are costing us.

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THE OLYMPIC GAMES

CALGARY WINTER OLYMPICS—IMPACT OF CANADA SPORTS POOL CORPORATION ON FUNDING

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, my question is for the Minister of State for Fitness and Amateur Sport. I want to inquire about what is going to happen to the Calgary Olympics. While the Government initially told the International Olympic Committee that it would guarantee funding for the Calgary Olympics, it subsequently said that such funding would depend upon the revenue from the sports pool. Given that the sports pool appears to be a money sump rather than a money maker, could the Minister tell the House just what effect this will have on the Calgary Olympics?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, it is a fact that we were one of the first Governments to endorse Calgary's bid to host the 1988 Olympic Games. We were the first Government to make a $200 million public commitment on behalf of the Calgary Olympic Games and, along with the residents of that city, we promised that the 1988 Olympic Games will be a success on the national and international scenes. What I fail to understand is that people who hail from Calgary and western Canada are trying to discredit that source of revenue and simply do not want any national Government to promote the Calgary Olympic Games. That I cannot understand. What I do understand, however, is that the media have launched a petty political campaign against Calgary and the people of western Canada.

[*English*]

REQUEST FOR FUNDING GUARANTEE

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, I have a supplementary question for the Minister of State for Fitness and Amateur Sport. What I would like from this Minister, Mr. Speaker, is a guarantee, the kind of guarantee which this Party has given, that the Calgary Olympics will receive the necessary funding, that they will not have to depend upon the Sports Pool Corporation, the bungling of this Minister, or these grits at the hog trough, the pork barrel, who are running the sports pool and costing us millions. Will the Minister make a simple commitment that the Government will guarantee the Calgary Olympics will have the necessary funding, regardless of what happens to the Minister's sports pool?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, this Government has set up a program aimed at helping the Calgary Olympic Games through either Olympic coins, stamps or sports pools. This Government does honour its commitments and we have signed a contract with the Calgary-1988 organization committee to promote those Olympic Games. We have promised to come up with $200 million and, as a responsible Government, we intend to abide by our contract.

* * *

[*English*]

POOLS

CANADA SPORTS POOL CORPORATION—FUNDING REQUIREMENTS

Hon. James A. McGrath (St. John's East): Mr. Speaker, I have a supplementary question for the Minister of State for Fitness and Amateur Sport. Parliament has voted $10.5 million to the care of the Minister for the sports pool. There is evidence that money has gone. There is evidence to indicate that the losses will exceed $25 million a year. What the Minister does not understand is that he is accountable to Parliament for that money.

Mr. Crombie: Right.

Some Hon. Members: Hear, hear!

Mr. McGrath: That is the issue, Mr. Speaker. We have a right, indeed we have an obligation, to ask this incompetent Minister how much more money will Parliament be required to vote to bail out the Minister and the sports pool.

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, the Hon. Member is not going to get a better answer to his question by calling me incompetent. I do not deny the Opposition its right to know the facts. However, I do deny the Opposition the right to try and discredit this Corporation. I recognize the rights of the Opposition. I recognize the right of the House of Commons to be informed. What I object to is, that the Opposition should knowingly discredit . . . And as soon as the Opposition decides to act responsibly, clear and specific answers will be forthcoming.

[*English*]

Mr. McGrath: Mr. Speaker, the Minister does not seem to understand that this Corporation was discredited the day it started, because it was in violation of a federal-provincial agreement.

Some Hon. Members: Hear, hear!

Mr. McGrath: That is what the Minister does not understand.

REQUEST FOR PARLIAMENTARY INQUIRY

Hon. James A. McGrath (St. John's East): I ask the Minister of State for Fitness and Amateur Sport, Sir, if he has nothing to hide will he agree to a parliamentary inquiry into this slush pool, at a time when millions of dollars are being squandered and when 800,000 young people out there are crying for jobs?

Some Hon. Members: Hear, hear!

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I have just said it again and I shall say it a third time . . . Pursuant to the Act, we have made a commitment to spend $10.5 million. We have complied with the Act and we shall continue to do so. Furthermore, as far as job creation is concerned, we are among the governments that have spent the most on job creation for young people. We spent $1.2 billion! So I do not think Hon. Members should start confusing youth and the sports pool. Youth has never been involved in the sports pool. What you are trying to do is to . . . athletes across Canada—

Mr. Speaker: Order.

Mr. Olivier: —You are denying their right to have an income! What you are saying is that we reneged on an agreement made in 1979. Mr. Speaker, we maintain that we have observed and are observing the 1979 agreement. The proof is that we created the Canadian Sports Pool Corporation. We knew right away that if we observed the agreement, it would be easier than having just a lottery.

Mr. La Salle: You are competing with the provinces!

Mr. Olivier: —You will see for yourself that it is not a lottery, it is a sports pool and it is harder to do.

[*English*]

EXTERNAL AFFAIRS

INDIA—RED CROSS MONITORING OF PUNJAB SITUATION

Ms. Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, my question is for the Secretary of State for External Affairs. It concerns the situation in the Punjab. The Minister may know that at present there are two delegates from the International Committee of the Red Cross in New Delhi monitoring the situation in the Punjab very closely. They will soon determine if there is a need for humanitarian and relief efforts by the International Red Cross. Has the Minister been in touch with the Canadian Red Cross on this matter and is Canada prepared to give assistance to these humanitarian and relief efforts?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, we have been, obviously like the Hon. Member, monitoring the situation in the Punjab. We are quite distressed at the developments, particularly the situation that may affect the Canadians who are in that area.

• (1440)

The Hon. Member knows that this is basically a matter for the Government of India; it is an internal matter. Certainly we would be sympathetic, as we have been in the past, to lending our help on humanitarian grounds where there is an international move to do that. If this happened in the Punjab, we would certainly apply the same generous principles as we have in the past.

REQUEST THAT DEPORTATION ORDERS BE STAYED

Ms. Pauline Jewett (New Westminster-Coquitlam): Mr. Sepaker, perhaps the Minister, in reply to my second question, will tell us what communication there has been with the Government of India concerning Canadians in the area. Then, in the absence of the Minister of Employment and Immigration, I wonder if I could direct my second question—

Mr. Speaker: The Hon. Member has one supplementary question.

Ms. Jewett: I will direct my second question to the Secretary of State for External Affairs. As he knows, there are a number of Sikhs in Canada facing deportation. Could the Government assure us that while the violence in the Punjab continues those deportation orders will be stayed?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, on that precise point it is a matter I would have to draw to the attention of the Minister responsible for immigration procedures. While we are dealing with that subject, I should add that the Government of India has advised us that it will require visas for Canadians entering that country. That rule will apply on June 15.

Obviously we have been following the situation in the Punjab with respect to Canadians. There are, known to us, about 50 Canadians in that area. It has been declared a restricted area. It may be that the Indian Government will ask people not to remain in the area. We have no reason to believe at the moment that there is any cause for apprehension about Canadians in the Punjab.

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CANADIAN NATIONAL RAILWAYS

HIRING OF PENSIONERS—REQUEST THAT STUDENTS BE EMPLOYED

Hon. John M. Reid (Kenora-Rainy River): Mr. Speaker, my question is directed to the Minister of Labour. Last Friday I asked the Acting Prime Minister if he would look into the practice of CN hiring back pensioned off employees to look after running trade operations in western Canada in the movement of grain. I pointed out at that time that CNR was not, as was its usual practice, hiring students, or young people trying to get into the labour force. Will the Minister of Labour investigate my accusation, get in touch with CNR, ask it to desist in this practice, and to hire young people and students who normally seek summer jobs on the CNR?

Hon. André Ouellet (Minister of Labour): Mr. Speaker, indeed it is a surprising policy on the part of CNR. I will bring the representations of the Hon. Member to the attention of the Minister of Transport. I am sure the Minister of Transport will discuss this matter with CNR officials and will report to him and the House as soon as possible.

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POOLS

CANADA SPORTS POOL CORPORATION—FINANCIAL POSITION

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, my question is directed to the amateur sports Minister. Does he know how much the sports pool has been losing per week?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I had a meeting with the Chairman of the Board of Directors last Friday, and I met the Chairman of the Corporation this week. I am therefore familiar with the operations of this Corporation.

[*English*]

Mr. Beatty: We are making progress, Mr. Speaker. I might add that the Government has managed to do the impossible. It has found a Minister who makes the Minister of National Revenue look good by comparison.

Some Hon. Members: Hear, hear!

CORPORATION'S LOSSES

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, may I ask the Minister this simple question? What have been the losses of the sports pool to date?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, to evaluate budget operations, to evaluate the operations of a business on the basis of the first or second quarter, and over a year . . . We shall certainly act responsibly as a Government and table the annual report at the appropriate time. You will then have all the figures, and you will have a chance to challenge them.

[*English*]

REQUEST THAT AUDITOR GENERAL BE AUTHORIZED TO AUDIT CORPORATION'S BOOKS

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, my supplementary question is directed to the same Minister. It follows on the ones of my colleagues. This is a very serious matter. There is hard evidence with respect to the losses being sustained by the sports pool. If he feels the House of Commons, or a committee thereof, is too political to look at the books of the sports pool, will he agree to giving the Auditor General approval and authority immediately to conduct a full auditing of the operations of the sports pool and to report back to the House of Commons? Will he do the honourable thing and show that he has nothing to hide?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, the question put by my hon. friend opposite is strictly based on gratuitous statements. It is hearsay, and if he had any proof of bad faith or anything like that, we would be willing to investigate.

[*English*]

REQUEST FOR INDEPENDENT AUDIT

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, we have given the Minister at least 15 opportunities this afternoon to say that the sports pool is not losing a substantial amount of money. If he stands in his place and tells us that the sports pool is making money, or breaking even, that is one thing. This is not the SIU; the Minister will understand what I am talking about. Will he please allow the Auditor General to make an independent audit and report to the House of Commons? Only then will the people of Canada feel reassured, because the Minister has been evasive in attempting not to answer the questions we have put to him in a very direct way.

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, the Canadian people are going to understand that, considering the really insidious approach taken by the provinces . . . it is difficult in an area where there is so much competition, where the provinces have almost doubled their marketing expenditures just to deprive people of their income because they agreed to sell tickets for us, you will understand that Canadians are going to be much smarter than the Progressive Conservatives. They will understand that we cannot give out figures just like that, in public, which would provide ammunition for our competitors who want to destroy the sports pool. That is the real reason, because we believe in amateur sport, and we believe we must help the Calgary Games.

Mr. Speaker, that is why Canadians are going to realize that in an area as competitive as this one, where the provinces, through their lotteries, are spending millions and millions of dollars to counter the sports pool and the federal Government's efforts to help amateur sport in Canada . . . Canadians will, in due time, pass judgment on Opposition Members who do not want us to help the people in Calgary or amateur sport or medical research or arts and culture.

Canadians are going to understand, and if you do not understand, I suggest you do something about it.

* * *

[*English*]

CANADA LABOUR CODE

REQUEST THAT AMENDING LEGISLATION BE PASSED BEFORE SUMMER RECESS

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is directed to the Minister of Labour. In regard to the passage of Bill C-34, which is important to the health, safety and lives of Canadian workers, the Minister is quoted as saying:

> If we pass it, it's on our record. If we don't pass it, because of the Conservatives opposing it, we'll go on the hustings and blame the Conservatives for denying these amendments in favour of the workers.

This response is based upon election politics rather than upon any real concern for the lives of workers. It is completely unacceptable. Will the Minister take the legislation which he has proposed to the House more seriously, and agree to a House order which will ensure its passage before we recess for the summer?

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, this is of course a matter that is open to debate and to interpretation, depending on which side of the House one happens to be. The Government's objective is indeed to have this Bill adopted, and I hope that next week, when the parliamentary committee is sitting, we shall have the co-operation of all members of the Committee, both Government and Opposition Members, and that we will be able to adopt this Bill before the end of June.

An Hon. Member: Hear, hear!

[*English*]

Mr. Murphy: The quote obviously suggests that he is more concerned with politics than with the lives of workers.

STEPS IN THE LEGISLATIVE PROCESS

Mr. Rod Murphy (Churchill): Mr. Speaker, let me point out the history. It took over four years for the Liberal Government to introduce this Bill in the House. It took another month before debate on the legislation was started. It took another week before the Minister would even appear before the committee. That leaves us with less than two weeks to pass the legislation. We also know that this legislation is not on the Government's priority list. With those facts, why should the workers of Canada believe that the Liberal Government cares one iota for their lives, their safety, or for the health of unborn children of women workers?

● (1450)

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, if we consider the work done by Parliament in the last few years and the last few months, it is clear that both the Progressive Conservative Opposition and the New Democratic Party have systematically held up the business of Parliament. Remember the bells. Remember the endless delay involved in adopting major bills involving the patriation of the Constitution and energy measures, and even now, the New Democratic Party is holding up the Security Bill. Mr. Speaker, if the NDP had any sense at all, it would let my colleague's Bill be adopted in the House and we could then proceed with the legislation for protection of workers.

* * *

[*English*]

POOLS

CANADA SPORTS POOL CORPORATION—PROJECTED FUNDING FOR MEDICAL RESEARCH

Hon. Jake Epp (Provencher): Mr. Speaker, I have a supplementary question for the Minister of Fitness and Amateur Sport. One of the issues that he used to bring some credibility to the ill-conceived sports pool was medical research. From his present projections, how much money will be given to medical research from the sports pool?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, as provided for in the legislation approved by this House, our commitment is very clear, that is to provide assistance to the Calgary Olympics in the amount of $200 million and to subsidize the arts, culture and medical research. Depending on the revenue produced by the sports pool, this money will be distributed equitably, and in addition, we shall first discharge our commitment with respect to the Calgary Olympics.

[*English*]

REQUEST THAT HIRING CONTRACTS BE TABLED

Hon. Jake Epp (Provencher): Mr. Speaker, obviously there is no money for medical research because the Minister is losing money on the sports pool. It is incredible that this Government can run a lottery and even lose money on that. Does the Minister now agree with the chairman of the Medical Research Council of Canada that they are not expecting any money or planning on any money because they know they will not get any money? I would like the Minister to confirm that. Also, will he table for us the names of people who were hired by the sports pool and, in particular, the contracts of service?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, let me simply remind the Hon. Member opposite that this Government has already committed $170 million to medical research. He said we are doing nothing for medical research, but I have given him an example of what we are doing.

Second, we have already allocated this year $17 million from the revenue produced to arts and culture. Before claiming that there will be no money left for these activities, the Hon. Member should perhaps do his research properly!

Third, what I want to say once again is that the Members opposite are trying to destroy the credibility of the sports pool by saying there is pork barrelling and that the organization employs only friends of the party in power. I shall simply refer them to the press release published last week by the Chairman of the Canada Sports Pool Corporation wherein he describes at length how the 90 permanent staff members of the Canada Sports Pool Corporation were hired and interviewed and how the other 300 casual workers were hired following advertisements placed in newspapers. All this information was very clear and specific, and the problem is that the Members opposite do not want to understand and are refusing to tell the truth in order to gain political points even though they are systematically denying amateur sport the right to survive in Canada on a national level. Simply said, what they want is to give back to their provincial friends all the commitments and the net income of $500 million they can obtain through lotteries, while, for our part, we do not have any lotteries, just a sports pool!

[*English*]

REQUEST THAT MINISTER TERMINATE POOL OPERATIONS

Mr. Otto Jelinek (Halton): Mr. Speaker, my question is also for the Minister of Fitness and Amateur Sport. The Minister said a few minutes ago that the Conservative Party was discrediting amateur sports in Canada. As a former

Canadian Olympian, I resent such a stupid remark by the Minister.

Some Hon. Members: Hear, hear!

Mr. Jelinek: It is the Minister and the Liberal administration that are discrediting sport right across this country by continually tying it to gambling operations.

Some Hon. Members: Hear, hear!

Mr. Jelinek: Will the Minister do the honourable thing, terminate this phoney tax on the poor, a sports pool corporation which obviously is not working, and begin helping amateur sports in Canada by collecting funds in a more honourable way, such as I recommended to him personally in the past, through increased development fees by way of the private sector, and other honourable ways, and scrap this ill-fated nonsense?

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, considering that the Hon. Member is supposed to be quite familiar with amateur sport for having been an active and worthy participant in the past, I am surprised that he should be unaware that even the Canadian Olympic Association has censured the Opposition for its attempts to discredit sports pools, and that last week the COA issued a press release in favour of sports pools. So what happens to those people? Secondly, I must remind the House that this Government gave the most generous contribution and the strongest guarantee ever offered, so that Calgary would play host to the Olympic Games in 1988. It is also this Government which will pay the lion's share to send our athletes to Los Angeles. Our Government also played its part by creating programs to help amateur sports throughout Canada. I am surprised that a question should come from him, for in principle he ought not to repudiate his origins. On the contrary, he should try to make his colleagues understand that when he discredits the corporation, he also discredits amateur sports and, in so doing, he casts a slur upon our athletes. Our athletes deserve more respect, Mr. Speaker.

[*English*]

ALTERNATIVE SPORTS FINANCING

Mr. Otto Jelinek (Halton): Mr. Speaker, the Minister misunderstands what I am trying to say. I resent the fact, as do athletes, that the Government is continually tying gambling operations to sports. It should not be doing that. I want to explain to the Minister, if he does not understand it, and I do not think he does, that a lot of tax dollars are being spent on developing amateur athletes in this country and not enough of the development fees are coming back. In skating, for example, a lot of our skaters are trained in Canada at the expense of the taxpayer, and then go to the United States to perform in professional ice shows. Why are we not getting development fees from professional ice shows, professional tennis organizations, and right across the board? That is the way to collect money for amateur sport, and that is the way to help the Calgary Olympics.

[*Translation*]

Hon. Jacques Olivier (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I fail to understand the Hon. Member since Canadians are all in favour of Commonwealth Games, Canada Games, Pan-American Games or Olympic Games. But Hon. Members opposite always speak out against providing funds for amateur athletes. Those people deserve more respect, much more respect. We have assumed our responsibilities, Mr. Speaker, and we have set up programs for our athletes, the best in North America, because all we want is to encourage them to make a name for themselves on the international scene. We need money to do that, Mr. Speaker. Members opposite are first when it comes to denying the fact that a Canadian Government anxious to promote international competition has the right to seek funds willingly given by people who respect a law passed by the Canadian Government. That is one field where you rank first.

* * *

• (1500)

[*English*]

ENERGY

FEDERAL AGREEMENT WITH NOVA SCOTIA—DISCUSSIONS WITH GOVERNMENT OF NEWFOUNDLAND

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my question is directed to the Prime Minister. I would like to switch from dealing with one sleaze-bag situation to dealing with another. Were federal negotiators, including the Minister of Energy and the present Minister of Finance, instructed by the Government to tell the Newfoundland Government that the Nova Scotia offshore agreement signed in March, 1982, was complete as described, while in fact there was a secret clause that gave the Province of Nova Scotia certain special rights with regard to equalization? Were the Ministers instructed to misinform the Newfoundland Government, or did they lie to the Newfoundland Government on their own hook?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do know that exactly the same type of deal was offered to Newfoundland as that which was offered to Nova Scotia. That deal was the same, including any agreements which are made between the Governments and including any written or verbal instructions. In so far as the details of it are concerned, I would have to ascertain them from the Minister.

Certainly nothing was offered to Nova Scotia by way of revenues or by way of equalization treatment which was not also offered to Newfoundland. Therefore, it would seem to me that the Hon. Member's language was a bit excessive when he spoke of lying. I do not know if he was talking about his

Premier or not, but if he was talking about any of my Ministers I can deny it categorically.

DETAILS OF OFFER MADE TO NEWFOUNDLAND

Hon. John C. Crosbie (St. John's West): Mr. Speaker, so the Prime Minister will understand the question, the statement was that the federal negotiators, including the present Minister of Energy, solemnly told the Government of Newfoundland that the federal-Nova Scotia offshore agreement that was published and signed in March, 1982, was the entire agreement and that there was no more to it than that. However, it turned out several weeks ago, when the documents were tabled in this House, there was a secret side agreement dealing with the phasing out of tax equalization.

Did the Prime Minister instruct, or did the Government instruct these Ministers to keep this matter secret and to misinform—I will not use the word "lie"—or deceive the Newfoundland Government? This is a most important matter about which the Government of Newfoundland indicates that it was not told. It was told that the entire agreement was already publicly revealed, when it was not. If that is the case, could the Prime Minister tell us how there could be any agreement between those two Governments when the Prime Minister's negotiators have completely destroyed any good faith that might have existed, by using such tactics?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I had understood the question. I wish the Hon. Member had understood my answer. I already answered the question which he has just repeated.

Mr. Crosbie: Will he check it out?

Mr. Trudeau: I do not have to check it out, Mr. Speaker. I do know that anything offered to Nova Scotia by way of a written agreement or by way of a side agreement on equalization was also offered to Newfoundland.

Mr. Crosbie: That is not true.

Mr. Trudeau: If the Hon. Member has been told something to the contrary, he has been told a falsehood.

Mr. Crosbie: Mr. Speaker, will the Prime Minister agree to a public inquiry in order to establish the facts? They don't like the truth on that side.

Mr. Speaker: Order.

* * *

AGRICULTURE

FOURTH REPORT OF STANDING COMMITTEE—RULING BY MR. SPEAKER

Mr. Speaker: The fourth report of the Standing Committee on Agriculture was presented to the House yesterday. In its report, the committee recommends that the Government give consideration to the advisability of introducing a new royal recommendation at the report stage of Bill C-33, an Act to amend the Western Grain Stabilization Act, and that the Government consider the comments made in committee relating to proposed amendments. The question is whether it is within the competence of a standing committee to make such a recommendation when its order of reference is a Bill.

The governing authority is Citation 621(2) of Beauchesne's Fifth Edition, which reads as follows:

> A committee is bound by, and is not at liberty to depart from, the Order of Reference. Bourinot, p. 469. In the case of a committee upon a bill, the bill committed to it is itself the Order of Reference to the committee, which must report it with or without amendment to the House.

In the view of the Chair, there is no room for doubt or question about this citation, and it has been reinforced on numerous occasions.

I would also refer the House to a ruling made by my predecessor, Madam Speaker Sauvé, who ruled on a similar procedural difficulty on June 29, 1983, as follows:

> I want to remind Members of all committees considering Bills referred to them by the House of Citation 783 of Beauchesne's Fifth Edition:
>
> "There is no authority that a committee of the House, when considering a bill, should report anything to the House except the bill itself".

The Agriculture Committee did just that in its Fifth Report presented yesterday. There are other procedural avenues for the consideration of such substantive proposals, but this cannot be done by way of a report from any committee studying a Bill. Therefore, I have no alternative but to declare the Fourth Report of the Standing Committee on Agriculture out of order and consequently it cannot be received.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Tuesday, June 12, 1984, meet the requirements of the Standing Orders as to form.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

PUBLIC ACCOUNTS—PRESENTATION OF FOURTH REPORT OF STANDING COMMITTEE

Mr. Doug Lewis (Simcoe North): Mr. Speaker, I have the honour to present, in both official languages, the Fourth Report of the Standing Committee on Public Accounts and the Fifth Report of the committee to which, pursuant to Standing

Order 69(13), the committee requests a comprehensive response.

[*Translation*]

NATIONAL RESOURCES AND PUBLIC WORKS—PRESENTATION OF FIRST REPORT OF STANDING COMMITTEE

Mr. Rosaire Gendron (Kamouraska-Rivière-du-Loup): Mr. Speaker, I have the honour to present the first report of the Standing Committee on National Resources and Public Works.

[*Editor's Note: For above report, see today's Votes and Proceedings.*]

* * *

[*English*]

CANADIAN ADVISORY COUNCIL ON THE STATUS OF WOMEN

TABLING OF ANNUAL REPORT

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, as Minister responsible for the Status of Women in Canada, I am pleased to table in the House today, in both official languages, two copies of the annual report of the Canadian Advisory Council on the Status of Women.

* * *

PETITION

MR. STEVENS—HOME MAIL DELIVERY IN BOLTON, ONTARIO

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, the petition of the undersigned residents of the Town of Bolton in the Province of Ontario, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide a remedy, humbly sheweth that although we the undersigned presently pay full postage rates, there is no home mail delivery; that although communities of equal size have home mail service, there has never been home mail delivery in Bolton.

Wherefore we the undersigned, your petitioners, humbly pray and call upon Parliament to ensure that the residents of Bolton receive home mail delivery. It is unfair, and indeed unjust, that Bolton should be denied equal treatment with other communities of equal size. And as in duty bound your petitioners will ever pray. It is signed by several hundred petitioners and dated today.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Order Paper Questions

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 50, 500, 513 and 545.

[*Text*]

CRISIS CENTRES

Question No. 50—**Mr. Howie:**

In the fiscal year (a) 1981-82 (b) 1982-83, did the Department of National Health and Welfare have any studies done regarding crisis centres by (i) departmental employees (ii) outside consultants?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of National Health and Welfare): (a) (i) No. (ii) No.

(b) (i) No. (ii) Yes. In 1982-83, the National Clearinghouse on Family Violence entered into two contractual agreements with outside consultants to conduct two projects related to crisis centres.

The first project, conducted by Mrs. Jean McKay, began in May, 1982, and is scheduled to end April 1, 1984. It is comprised of a survey of all Canadian transition houses for battered women and their children. A report is expected in late summer of 1984.

The second project, conducted by Miss Jeanne Molgat, began in October, 1982 and is scheduled to end April 1, 1984. It consists of gathering information on resources for victims of wife assault, and completing data on crisis services, including police-based family crisis intervention teams, local crisis centres, crisis telephone lines and other crisis related services. Data will be available by June, 1984.

STUDIES RELATING TO ILLEGAL USE OF DRUGS

Question No. 500—**Mr. Howie:**

Did the Department of National Health and Welfare conduct any studies relating to the illegal use of drugs and, if so (a) were any of them conducted by a person or persons outside the Department and, if so, what is a list of the name or names of all such persons (b) on what date will the studies be completed (c) at what cost?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of National Health and Welfare): Yes. In January/February, 1983, the Department of National Health and Welfare carried out a survey of use and attitudes towards marijuana, alcohol and tobacco among Canadian young people. About one third of this study related to illegal drugs.

(a) Yes, the study was conducted under contract by the Canadian Gallup Poll Ltd. (b) The study was completed in March, 1983. (c) The total cost of the entire study was $73,000.

ABORTION COMMITTEES IN CANADIAN HOSPITALS

Question No. 513—**Mr. Howie:**

On the last date for which information is available, to the knowledge of the Government how many Canadian hospitals had abortion committees, and how many did not?

Order Paper Questions

Mr. Russell MacLellan (Parliamentary Secretary to Minister of National Health and Welfare): The Committee on the Operation of Abortion Law (appointed by the Privy Council, September 29, 1975 and chaired by Robin Badgley) issued its report which indicated that 271 hospitals had established therapeutic abortion committees by the end of 1976. The report also noted that 288 hospitals did not establish therapeutic abortion committees even though they were eligible to do so. These 559 eligible hospitals were viewed in the report against the total number of non-military hospitals in 1976 which was assessed at 1,348.

The latest data obtained from Statistics Canada (Institutional Statistics Section) pertains to 1982. In this year there were 1,218 non-military hospitals in Canada of which 261 maintained therapeutic abortion committees. No information is available on the number of non-military hospitals that were eligible for such committees in 1982.

HYDROGEN AS AN ENERGY FUEL

Question No. 545—**Mr. Howie:**

Are any studies or research projects now under way relating to the use of hydrogen as an energy fuel?

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): I am informed as follows:

In so far as the Department of Energy, Mines and Resources is concerned: The Federal Government supports a number of studies and research projects relating to hydrogen as an energy fuel. These are funded through the Inter-departmental Panel on Energy Research and Development. EM&R directly supports work in hydrogen/air fuel cell research at CANMET (Canada Centre for Mineral and Energy Technology) with an annual funding of $600,000.

In so far as the National Research Council is concerned: The national research and development program on hydrogen is managed by the National Research Council and is supported by National Energy Program funds. The amount spent in 1983-84 was $4.5M. This was almost entirely spent on work outside the National Research Council through a system of directed contracts. A status report of the program has been issued in a National Research Council publication number 21081, April 1983, entitled "Hydrogen and Energy Storage, Federal Energy R&D Program."

Considerable world-wide interest also exists in hydrogen energy. Canada participates in task-shared programs of the International Energy Agency and chairs the International Energy Agency Executive Committee on hydrogen.

In so far as the Natural Sciences and Engineering Research Council is concerned: The total expenditures for 1983-84 for research projects relating to the use of hydrogen as energy fuel are:

Operating Grants	$ 54,017	(4 grants)
Strategic Grants	255,009	(6 grants)
PRAI (Project Research Applicable in Industry)	55,475	(1 grant)
Total	$364,501	(11 grants)

In so far as Transport Canada is concerned: Transport Canada recently completed a Hydrogen Bus Project contracted to Urban Transportation Development Corporation. The project report, dated June 30, 1983, is entitled "Hydrogen Fuel Cell for High Capacity Buses". Transport Canada also recently completed a study of the use of hydrogen in fuel cells contracted to the University of Toronto. The project report, dated January, 1983, is entitled, "To Study Canadian Fuel Cell Development Strategy: Definition of Fuel Cell Design Macro Parameters and Selection of Design Concepts (1981-82)". No other studies are currently under way.

[*English*]

Mr. Speaker: The questions as enumerated by the Hon. Parliamentary Secretary have been answered.

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

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I would ask that all notices of motions for the production of papers be allowed to stand.

Mr. Speaker: Shall all notices of motions for the production of papers be allowed to stand?

Some Hon. Members: Agreed.

• (1510)

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed from Tuesday, June 12, consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs; and Motion No. 1 (Mr. Robinson) (Burnaby).

Mr. Speaker: First, the Chair would like to make a ruling on a point raised by the Hon. Member for Edmonton West (Mr.

Lambert). Then the Chair would like to hear argument on the point of order stemming from the remarks made by the Chair yesterday.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, yesterday, if you will note, I indicated to the Deputy Speaker that I might wish to add further remarks before there was a ruling. At that time, I had an indication that in 1970 your predecessor, Mr. Lamoureux, had discussed this matter. He had not made a ruling, I say with the greatest respect to Your Honour. Our former colleague from Crowfoot objected at that time to committee reports being one month late, which was frustrating the work of the Agriculture Committee in drafting reports and in considering legislation. The then Hon. Member for Lotbinière, who was Leader of the Social Credit Party, had also indicated that, because of that Party's representation in the House, members of his Party were not members of many committees and, therefore, could not participate in the discussion of legislation because the committee reports were so far behind. I am not alleging that committee reports are far behind now. At that time the delay was one month. If one refers to the discussions at the time, in May of 1970, one finds that I raised a question with regard to the Finance Committee and the tax proposals which we were then considering.

I take it this way. First of all, yesterday, those of us who are not members of the Standing Committee on Justice and Legal Affairs had no knowledge of the amendments, discussions or attitudes taken by the members of the committee, including the government Members. We are as entitled as any other individual. Every Member of the House has the right to examine and speak. That right must be protected by the Chair.

It has been seriously suggested sometimes by administrative officials and others that Hon. Members can go into the administrative catacombs of the House of Commons, to the committee section, and look at the "blues", which are the typescripts that may be on file, or they may use the telephone. Sir, I reject out of hand the notion that these are facilities available to Members to enable them to do their jobs properly.

Few, if any of my colleagues, could deal yesterday with Bill C-9 and the amendments which were put forward at report stage. May I say that the rules specifically provide that a committee report shall be filed and that within 24 hours before the debate is taken up on that report, Members have the opportunity of putting amendments. How can they learn of amendments if they were not members of the committee and if they have no printed reports? How can they possibly introduce any amendments? Any Member has the right to introduce an amendment. It is not limited to a specific Member, to the critic or to someone else from the Party. This is the right of every Member of the House. It is on that point that I raised this matter yesterday.

I fully understand that, perhaps, today I am in an academic situation because the four delinquent reports which were missing yesterday were delivered to my office this morning. That is all very well. That has dealt with that situation as of now, except for this: The debate having started on report stage, Members are precluded from introducing any further amendments, which they have the right to do. However, they did not have the information because the committee report—the evidence—was not available to them.

This situation may arise again on another Bill in which we are at present interested. Sir, I serve notice right now that I will watch this situation very carefully. It is my contention, and this was the intention of the procedure committee of which I was an integral member in 1969. The House procedure was changed with respect to sending legislation to committees and with respect to Bills being reported back by the requirement that a 48-hour time period elapse between the presentation of the report and the commencement of any debate. It also provided for a 24-hour period with regard to amendments.

It was patently clear at that time that the committee chairman's report would have to contain the evidence. Reference to that was made in the report. It is not sufficient, particularly with this Bill when a stack of documentation which is perhaps two feet high if not more is tabled with a committee report. It is appended, it is included and it should be there. I repeat that it is not satisfactory. As a matter of fact, I would almost term it a sort of self-serving cop-out for anyone to suggest that Hon. Members could have reference to the typescripts which exist somewhere in the committees branch, or that one could resort to the telephone and make inquiries from a clerk in the committees branch in order to find out the necessary information.

I submit that I have a true point of privilege with respect to my ability to work as a Member in this House. That ability is being impeded and infringed upon by the non-availability of the printscipts of committee evidence which accompany a chairman's report on a Bill.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, my comments will not be lengthy, however, I wanted to rise in support of my colleague, the Hon. Member for Edmonton West (Mr. Lambert). As we all know, he is a former Speaker—one of your predecessors in the Chair—to whom I pay a lot of attention, as we all do.

I wanted to make an additional observation with respect to the circumstances in this particular case. It will make the point made by the Hon. Member for Edmonton West even more germane and appropriate as a question of privilege. In this particular instance, the circumstance which developed was unprecedented in committee history, to my knowledge. Only those Members who attended the committee sittings had direct knowledge of and access to the information. The only way in which the rest of us could have had an opportunity to determine what had transpired, would have been if we had received a transcript of the proceedings of the committee. The Chairman of the Standing Committee on Justice and Legal Affairs, who ultimately submitted his report with respect to the deliberations of that committee, in fact unilaterally moved to impose—without any authority under the rules—closure on the debate within the committee.

The point which is being made is that in normal proceedings in which there is no controversy or limitation on the part of

Members to debate amendments, that is one situation. That is bad enough. However, when time allocation was imposed unilaterally by the chairman,—a distinguished Member of Parliament, whom I respect and admire as a colleague—I believe that was wrong in this instance. I find, under those circumstances, a situation which very seriously limits the ability of Members of the House of Commons to carry out their responsibilities.

● (1520)

If there had been full and unfettered debate in committee, we could, perhaps, rest assured that all the motions for amendments at report stage could have been dealt with by representatives of the Parties at committee. However, we did not have an opportunity of seeing how far the debate went. It was limited to five minutes or ten minutes for interventions with respect to each of these amendments. There was a severe and strict time limitation placed on them.

I brought this to your attention, Mr. Speaker, to show you what happens and what some of the difficulties are which arise when the Government rushes ahead to bring in legislation before we have had a full opportunity of carrying out, as parliamentarians, our right to file motions for amendment. I brought to your attention what has transpired with respect to amendments which were tabled in time, last Friday, by my colleague, the Hon. Member for Vancouver South (Mr. Fraser) with the Journals Branch of the House of Commons. And what happened? The Journals Branch made a decision to deal with the very plentiful amendments and proposals put forward by the Hon. Member for Burnaby (Mr. Robinson).

Mr. Nystrom: He is a good Member.

Mr. Hnatyshyn: The Hon. Member for Yorkton-Melville (Mr. Nystrom) says he is a good Member. What he did was to take all his amendments from committee, dump them in the laps of the people in the Journals Branch and say, "Fix them up and put them into proper form so they will be available for the Order Paper". I can understand the feeling of frustration of the people in the Journals Branch after receiving that kind of order. My colleague, the Hon. Member for Vancouver South, on the other hand, worked hard and long to make sure that his motions—I believe that to be the case—were in proper order so that they could be accepted by the Journals Branch and by the Table, by way of motions for the Order Paper, with very little attention necessary. There was a lot of work which went into the motions for amendment of my colleague, the Hon. Member for Vancouver South.

Mr. Robinson (Burnaby): Point of order.

Mr. Hnatyshyn: The point which I am making now, Mr. Speaker—

Mr. Robinson (Burnaby): Point of order.

Mr. Speaker: We are on a point of order. The Chair cannot hear an interruption of one point of order by another point of order. The Chair will attempt to hear systematically and in sequence Hon. Members dealing with points of order. The Hon. Member for Saskatoon West has the floor.

Mr. Hnatyshyn: Thank you, Mr. Speaker. To make a long story short, Mr. Speaker, what happened was that our motions, which were put in by my colleague, the Hon. Member for Vancouver South, were just simply not dealt with by the Journals Branch. We were informed that it did not have enough man hours or time in which to deal with these matters. So they were somehow arbitrarily put over. They appeared in the Votes and Proceedings on the subsequent day, which was Tuesday. They were dated Monday.

So this had two consequences. First, as I pointed out to Your Honour, by virtue of that decision by the Journals Branch, had the Government decided to move on Monday—which is its right, I suggest to you, and I pointed out the authority under our rules—to proceed with this business on Monday, we would have been precluded from having the motions or amendments on that day. That did not transpire. However, I say to you, Sir, that this is endemic—

Mr. Speaker: With all due respect to the Hon. Member for Saskatoon West (Mr. Hnatyshyn), the Hon. Member for Edmonton West (Mr. Lambert) has made a very specific point. The Hon. Member for Saskatoon West has got something else out of his system, but he is not really dealing with the point made by the Hon. Member for Edmonton West.

Mr. Hnatyshyn: I was just getting to that. I was just clearing my throat.

Mr. Speaker: The Chair will deal with the Hon. Member for Burnaby as soon as the Hon. Member for Saskatoon West has concluded his remarks.

Mr. Hnatyshyn: Thank you, Mr. Speaker.

The point I am making, Mr. Speaker—and I wanted to get this in perspective because I feel there is an analogy in terms of what my colleague, the Hon. Member for Edmonton West, suggested here—in terms of the privileges of Hon. Members of the House of Commons, is that in order to deal with any Bill which comes before us, we should be able to be assured of our complete and absolute rights as independent Members of Parliament. Part of that involves, of course, having access to the transcripts of committees which dealt with the legislation in question. I say to you, Your Honour, that the reason I raised this other matter is that it was another situation in which, it seems to me, we were very close to having our rights prejudiced in carrying out our duties as Members of Parliament by virtue of the Government bringing in this legislation before there was a full and adequate opportunity, administratively, for officials of the House of Commons to have carried out their responsibilities with regard to committee transcripts and to have dealt with motions sent to the Journals Branch on time and in proper form.

I simply conclude, Mr. Speaker, by saying that there are very few instances where legitimate questions of privilege arise, and they deal with circumstances, as you well know,

where there is clear and unequivocal evidence of Hon. Members of the House of Commons being somewhat limited or thwarted in carrying out their responsibilities. Sometimes these are external circumstances where people actually prevent other people from coming to the House of Commons. However, it is equally serious when we are prevented from carrying out our responsibilities as Members of Parliament by virtue of the fact that we do not have the information, or the administration is not up to providing us with information on legislation. Therefore, we do not have all the facts in our possession in order to deal adequately with the legislation before us.

I simply say in conclusion, Mr. Speaker, that I believe the point made by the Hon. Member for Edmonton West is a most valid point. I believe it is one of which we should be cognizant in terms of this piece of legislation and any subsequent legislation which comes before the House.

Mr. Speaker: I recognize the Hon. Member for Durham-Northumberland (Mr. Lawrence) next, followed by the Hon. Member for Burnaby (Mr. Robinson) on this point of order.

Mr. Lawrence: Mr. Speaker, you have invited argument on an intended ruling you will make. I may not speak on exactly the same point of order.

Mr. Speaker: Let me get things straight. The Hon. Member for Edmonton West has raised a very separate and distinct point of order on which I was going to rule. The Hon. Member for Edmonton West wished to present further argument, which I have heard. The Hon. Member for Saskatoon West more or less intervened on that point. I am quite prepared to hear argument relating to the other matter at an appropriate time. Is the Hon. Member for Burnaby prepared to intervene on the matter raised by the Hon. Member for Edmonton West?

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I rise in support of the question of privilege which has been raised—I believe it is a question of privilege. It certainly touches the privileges of all Members of Parliament.

Mr. Speaker: It has been raised as a point of order. I have not been asked to make a prima facie finding of privilege. It has been raised by the Hon. Member initially as a point of order and it has been considered by the Chair as a point of order.

Mr. Robinson (Burnaby): I am sorry. It was my understanding that it was raised in the context of privilege. I wanted just to take a brief moment to support the question of order or privilege which has been raised by the Hon. Member for Edmonton West (Mr. Lambert) because, of course, it goes to the very foundation of the consideration of this legislation which is before the House at the present time. I would note, as the Hon. Member for Saskatoon West, the distinguished House Leader of the Official Opposition, has already pointed out, that this particular report and the proceedings of the committee in these circumstances were extraordinary. It was at ten o'clock on Friday morning, Mr. Speaker, that the committee proceedings on Bill C-9 adjourned. For the previous two days, the committee had considered a series of amendments with strict limitations and, I might add, unprecedented limitations with respect to time. So the committee concluded its deliberations, Mr. Speaker, at ten o'clock on Friday morning, and at twelve o'clock, or shortly thereafter on Friday afternoon, the chairman of the committee tabled what purported to be the report of the committee.

I would note, as has already been suggested by the Hon. Member for Edmonton West, that it was only late last night—and I was in my office at the time the proceedings were circulated—well after six o'clock, that Hon. Members of this House in fact received the transcripts in both French and English of four separate meetings of the Standing Committee on Justice and Legal Affairs with respect to this Bill.

I would note as well that, pursuant to Standing Order 79(2), all amendments made in any committee shall be reported to the House. I certainly did not see the exact form of the report which was submitted to the House, but nevertheless—

Mr. Speaker: With all deference to the Hon. Member, I do not believe the facts are in dispute, as he is setting out. The issue before us is whether it is proper for the House to proceed with the legislative stages of a Bill in the absence of the committee evidence being distributed in the usual printed form. That is the matter before the House. Will the Hon. Member please direct his remarks to that problem?

• (1530)

Mr. Robinson (Burnaby): Certainly, Mr. Speaker. As the Speaker is well aware, it is certainly the practice that proceedings of the committee are appended to the report of the committee so that Members attempting to draft amendments within the very strict time limits imposed will have some ability to do so. The circumstances are in many ways extraordinary. There is the unprecedented nature of the ruling in committee which resulted in the tabling of the report some two hours after the deliberations of the committee had been concluded. It was only last night that the transcripts of the committee proceedings were made available to all Members of Parliament. It was difficult, even for those of us who sat on the committee, to follow the somewhat tortured proceedings. Given all that, if there is to be an observance of both the spirit and the letter of the Standing Orders, Members such as the Hon. Member for Edmonton West should be given a further period of 24 hours within which to submit their amendments.

I note that we are on Motion No. 1 and I assume there will be some discussion on the Speaker's preliminary ruling with respect to the grouping of amendments. But that would not preclude the granting of what I consider to be the very important right of all Members of this House to submit amendments. A period of 24 hours should be granted so that the Hon. Member for Edmonton West and others who wish to peruse the transcripts of the committee—

Mr. Speaker: The Hon. Member is arguing for a change in the Standing Orders. The Standing Orders are quite clear about the period of time in which amendments may be pre-

sented. The concern which the Hon. Member for Edmonton West raises is the possibility of the House proceeding at report stage in the absence of transcripts. That is the very narrow point to which the Chair will address itself at this time.

Mr. Robinson (Burnaby): Mr. Speaker, let me say in conclusion that I fully support the point made by the Hon. Member for Edmonton West and I note that this is a precedent which should not be allowed to stand, particularly given the relatively short time limits for the submission of amendments. Those reports should be accompanied by the full transcript of the proceedings of the committee. I have suggested to the Speaker one means of ensuring that Members of this House, having perused the committee minutes, would be entitled to submit amendments. It is within the Speaker's powers to grant an order which would remedy what is clearly a flawed procedure, to assist Members of the House in peforming their duties of oversight of such an important piece of legislation.

Mr. Peterson: Mr. Speaker, very briefly, the Hon. Member for Burnaby (Mr. Robinson) has been arguing that he has not had enough time and that he needs a 24-hour extension. To me he is arguing, first of all, that he has not been assiduous, or he has not had the intelligence to do his homework in that period of time, neither of which points he would be prepared to admit to.

Mr. Yurko: Mr. Speaker, besides speaking to the point of order I think it is appropriate that I bring out at this time more than just a point of order, in fact, my relationship to this Bill.

Mr. Speaker: Will the Hon. Member please resume his seat? The Chair wants to make it very clear that there is a point of order raised by the Hon. Member for Edmonton West. The Chair has been prepared to rule on that point and has heard further arguments. At this stage the Chair is not prepared to hear arguments on anything other than the very specific point of order raised by the Hon. Member for Edmonton West.

Mr. Yurko: Before addressing myself to that point of order, Mr. Speaker, I just wanted to ask you if time will be available immediately afterwards to raise another matter which has concerned me considerably?

Mr. Speaker: Obviously after this point of order is decided, the House will be the master of its own fate concerning how its business will be handled. Obviously Hon. Members will have an opportunity to raise points of order as they are deemed appropriate.

Mr. Yurko: Mr. Speaker, maybe I could just make a few points—

Mr. Speaker: Will the Hon. Member at this stage please address himself strictly to the point of order of the Hon. Member for Edmonton West.

Mr. Yurko: I will, Mr. Speaker. In my view, this Bill is of extreme importance, second only to the constitutional Bill. I have tried to get a transcript of the committee proceedings for a number of days so I could acquaint myself, as an independent Member, with the discussions in committee and some of the amendments proposed.

Mr. Speaker: The facts are very clear concerning the availability of transcripts. They were available yesterday, and sometime after six o'clock last night all the remaining transcripts were available, not before. The facts are not in dispute. The question is: Can the House proceed at report stage with the transcripts not being available? That is the issue.

Mr. Yurko: That is exactly the point I was trying to make, if you would just give me a few seconds. I have been trying to get those transcripts for days. They were not available until last night.

Mr. Kaplan: He just said that.

Mr. Hnatyshyn: But he is an independent Member. He has a good point.

Mr. Yurko: They are voluminous. It is not possible to go through them in a matter of a few hours or days. I am simply saying that the suggestion that perhaps we should have another 24 hours is a good one, and I recommend that you give it serious consideration, Mr. Speaker.

Mr. Speaker: The Chair would like to thank the Hon. Member for Edmonton West and other Hon. Members who have participated in the discussion concerning the point of order relating to the publication of proceedings of the standing and other committees of the House.

May I briefly state that the issue raised by the Hon. Member is not new. He himself raised it before, on March 17, 1983. Frequently, Bills are reported with amendments by committees on the same day as they are adopted in committee. That was the case last Friday, and some of the proceedings and evidence of the standing committee to Bill C-9 were not yet available at 11 a.m. in their usual printed form. The Hon. Member for Edmonton West objected because he claimed there was "no proper printed record". The Hon. Member for Lanark-Renfrew-Carleton (Mr. Dick) raised the question as to whether the debate could proceed since some issues of the committee proceedings were not available from the joint distribution branch.

First, let me say that the verbatim record was available in both languages on Monday morning through the Clerk of Committees or through the Journals Branch. Issues Nos. 38, 39, 40 and 41, in their usual printed form, were delivered to the offices of all Hon. Members last night. The Chair had intended to inform Members of the time the printed issues would be available before Private Members' Hour, but it took some time to obtain that information from the Printing Bureau. Normally, the proceedings of committees on Bills have first printing priority after the Order Paper, Votes and Proceedings and *Hansard*. I am sure that Hon. Members will

understand that that in itself is a problem of some magnitude. However, may I reassure the Hon. Member that both the reprint of Bill C-9 and the entire committee proceedings related to that Bill were available to Members, albeit not in their usual printed form. In the circumstances, Bill C-9 was taken up for consideration at the report stage at the first opportunity allowed by the Standing Orders.

If a reprint of the said Bill had not been available or the proceedings of the committee had not been available, the Chair would certainly have informed the House and sought direction. The rules are silent on the form of publication. The Chair hesitates to rule that the proceedings and evidence of a committee must be in their usual printed form before debate on a Bill can proceed. Indeed, the decision to print is a power that belongs to the committees. Could it be argued that, if a committee decided to sit *in camera* and not to print its evidence, debate on a Bill could not proceed in the House at report stage? What if a printing were delayed by a natural disaster or strike? This is a question the Procedure and Organization Committee may wish to clarify when it meets, for the Standing Orders offer little guidance to the Chair.

• (1540)

There is, however, a precedent. I quote Mr. Speaker MacNaughton on March 17, 1965, as reported at page 12479 of *Hansard*: He said:

> The basic question is whether or not a bill in the House of Commons can be discussed, asssuming that the evidence has not been completely finished in its English and French printing. I have made a search of the records since confederation, and there is no case that says that a bill in the House of Commons which is up for discussion cannot be proceeded with until the evidence has been filed. If we were to accept the suggestion of the hon. member for Lapointe (Mr. Grégoire), emotionally pleasing as it may be, nevertheless procedurally in my opinion it would be completely wrong, and would establish a very bad precedent.

That is a ruling of Mr. Speaker MacNaughton.

The Chair would like to make one or two observations at this point. First, there has been an attempt to improve the printing of committee reports. The delays have been very substantially reduced. The Hon. Member for Edmonton West referred to delays of up to a month. I can remember that when I was first elected to the House that was far too usual a practice. Thanks to modern technology and improvements—I would like to think in the administation—the delays have now been reduced.

The present occupant of the Chair is sympathetic to the argument and the concern. I might add that I have not been in a rush to make any final decision, bearing in mind that these transcripts were not available. They were available sometime after six o'clock last night. I feel a little more comfortable about it. However, I really do feel uncomfortable when Hon. Members do not have the transcripts. However, I am guided by the precedent of Mr. Speaker MacNaughton. I am guided by the fact that the rules are silent as to the form of printing.

In the circumstances, I have to reject the point of order of the Hon. Member for Edmonton West following the decision of Mr. Speaker MacNaughton. For now the Chair will continue to ensure that, in these unusual circumstances, the manuscripts are made available to those who ask for them through the Clerk of Committees or the Journals Branch.

I can assure Hon. Members that every effort will be made to ensure that transcripts are available promptly in order that we can avoid this kind of situation. However, I can give no assurance that there will not be occasional situations. I understand that the major problem was a breakdown of a piece of printing equipment over the weekend at the Queen's Printer. However, we are conscious of the need for making the transcripts available with the absolute minimum of delay.

Mr. Lambert: Mr. Speaker, in your consideration of this problem, would you take into account the fact that when Mr. Speaker MacNaughton made his ruling the rules did not apply as they do today? There was not a 48-hour and 24-hour requirement. That did not apply, and therefore I object to—

Mr. Speaker: I have the Hon. Member's—

Mr. Lambert: I did not address this point.

Mr. Speaker: I have the Hon. Member's point. The point of the Hon. Member concerns whether it is irregular for the House to proceed without the written transcript. I have dealt very narrowly with that question. I am aware that there is the additional question of the time in which amendments can be placed on the Table. Surely this is a matter in which the Chair will have to have some guidance from the Procedure and Organization Committee of the House. In the present circumstances the Chair is bound by the interpretation of the Standing Orders as I have indicated today.

Mr. Hnatyshyn: Mr. Speaker, I sincerely appreciate the sympathetic view that Your Honour takes with respect to this matter. On the basis of your very extensive experience as a Member of Parliament, I think you appreciate some of the frustrations that are experienced. I am sure that Members on all sides of the House will understand that our purpose is to ensure that we are fully able to carry out our responsibilities and to discuss matters in a proper and informed way.

Now that you have made your ruling, it is not my intention to comment further on it. Are we now proceeding with our presentations with respect to your preliminary statement of yesterday?

Mr. Speaker: At this stage the Chair will invite argument relating to the preliminary statement which I made yesterday. As indicated, the Chair has delayed as long as it seemed reasonable to do so. I hope Hon. Members are now prepared to make their arguments. The Chair will recognize the Hon. Member for Saskatoon West (Mr. Hnatyshyn).

Mr. Yurko: Question of privilege.

Mr. Speaker: The Hon. Member for Edmonton East (Mr. Yurko).

Security Intelligence Service

Mr. Yurko: Mr. Speaker, I rise on a question of privilege which I think must be addressed at this time before you begin discussing the previous matter.

Mr. Speaker: If the Hon. Member is raising a question of privilege he must give notice in writing, unless it arises immediately out of proceedings of this day.

Mr. Yurko: Mr. Speaker, I gave notice—

Mr. Speaker: What is the Hon. Member's question of privilege?

Mr. Yurko: Mr. Speaker, I gave notice to you on June 8.

Mr. Speaker: The Hon. Member sent me a written notice. I called the question of privilege and the Hon. Member was not in his place that day. In fairness, the Hon. Member must observe the rules of the House.

Mr. Yurko: Mr. Speaker—

Mr. Speaker: Will the Hon. Member please sit down? The Hon. Member gave written notice to the Chair of a question of privilege. That day the Chair very conscientiously called the Hon. Member for Edmonton East on the matter of which he had given notice. He was not in his place. The Hon. Member for Edmonton East.

Mr. Yurko: Mr. Speaker, you will recall that I walked up to you on that day and spoke to you privately about whether such a motion could be brought forward that day. You advised me that there was no way under the rules that you could deal with that question of privilege in the House on a matter which occurred in committee. That is why I was not in my place to brint it forth that day. Since the transcripts were tabled last night for the first time, this is my first opportunity to bring forth a question of privilege. I shall read to you Section 75 of Beauchesne.

Mr. Speaker: Let us have it very clear.

Mr. Yurko: I shall read section 75.

Mr. Speaker: I am sure the Hon. Member will resume his seat. The Chair can take notice of a matter of privilege reported by a committee to the House. The Chair does not look behind proceedings of committees. To that extent, committees are masters of their own fate. The Chair advised the Hon. Member that it would be difficult for the Chair to find a prima facie case on the basis of the argument that he had put forward. That was by way of a preliminary indication to the Hon. Member. If the Hon. Member is suggesting that he can now raise—

Mr. Yurko: Yes I can.

Mr. Speaker: —a question of privilege based on a communication of June 8 to the Chair, the Chair is saying that that communication is no longer valid.

Mr. Yurko: Well—

Mr. Speaker: On what basis does the Hon. Member for Edmonton East rise?

Mr. Yurko: Mr. Speaker, I rise on the basis of Citation 75 of Beauchesne. I would like to read it very quickly. Citation 75 reads:

> Many of the privileges of the House extend also to its committees. They may exclude the public from their meetings and commonly do so, particularly while considering their reports to the House. Members not on the committee may be requested to leave but cannot be forced to do so. Committee reports and the verbatim transcripts of committee hearings are documents published under the authority of the House and are entitled to the same absolute privilege as House documents. Extracts from committee documents enjoy the same qualified privilege as extracts from House documents.

Mr. Speaker, I am simply saying that I had to wait before raising my question of privilege, of which I gave you notice, until these documents were in fact available to the House. These documents were available last night. Under this citation of Beauchesne I can now bring forth my question of privilege.

Mr. Speaker: The Hon. Member totally misconstrues Beauchesne. The privilege relating to committees and the reports of committees does not relate to the matter which he indicated to me in his communication. However, if he wishes to make one further attempt to relate his question of privilege to the quotation he has put forward, the Chair will listen briefly. There are limits in terms of how far the Chair can be tolerant of an argument which so far is not very persuasive.

● (1550)

Mr. Yurko: Mr. Speaker, I will try to be as fast as I can in making my point of privilege. I simply point out that once the documents came available to this House, then the point of privilege I raised in committee, which was dealt with by the chairman of the committee, makes it possible for me now to raise the point in the House. I have waited—

Mr. Speaker: The Hon. Member can only raise that point if the committee so reports. This is the essential part that has escaped the Hon. Member. The report of the committee did not relate to any matter of privilege in the course of its proceedings.

Mr. Yurko: It did, Mr. Speaker. The verbatim transcript has this statement in it:

> The Chairman:—

Mr. Speaker: Order, please. The transcript of a committee is not a report of a committee. Will the Hon. Member for Edmonton East please be quiet for a moment? A report of a committee is a report. The transcript of proceedings is another document and it is not a report.

Mr. Yurko: Let me say again, Mr. Speaker, that Beauchesne says:

> —the verbatim transcripts of committee hearings are documents published under the authority of the House and are entitled to the same absolute privilege as House documents.

I am simply saying, Mr. Speaker, that the verbatim transcripts are considered under Citation 75 of Beauchesne to be

subject to the privileges of this House. It is very specific. There is no doubt about Citation 75. Until I have those transcripts in my hands, it is not possible for me to raise the question of privilege which I brought to your attention on June 8. Now they are available, as of last night, it is possible for me to bring you my question of privilege in accordance with this citation found in Beauchesne. Am I permitted to put before you, Sir, my point of privilege on the basis of Citation 75 or am I not? If I am not, then indeed an independent Member of this House is a second-class citizen of this House. He is not a Member like all other Members.

Mr. Speaker: The argument about the status of an independent Member is an argument on its own merit. The argument relating to privilege in committee is a very specific argument. Let me quote again Citation 76 from Beauchesne's Fifth Edition: It reads:

> Breaches of privilege in committee may be dealt with only by the House itself on report from the committee. Thus should a witness refuse to attend, or refuse to give evidence, the committee must report that fact to the House for remedial action.

The Hon. Member is raising some point and the Chair will hear his argument. The Chair has serious concern. First, I think in fairness, the Hon. Member should have given the Chair notice today if he was going to raise it now. Notice given last week does not relate to Wednesday of the following week. I am not prepared to accept that as a precedent in any way. In view of the Hon. Member's serious concern—and the Chair is quite aware that there are difficulties for independent Members in relation to committees—I am prepared to hear a question of privilege. Will the Hon. Member please argue a very specific question of privilege and indicate what he wants by way of a *prima facie* finding and what kind of motion he would put?

Mr. Bill Yurko (Edmonton East): I thank you very much, Mr. Speaker, for your understanding of my problem in relation to Beauchesne's Citation 76, which I understood when you told me what the problem was on June 8. You told me that night. Therefore, I referred back to Citation 75. It is now under Beauchesne's Citation 75 that I am raising a point of privilege rather than under Citation 76. It says very specifically that transcripts once they are available from a committee are indeed documents of the House upon which privilege can be raised. That is why I am doing it today.

Mr. Speaker: It reads "entitled to privilege", not upon which privilege may be raised. There is a difference.

Mr. Yurko: Then, Mr. Speaker, very briefly I will try to put my question of privilege to you as fast as I can. I thank you for the opportunity.

Some Hon. Members: Hear, hear!

Mr. Yurko: I had appeared in committee and made a statement on Bill C-9. As I have said repeatedly, my view as an independent Member of this House is that Bill C-9 is the most important single piece of legislation dealing with the future, substantively into the future, that this House has had before it during this entire session. I consider the procedures followed in committee to be extremely important in dealing with this Bill. I went to the committee and I made a pretty substantive statement there. Then I was appalled, Mr. Speaker, several days later, after a ruling was made by the chairman, to receive a copy of the ruling not from the chairman of the committee and not from members of the committee, but from someone outside of the committee. The ruling of the chairman limited debate. I understand it is his prerogative to do so. But in limiting debate, he did several things to independent Members who sit in this House. I do not mean just me. There may be 20 independent Members in this House. Indeed, the Social Credit Members, and there were six in the last session, were literally classified as independent Members. They were not a recognized Party. That ruling of the chairman is unprecedented.

Before I touch briefly on the ruling, I would like to read what the chairman said when I put my point of privilege before that committee. Here is what he said. "You refer to Mr. Allmand and he is an alternate member of this committee, and in this regard that is why my ruling took him into account. I admit that your privilege might have been breached as a Member of Parliament. However, as the redress does not lie at this point in this committee, but in the House—" The chairman says "in the House". The chairman continues "I welcome the fact that you have brought this matter to our attention so that you then can bring it to the attention of the full House and ask the Speaker either to rule on it or to refer it back to the appropriate Table, which I suspect would be the Committee on Privileges and Elections".

That is the statement made by the chairman of that committee in ruling on my point of privilege. He has advised me to bring the matter here before you. This I did under the citation in Beauchesne which makes it possible for me to do so.

What was that ruling that is so totally offensive to an independent Member of this House? Let me suggest to you, Mr. Speaker, that the chairman recognizes the right of the three Parties in this House to participate in the debate on the various amendments. But there is absolutely no way that an independent Member could come to that committee and participate in any way in a discussion on those amendments.

Second, the chairman ruled that a non-member of that committee, Mr. Allmand, could bring forth amendments in committee on this Bill. But no such privilege was given to an independant Member of the House. In fact, I was not even advised.

Mr. Speaker: Order, please. The Hon. Member has engaged in debate. At this stage the Chair wants to make it quite clear that the Chair is not bound by statements of a committee chairman. The Chair is not bound.

Second, the Hon. Member is claiming privilege, and the method of claiming privilege is to argue for a prima facie case, and an indication of a motion to be moved, and to that I direct the Hon. Member's attention.

Mr. Yurko: Mr. Speaker, when I have finished what I have to say, that is exactly what I intend to do. I intend to do what the committee chairman suggested, that is, that perhaps the matter should be referred to the Standing Committee on Privileges and Elections. That is exactly what I intend to do. I have not finished my case, and I would like to be permitted to make it because I think it is extremely important. If I have no appeal to this place, to where do I appeal as a Member of Parliament when my privileges have been massively interfered with and indeed abridged? To where do I appeal if not to the House? That is what I am doing.

• (1600)

As I indicated, I feel very strongly that the ruling strips me totally as an independent Member of Parliament from active participation in dealing with clause by clause consideration of Bill C-9 in committee. Furthermore, I find it strange that when these amendments are brought before the House they should be grouped in such a way that no opportunity whatsoever is given to me to dwell on any specific amendment. In 10 minutes I cannot deal with 96 amendments or whatever the number is in terms of their grouping.

Mr. Speaker: In fairness to the Hon. Member who has been in the House some time, there are 175 amendments. The grouping of the Chair related only to proposals which would have simply cancelled the clauses one by one. Would the Hon. Member please deal with the problem before him? The question of the grouping of the amendments before us is surely a different matter.

Mr. Yurko: Mr. Speaker, that may be so, but in my view it is not. When amendments are grouped as you have indicated in your statement—

Mr. Speaker: The Chair is not prepared to hear argument on the grouping of amendments at this stage. The Chair has indicated that it will hear argument at a later point on a preliminary ruling. If the Hon. Member does not choose to deal with this matter of privilege, the Chair will have to pass on to someone else. For the last time, would the Hon. Member deal with the matter of privilege? The question of grouping can be dealt with later this day.

Mr. Yurko: What I am trying to set before the House is that my privileges in committee were abridged and that those same privileges should not be abridged in this House. Those privileges were abridged in committee, and I am simply trying to suggest that on the basis of any ruling in dealing with amendments, one would think that you would give serious consideration to independent Members of the House. If their privileges were abridged in committee in dealing with amendments, surely the same procedure would not be used in the House.

Mr. Speaker: If the Hon. Member thinks that he can force a clause by clause discussion in the House of Commons at report stage because he was not able to have it in committee, then he is mistaken. He does not have the right to force a clause by clause discussion in the House at this stage. If the Hon. Member has a complaint about the conduct of a chairman of a committee, then the proper procedure is for him to put on the Order Paper a motion of censure against a chairman of a committee. This is not privilege.

Mr. Yurko: Therefore, I move the following motion:

That the ruling of the chairman and the subsequent events of the Standing Committee on Justice and Legal Affairs as a result of that ruling which abridged the privileges of a Member of Parliament in a very serious way be referred fully to the Standing Committee on Privileges and Elections for consideration.

Hon. Allan Lawrence (Durham-Northumberland): Mr. Speaker, I would just like to speak to one very narrow point in respect of the Hon. Member's question of privilege. Certainly it must be obvious to the House that I hold no brief for the ideals, philosophy, affiliation or non-affiliation of the Hon. Member. However, I think there is one point which concerns me. I hope I am misinterpreting some of the words of the Chair. In rising at this time on this one very narrow point, I am really seeking clarification, obviously a correct clarification.

I would hope that the interpretation of what the Chair is saying now would not be misinterpreted in the future, to the extent where a Member of the House could not stand in his place in this House and raise a question of privilege about a committee hearing or the proceedings in a committee solely and simply because there was no reference of those particular circumstances in the report of the committee to the House.

Let me go to the one extreme here. For instance, suppose an Hon. Member, like the Hon. Member who has just resumed his seat, went to a committee hearing and the committee or its chairman ordered his removal from the committee. I would think, Your Honour, that there would be two courses of remedy which that particular Member would have. In my view, he would either be able to come back to the House to move a motion of censure against the chairman or against the committee collectively, or certainly it would be his option, when the debate took place on the report of the committee, even though there was no reference to the activity within the committee, to raise his question of privilege.

In many, many instances when we get to more minor offences relating to questions of privilege, I would think the occupant of the chair in the House of Commons would reach for the easy solution and say: "I have no way of knowing what occurred within the committee until the committee reports". That has been done. With all respect, Your Honour, that has been done by the present occupant of the chair many times in relation to Members of the House who wanted to raise a question or a point about what went on in committee. Surely the option, especially when we are dealing with a matter of privilege, should stay with the Member who felt he had a grievance in relation to his privileges to wait until report stage of the matter in the House is reached, and he would then still be able to raise the matter even though it was not contained in the report.

I am not too sure just what is the Hon. Member's point. I think his point was that he was unable to raise certain points

within the committee which he felt he had a perfect right to raise. Surely that is almost as serious a grievance as the physical removal of an Hon. Member from committee. If he is denied the opportunity to speak in committee, then he might as well not be there. If he is denied the opportunity to speak because he is physically thrown out by an abrupt or arbitrary chairman—and I am not saying that that was the case here—obviously he has a very real grievance and a very real question of privilege. However, I would think that in some cases, perhaps more minor cases, the Speaker of the House of Commons would be able to rely on the time worn excuse, quite rightfully, that he has no knowledge of what went on in committee and would have no knowledge of what went on in committee until report stage was reached. Simply because those circumstances are not referred to in a report should not deny the Hon. Member an opportunity of raising his question of privilege at the time when report stage is reached. Obviously in many cases these matters, as is the case before us, would not be dealt with in the report of the committee.

Mr. Speaker: The Hon. Member for Durham-Northumberland (Mr. Lawrence) has raised some very fundamental points. What is the right of a Member to participate when he is not, by a decision of this House, a member of the committee? It is the House which decides membership. It is not for the Chair to go behind that decision.

It is quite clear what the precedents are with relation to people who are not members of committees who raise questions of privilege. The precedents are abundantly clear. I have one decision of Mr. Speaker Jerome on May 20, 1975. Mr. Stevens, the then Hon. Member for York-Simcoe, rose on a question of privilege to allege that during a meeting of the Standing Committee on Finance, Trade and Economic Affairs, convened to consider Estimates for the purchase of Canadair, the Chairman, the Hon. Member for York Centre, (Mr. Kaplan), now the Solicitor General, and certain other members of the committee were deliberately obstructive. Mr. Stevens moved that the matter be referred to the Committee on Privileges and Elections. The next day the Chairman of the Committee, the Minister now in the House, rose on a question of privilege to deny the allegations of the Hon. Member for York-Peel. He explained that the conduct described as obstruction involved his refusal to put the Estimates to a vote without a quorum. He then moved that this ruling, made in his capacity as chairman, be referred to the Standing Committee on Privileges and Elections. The issue: Does an apparent obstruction on the part of a committee chairman constitute a breach of privilege. Decision: The issue raised is not a breach of parliamentary privilege. Mr. Speaker Jerome made it very clear that there is a well established practice that the Chair "ought not to sit as a court of appeal in respect to the proceedings in the standing committee".

● (1610)

This is the position of the Chair. The other matter which was raised by Mr. Speaker Jerome was as a matter of principle. One committee of this House should not be asked to sit in judgment of another committee. In this case the motion which is indicated is that if the Chair would find a prima facie case of privilege, the Hon. Member for Edmonton East would move that at once the Standing Committee on Privileges and Elections should judge the conduct of another committee. That has been an unacceptable principle right from the beginning of our Parliament. Committees have not been placed in that position. Therefore, in the circumstances the Chair cannot find that there is a prima facie case of privilege for referral to the Standing Committee on Privileges and Elections and denies the point of privilege.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I want to ask you to reflect overnight, if you would, on the question of whether the Privileges and Elections Committee would be entitled to review a legitimate point of privilege in which it was established prima facie that a Member's privileges had been breached by the conduct of a committee of the House of Commons. If a Member's privileges have been breached, then they have been breached. If you can prove a prima facie case, then surely the only place—

Mr. Speaker: Order. This is the reason why the practice of the House has been that a committee itself should report a matter and ask that a matter be decided. This is the reason for that procedure established within the House. There appears to be a misunderstanding about this. The Chair can only take note of matters of privilege in a committee when the committee reports to the House that there is a question of privilege to be examined.

This is the position in which the Chair finds itself, rightly or wrongly. The Chair cannot go behind the practice of the House, which is well established, with relation to committees. Behind it all is the question of how the House establishes its committee membership. When the House establishes committee members, what are the rights of other Members who are not members of committees? This is the issue which the Hon. Member for Edmonton East is raising. He is not a member of the committee and he is raising the question of his rights to participate in the proceedings of a committee of which he is not a member.

Mr. Lambert: No, no.

Mr. Speaker: Please. The Hon. Member for Edmonton West (Mr. Lambert) has not been recognized. The Chair will now invite argument relating to the observations that were made.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I would like to make some remarks, as I indicated in a preliminary way yesterday, and place certain observations on the record with respect to the preliminary ruling that you delivered yesterday morning. I do not propose to dwell on the question of the procedural acceptability of the motions filed by the Hon. Member for Burnaby (Mr. Robinson). I am sure that the Hon. Member for Burnaby will want to deal at length on that particular matter on his own.

Having said that, I would like to pause for a moment to review your remarks with respect to the motions that the Hon. Member for Burnaby filed for the purpose of deleting individual clauses of the Bill. In your remarks, you suggested that the cumulative effect of affirmative votes on these motions would be to kill the Bill. You went on to state that for that reason you proposed to group the motions, both for the purpose of debate and for the purpose of voting. If you take the position that motions standing on the Notice Paper should be considered not for the specific effect that they might have but for their cumulative effect, you could very easily determine that every motion moved by all Members should be placed in one group for debate and that a vote on one motion would be sufficient to dispose of all other motions.

The Hon. Member for Ottawa Centre (Mr. Evans) says "good". I find that an unfortunate and dangerous frame of mind in a free and democratic parliamentary institution. I am sorry that he takes that attitude. I hope it is not reflected by members of the Liberal Government because it would indicate a jackboot mentality, especially when we are talking in terms of this legislation, that I find unacceptable.

What your preliminary ruling suggests is that the traditional understanding of separate motions constituting separate questions is no longer valid; that it is the view of the Speaker that the occupant of the Chair should no longer be restricted to grouping relating or consequential amendments, but can group motions without regard to the specific thrust or purpose of each motion. This would be an unprecedented ruling and would, in my view, undermine the right of Members to move such motions and be heard in this place. It is simply not possible to make an argument in support of each of the motions that you propose to include in group one in the course of ten minutes which Members are given for debate on this grouping. The effect of your ruling, therefore, would be to restrict the right of debate unduly.

By grouping the motions in the manner proposed, you would not be serving the House by reducing repetition or enhancing relevance in debate. Instead, you would be introducing a form of time allocation, something better left to the Government, because it, at least, can be held responsible for its actions in causing legislation to be rushed through the House without proper consideration.

As the distinguished occupant of the Chair, I would hesitate to place you in the position where you would be involved in any suggestion of a political consideration with respect to time allocation. The Standing Orders provide the Government the opportunity to come forward and, if it sees fit and is prepared to take the political heat, move time allocation. There is no question. I am concerned that Your Honour may be put in a position, by virtue of denying full opportunity for debate on motions, or at least dealing with the groupings in such a way that they are related to topics of unnecessarily restricting debate on important legislation.

With respect to point number two in your preliminary ruling, Mr. Speaker, I submit that the suggestion that Motion No. 3 proposes to add to the Bill by way of a substantive amendment to the interpretation clause, is founded on a misunderstanding of what is being attempted by my colleague, the Hon. Member for Vancouver South (Mr. Fraser). As you will be aware, Mr. Speaker, the Hon. Member has filed a series of motions, the objective of which is to bring the security service under the control of the Royal Canadian Mounted Police. Motion No. 3 does not stand on its own but is consequential to these other amendments.

In other words, if the Hon. Member were to be successful in causing his proposal to be accepted, then it would be necessary to amend the interpretation clause to reflect that change. Thus, Motion No. 3 should be considered in context with Motion No. 11. Motion No. 11 is dealt with in point four of your preliminary ruling. You cite Beauchesne's Fifth Edition to the effect that motions which would reverse the principle of a Bill as agreed to at second reading are out of order, as I understand your preliminary ruling.

I think that it is important that the question of what constitutes the principle of a Bill be addressed at this point. I would point out that Citation 712 of Beauchesne's Fifth Edition indicates that the principle of a Bill is not limited to these specific matters touched on in the Bill. Indeed, in Citation 712, Beauchesne notes the following:

● (1620)

> The stage of second reading is primarily concerned with the principle of a measure. At this stage, debate is not strictly limited to the contents of a bill as other methods of attaining its proposed objective may be considered. This stage is coupled with an Order to commit the bill.
>
> (3) In committee—In committee the details of a measure are the primary objects of consideration with alterations in its provisions being proposed. Amendments must be compatible with the principle of the bill which the House has affirmed on second reading.

It is clear that the principle of a Bill is not confined by the clauses contained therein while second reading is under way. Does that principle become more restrictive once the Bill has passed second reading? Reason suggests not. Our rules make no provision for amemdments to the clauses or schedules of a Bill during second reading debate. Therefore, it must be left to the committee stage to modify the clauses of the Bill to better reflect the broad principle of the Bill. If the committee is unsuccessful in this task, then this work must be undertaken in the House at report stage. That is the situation we are faced with today.

The principle of this Bill is not to create a civilian security service but to create a Canadian security service. What could be more clear in this respect than the title of the Bill? The title of Bill C-9 is as follows:

> An Act to establish the Canadian Security Intelligence Service, to enact An Act respecting the enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto.

The broad principle of a Bill is established by its title. This fact is outlined in Citation 703(1) of Beauchesne's which, under the title. "Form of a Bill", reads as follows:

> Although there is no specific set of rules or guidelines governing the content of a bill, there should be a theme of relevancy amongst the contents of a bill. They must be relevant to and subject to the umbrella which is raised by the terminology of the long title of the bill. Journals, May 6, 1971, p. 532.

(2) Some of the constituent parts of a bill are essential; some are optional. The title is an essential part; the preamble is not.

By suggesting, as you do in your preliminary ruling, Mr. Speaker, that any amendment which would alter provisions contained in the Bill as introduced so as to cause the agency to be brought under the responsibility of the RCMP is out of order is to state that no amendment would be acceptable and that the principle of a Bill rests not with its broad objective but with its specific provisions. In my view, such an interpretation is not consistent with our practices.

The question that you must ask when attempting to apply Citation 773(5) of Beauchesne's is this: Will the RCMP control, negate or reverse the principle that a Canadian security intelligence service should be created? The obvious answer to that question is no. Indeed, the fact that the committee felt that it was within its competence to consider such an amendment should be a compelling argument in favour of the acceptability of the motion at this stage and at this time.

For the reasons that I have just outlined, therefore, I would ask you to reconsider your preliminary ruling that Motion No. 11 and the motions that are consequential to it are out of order. These amendments as proposed are, in the words of Citation 712(2), "other methods of attaining (the) proposed objective" of Bill C-9.

Within that grouping, Mr. Speaker, you have included Motion No. 53 as listed on the Notice Paper as being entirely consequential to Motion No. 11. However, the Hon. Member for Vancouver South filed three separate motions, which were rewritten by the Journals Branch and consolidated into one motion. The fact is that had the Hon. Member's original drafting been left untouched, only one of the proposed motions would have fallen into the category of motions which are consequential to Motion No. 11. The other two proposed motions dealt with quite separate issues and should be allowed even if you rule that Motion No. 11 is out of order.

With respect to Motion No. 49, which is also partially consequential to Motion No. 11, I suggest with the greatest of deference, Sir, that your preliminary ruling is incorrectly based upon Citation 428(2). Citation 428(2) deals, as you know, with the question of the acceptability of amendments. What we have before us today, Mr. Speaker, are report stage motions—and I underline the word "motions"—which have the effect of amending a Bill but which are nonetheless separate questions laid before the House. Therefore, it would be more correct to cite Citation 424(5) which contains the same observations with respect to motions. However, Citation 424 also contains other important observations. Citation 424 reads as follows:

(1) When a Member hands a motion to the Speaker after having spoken in support of it, the Speaker may, before putting the question to the House, make such corrections as are necessary or advisable in order that it should conform with the usages of the House. Journals, April 28, 1924, pp. 186-8 . . .

(3) It is the Speaker's duty to call the attention of the mover and of the House to the irregularity of a motion; whereupon the motion is usually withdrawn or so modified as to be no longer objectionable. If the motion is of such a nature that objection cannot be removed, the Speaker may refuse to put the motion to the House. He treats it as a nullity.

(4) The Speaker has the unquestioned authority to modify motions with respect to form. Journals, April 28, 1924, p. 186.

Thus, Mr. Speaker, you would seem to have the opportunity to correct the problem that may exist in Motions Nos. 49 and 53 in the event that you rule Motion No. 11 out of order. It would be a fairly simple task for you to exercise your authority to make any such corrections as might be required to bring the non-consequential portions of those motions into conformity with the usages of the House. In any event, you have the authority to correct the editorial decision undertaken by the Table with respect to Motion No. 53.

I might add, Mr. Speaker, that the editorial changes made by the Table could have been caught in time had the decision not also been made to not print the motions of the Hon. Member for Vancouver South on the day on which they were received. I alluded to that earlier. This resulted in their appearing on the Notice Paper on the same day as they were to be taken up in the House.

In conclusion, I would like to say that Your Honour is of course bound by the precedents, but there is an element of reasonable discretion in terms of the application of these strict rules. You sit as the first commoner and, as you have often stated yourself, you are a servant of the House. We are faced with an unusual set of circumstances here. I comment only on matters of which you will have received notice of the proceedings.

The motions that have been put by my colleague, the Hon. Member for Vancouver South, have all received attention during the committee stage and were all addressed at some length in second reading debate. If I may be permitted to say so, these motions do not introduce any new or novel propositions which have heretofore not been the subject of the consideration of this Parliament and of this House of Commons. Indeed, these propositions have been matters of such enormous interest and controversy that they have been the items upon which the main lines of battle have been drawn between the government Party and the members of the Opposition and they have been debated vigorously. Your Honour is aware of these facts.

I simply say that these motions are responsible, germane and relevant. My colleague has included in his motions propositions, for example, with respect to the whole question of the review of the Canadian security agency.

● (1630)

In your preliminary ruling, Mr. Speaker, you put the proposition that a parliamentary committee should be established to perform an overview or oversight responsibility on the Canadian security agency. That is something which is a new and novel proposition, and therefore it is not acceptable. In looking at the Bill from my perspective, it is a Bill which creates a Canadian security agency. The Solicitor General, who is a Minister of the Crown, has carried this Bill, as is his responsibility. He has devoted about 75 per cent of his time talking about the review capacity within the legislation. He has argued that the proposals which he has put forward with respect to—

Mr. Kaplan: Separation.

Mr. Hnatyshyn: I am talking now about the amendment which was proposed by my colleague from Vancouver South (Mr. Fraser) with respect to a parliamentary oversight committee.

The Minister has contended—and we disagree with him—that this Bill consists of the creation of a security agency over which there will be enormous powers of review. For our part, we had the temerity to suggest that a committee of the House of Commons should be involved in that review process. Mr. Speaker, to suggest such an amendment is a startling departure from the principle of review I think would be difficult to sustain. I think this is a method of review which, in a free and democratic society, should be available. We should have the ability, armed with special powers, to scrutinize the activities of the agency. It is not because it is a House of Commons committee, but rather because it adds another dimension to the review of the agency. It is another protection of the civil liberties of Canadians, another protection for the people of Canada.

I believe that the motions which have been put forward by my colleague from Vancouver South cannot be considered as specious. They are propositions which have been put forward seriously. The basis upon which they have been put forward is that they have been debated, proposed and discussed in the course of all stages of the Bill. We have not as yet been able to convince the Government of the rightness of what we have proposed, as being proper amendments to this legislation. To be denied the opportunity at report stage, having regard to the fact that there has been time allocation imposed, I believe would not be understood by the average Canadian citizen.

I am proposing to you, Mr. Speaker, on a very solid legal basis, what I hope is a strong argument for you to accept the motions of my colleague. This is a political institution. As Speaker, you have notice of the interest there is in this country with respect to these issues. I think the Chair should exercise its discretion in favour of a full and free discussion of the issues which are of concern to Canadians.

When I addressed my preliminary remarks, I indicated that I was concerned about the very restrictive nature of your ruling. All of us who have had the opportunity to practice in the courts of this land understand the concept of equity. It is on that basis which I appeal to Your Honour. Equity dictates the emotions and the proposals which were put forward by the Hon. Member for Vancouver South and they should be accepted. I think you will find that will expedite the consideration of this legislation as opposed to causing any undue delay.

Mr. Speaker: The Chair will hear one representative of each of the Opposition Parties. Then the Chair will hear other Members. The Hon. Member for Burnaby (Mr. Robinson).

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I have had an opportunity carefully to—

Mr. Fraser: On a point of information, Mr. Speaker.

Mr. Speaker: Does the Hon. Member for Vancouver South (Mr. Fraser) have a question which he wishes to put to the Chair?

Mr. Fraser: Mr. Speaker, I understand the good sense of going to the other Party. However, I would hope the Chair is not suggesting that I will not be able to speak to this matter.

Mr. Speaker: No. The Chair has indicated that it would first hear one representative of each Party and then it would hear other Members. There is no intention on the part of the Chair to deny Hon. Members an opportunity to be heard on a matter as fundamental as this. The Hon. Member for Burnaby.

Mr. Robinson (Burnaby): Mr. Speaker, as you have indicated, we are dealing with a very fundamental question as to how we will approach debate at report stage on a most important piece of legislation, one which touches upon the most fundamental questions of civil liberties and the privacy of Canadians.

In prefacing my remarks with respect to the Speaker's preliminary ruling, the discussion on the legislation which we are dealing with today is attempting to arrive at an appropriate means of proceeding. I recognize that that is what the Chair has sought to accomplish as a means of facilitating orderly debate and ensuring that there will not be a repetition of the clause by clause debate which took place in committee. I fully understand that objective and it is one which is proper and appropriate at this stage of the proceedings. It is in that context that I will attempt to couch my remarks.

I must note, in determining how we will proceed at this stage of our deliberations, that I believe it to be appropriate that the Chair should take note of what took place in committee. I think it is proper for the Chair to consider that in determining what is a fair and equitable basis for proceeding in the House at report stage.

The Chair made a number of suggestions yesterday, I suppose out of frustration as much as anything else, to the effect that perhaps some Hon. Members were attempting to delay. I would like to assure the Chair that our objective in this Party is to have full and informed debate on the very fundamental issues which arise from this legislation. We are not attempting in any way to delay orderly debate on the legislation. I would note that it was only as a result of the introduction of a motion of closure, which would have denied any further debate in committee, and which was proposed by a member of the governing Party, that I felt it necessary, in order to preserve the democratic structure of the committee, to engage in what was unquestionably a dilatory tactic in committee. I would emphasize, Mr. Speaker, that that was following the tabling of the motion of closure by the Parliamentary Secretary to the Solicitor General (Mr. Gourde).

We are prepared to approach this debate in a spirit of good faith and in the spirit of giving reasonable consideration to the very fundamental questions which are raised. In that light, as I have indicated, it is appropriate that the Chair consider the

proceedings which took place in committee. I know that the Speaker is aware of the fact that the chairman of the committee has felt it necessary to submit his resignation because of the unusual and, indeed, unprecedented circumstances which arose at that time. The chairman indicated that he felt he had no alternative but to effectively impose closure, despite the fact that Standing Order 82 makes provision for closure not just in the House but also in committee. Surely, that would have been the appropriate means of bringing debate to a conclusion at committee stage, rather than the chairman taking the law into his own hands.

I would remind the Chair of the length and nature of the consideration of clauses in this legislation. Consideration took place on Wednesday nights, Thursday mornings, afternoons and evenings, and again on Friday mornings. We considered the clauses of this Bill on a clause by clause basis as well as the amendments to the legislation.

● (1640)

With respect to the time constraints in that committee, the Speaker is very much aware of the fact that the mover of an amendment had two minutes to indicate the basis for that amendment, and other parties represented on the committee had one minute to respond, a total of five minutes with respect to most clauses, although there were some greater provisions of time for more controversial clauses. Nevertheless, I emphasize that by the time we arrived at eleven o'clock on Thursday night, after having sat all day, the chair—

Mr. Speaker: With all due respect to the Hon. Member, the Chair is prepared generally to accept argument, or a recital of facts relating to committee, but the issue before us is a group of amendments and, with all due respect to the Hon. Member, the Chair would invite him to direct his remarks to the way in which the amendments should be grouped.

Mr. Robinson (Burnaby): Yes, Mr. Speaker, I was attempting to lay a foundation for my remarks with respect to the grouping of amendments by noting that the procedures in committee were most restrictive indeed, and where there is any question as to the full and adequate consideration of the merits of the clauses in question, the Chair should surely err on the side of full debate and not on the side of restriction.

Mr. Speaker: With all due respect, again, to the Hon. Member, the Chair is hardly in the position of looking behind a committee report and passing judgment on proceedings within a committee. Committees are masters of their own fate. However, the Chair is very anxious to have the argument of the Hon. Member concerning matters relating to the preliminary ruling which the Chair made yesterday. Would the Hon. Member assist the Chair by indicating in what respects he agrees or disagrees with the preliminary ruling?

Mr. Robinson (Burnaby): Yes, Mr. Speaker. I believe I have made my point with respect to the unprecedented nature of the committee proceedings and the unfortunate denial of full debate in the context of the committee, a denial which led to the chairman of that committee feeling he had no alternative but to resign.

With respect to the question of the grouping proposed, and the admissability of the motions which are dealt with, I propose to respond to the Chair's preliminary ruling in the order in which the Chair has in fact made suggestions to the House. I appreciate the time which we have had to consider this question. As the Chair is well aware, the matters are not capable of speedy resolution. However, we have had an opportunity to consult and consider and, Mr. Speaker, I will attempt to respond to the points in the order in which they have been submitted to the House.

I would, as a preliminary question, Mr. Speaker, just ask whether the Chair does at this point have a preliminary ruling with respect to the motions which are numbered in sub-paragraph (10), or whether the Chair intends to make a preliminary ruling on that at the conclusion of the proceedings?

Mr. Speaker: The Chair has indicated the procedure. Yesterday I indicated the matters in which I have come to preliminary conclusions. I am inviting argument on the matters mentioned yesterday. With respect to the remaining items in the Bill, all of them, again I will follow the same procedure. I will give my preliminary findings and give Hon. Members an opportunity to consider them and make argument again. Then there will be the final decisions.

Mr. Robinson (Burnaby): Thank you, Mr. Speaker. I will then confine my remarks to paragraph 1 through paragraph 9 in the Speaker's preliminary ruling. First, with respect to paragraph 1 dealing with the motions to delete which I submitted, motions seeking to delete separate clauses of the Bill as well as the schedule, the Chair suggests that the cumulative effect of affirmative votes on those motions would be to kill the Bill. Thus, in the opinion of the Chair they must all be disposed of together. The Chair suggested they be grouped for debate with a vote on Motion No. 1 disposing of all the remaining motions to delete the clauses and schedule of the Bill.

I would submit, Mr. Speaker, with respect, that this exceeds what would be appropriate in considering some separate elements of a complex piece of legislation. The Chair suggests that by virtue of the cumulative effect of these motions to delete, the Bill in fact would be "killed"—to use the words of the Chair—and that is good reason for lumping them together. However, Mr. Speaker, I suggest, with respect, that given the very stringent limitations on time at report stage—and that is understandable because we are not under the rules of committee where there is unlimited time for debate and we deal on a clause by clause basis—we do not want to rehash everything that has gone on in committee. Nevertheless, the purpose of submitting these motions of deletion was by no means to suggest that there should be a separate debate and separate vote on each and every motion of deletion. However, Mr. Speaker, what I was intending, having reviewed the provisions of Beauchesne and the Standing Orders carefully, which do clearly permit motions to delete, I felt it was appropriate to err

on the side of caution and to submit motions to delete in the full knowledge and understanding that such motions would in fact be grouped by subject matter.

That is what I understood the role of the Chair would be after having, of course, consulted with the officers at the Table. It would be to consider the broad subject matter which is dealt with by the motions to delete; then to group them accordingly for debate.

However, if your honour examines the subject matter of the motions to delete, it is virtually impossible, in fact entirely impossible, in the course of a ten-minute speech to deal with such disparate elements as the management of the service; the question of the nature of intrusive warrants under the Act; the role of the oversight committee; the question of the handling of complaints with respect to the service; an entirely separate part on security offences; a series of consequential amendments; and a provision with respect to collective bargaining rights for employees in the service. There are six, seven or more fundamentally different areas which can certainly not be disposed of by one vote and certainly not, Mr. Speaker, appropriately or adequately dealt with under the provisions of one motion to delete, that is, Motion No. 1.

I would note, and I would draw to the attention of the Chair, two rulings by former Speaker Jerome with respect to the question of motions to delete. I am sure the Chair has considered these. However, I believe in the context of this question of grouping that it is appropriate that they be brought to the attention of the House.

First, there was a ruling of May 11, 1977 by Mr. Speaker Jerome with respect to the question of demanding a division of a Bill. The Chair will recall the controversy surrounding the omnibus Bill on the Criminal Code. At that point there was some suggestion that the Bill should be divided. The Chair, in rejecting that suggestion, suggested that instead of dividing the Bill, the device which was open to Hon. Members for that purpose was a motion to delete pursuant to Standing Order 75(5), as it then was.

I would like to quote—I am sorry, Mr. Speaker; I just wanted to ensure I have the full attention of the Chair for this particular point. This is a quote from the ruling of—

Mr. Speaker: In case the Hon. Member has any doubt, the occupant of the chair will carefully read the transcript. Will the Hon. Member please proceed?

Mr. Robinson (Burnaby): Thank you, Mr. Speaker. In the ruling of May 11, 1977 with respect to a motion to delete, Mr. Speaker Jerome said:

> The motion allows a Member to isolate those sections of a bill which he feels ought not to be amended or ought to be voted separately, without offending the principle of the bill.

That was the purpose of what may have been an admittedly somewhat awkward decision to submit motions to delete to each clause. However, the purpose of that was to ensure that the separate sections of the Bill would be voted separately pursuant to the ruling of Mr. Speaker Jerome on May 11, 1977—

Mr. Speaker: Will the Hon. Member please indicate to the Chair just what he thinks the Chair should do, just exactly how they should be grouped, because the Chair is inviting specific comments? The Chair has listened patiently. The Hon. Member may have had some doubts as to whether the Chair is listening. The Chair wishes to assure the Hon. Member it is doing its very best to listen, but is waiting for very specific comments from the Hon. Member in terms of what should be done.

Mr. Robinson (Burnaby): Yes, Mr. Speaker. I have just one final reference with respect to—

Mr. Kaplan: Tell us how they should be grouped.

Mr. Deans: He is going to tell you, if you will wait.

Mr. Kaplan: He has been speaking for 15 minutes. He has not said anything.

Mr. Deans: Are you going to bring in a security service and stop him?

Mr. Speaker: The Hon. Member for Burnaby (Mr. Robinson) has the floor.

Mr. Deans: Bring the Minister to order, Mr. Speaker.

Mr. Speaker: Will the Hon. Member for Hamilton Mountain (Mr. Deans) please be quiet. His colleague, the Hon. Member for Burnaby, has the floor.

• (1650)

Mr. Robinson (Burnaby): Mr. Speaker, just one final reference with respect to the question of grouping.

Mr. Speaker: Order, please. The Hon. Member for Burnaby (Mr. Robinson) has the floor. Will the Hon Member for Hamilton Mountain please be quiet. His colleague, the Hon. Member for Burnaby, has the floor.

Mr. Robinson (Burnaby): On June 29, 1976, Speaker Jerome dealt with the question of motions to delete. He said that even if the fundamental principle of the Bill appears to be contravened by a motion to delete, because the Standing Orders make provision for this it "appears to give them a sanctity that does not extend to other motions". The relevant provision is as follow:

> It seems to be going far too extensively beyond the Standing Orders to suggest that, because the effect may be in some or in their collectivity—

And I emphasize that:

> —or in their collectivity to change the principle of the Bill, every Member who wants to put down a motion to delete at this stage ought to be deprived of that right.

In this particular instance it was a one-clause Bill and the motion was to delete the clause from the Bill, which obviously

went to the heart of the Bill. It would have killed the Bill, yet that procedural opportunity was not denied the Member.

The purpose of proposing these motions to delete was to facilitate the work of the Chair in grouping relevant subject matters. The Chair has proposed instead that in one ten-minute speech Members should cover the whole range of subjects dealt with by the motions to delete. I note the contents of the Bill are set out at the back of Bill C-9 and I have used that as the basis for the broad subject matter to be dealt with. First, we are dealing with Clause 1, which has given us an opportunity for general discussion. I suggest that be disposed of at the conclusion of debate on that motion. Clause 2 is the interpretation clause which could either be dealt with separately or possibly lumped with Clauses 3 through 11.

The second major grouping would be Clauses 12 through 19 dealing with the duties and functions of the service.

Clause 20 stands on its own. It deals with the question of the protection in law of employees of the service. It is not in any way linked to other provisions in the Bill.

Then Clauses 21 through 28 deal with warrants. I was going to break that down, but I think we could deal with them.

Clauses 29 through 33 deal with the role of the Inspector General, and I suggest they should be dealt with and voted on separately.

Clauses 34 through 40 deal with the Security Intelligence Review Committee. They should be dealt with separately.

Clauses 41 through 55 deal with a process for complaints about the activities of the service, and they could be dealt with by way of a separate motion and vote.

Then there are Clauses 56 through 61. There were no amendments proposed to those clauses but it was certainly my understanding and that of other Members that there would be an opportunity to consider them as a separate package. They deal with the enforcement of security and related offences and surely we cannot be expected to do justice to those provisions in the course of a ten-minute debate on all other elements of the legislation.

There are a couple of other groupings and I think this would adequately respond to the need for debate. The question of Clauses 56 through 61 is illustrative of my point. They in fact constitute a separate Act. They were the subject of extensive debate in committee and under the Speaker's preliminary ruling they were to be lumped in with everything else.

I do not see any difficulty grouping virtually all of the consequential amendments in Clauses 62 through 71, 73 through 78, and 87 through 92.

I submit there are just three other areas which should be grouped separately. One is Clause 72 which deals with whether or not the new service should have the power to open first-class mail. That should be the focus of separate debate.

Clauses 79 through 86 deal with proposed amendments to the Immigration Act. These should not be lumped in with a discussion of the powers and duties of the Review Committee or the question of the warrants. These amendments touch on the Immigration Act itself and I suggest they be dealt with separately.

Finally we have Clause 93 which would stand on its own. It deals with the very sensitive question of collective bargaining rights for employees of the service. I emphasize that that is not dealt with in any other provision. I suppose it might be grouped with those provisions in Clauses 3 through 11 dealing with the management of the service. However, I urge that it be dealt with and voted on separately.

Mr. Speaker: Could the Chair ask the Hon. Member if he is prepared to withdraw any of these motions to delete? Does he consider that every single motion to delete should be considered by the House?

Mr. Robinson (Burnaby): Mr. Speaker, if it would facilitate debate on the broad subject matters referred to, I am certainly prepared to withdraw motions to delete. the purpose of the motion was to facilitate the grouping under broad subject matters by the Chair. If it would assist the Chair in permitting grouping of this nature, I would be quite prepared to attempt to review the provisions and remove motions to delete under each of those subject headings. I have no difficulty with that proposal whatsoever.

Mr. Speaker: Perhaps the Hon. Member could communicate with the Table officers and at the appropriate time it might be considered. It appears to the Chair from a preliminary examination that many of the clauses are subject to amendment and also the Hon. Member's deleting. The Chair is simply calling the attention of the Hon. Member to whether it is necessary for the motion for deletion, for his purposes to be considered in every case. That is a matter for the Hon. Member to weigh.

The Hon. Member has not concluded his remarks?

• (1700)

Mr. Robinson (Burnaby): No, Mr. Speaker, I was dealing with the first point. As I have indicated, I am quite prepared to be flexible with respect to the question of the motions to delete. My primary concern is that there must be an opportunity for reasonable debate on the broad subject matter referred to in the legislation.

I note that there are a couple of relevant citations. Section 787 of Beauchesne, which refers to report stage, reads as follows:

> In general, the report stage of a public bill is one of reconsideration of events that have taken place in committee. The consideration of a bill is now a more formal repetition of the committee stage with the applicable rules of debate which are proper when the Speaker is in the Chair. Although amendments which were rejected in committee and amendments attempting to restore the original text of the bill may be proposed, the Speaker's power of selection of motions in amendment is a check upon the excessive repetition of debates—

That is precisely the point that we are attempting to address here. We do not want to repeat clause by clause study. I suggest, Mr. Speaker, that the grouping which I have put forward would facilitate the discussion of the board subject matter of the legislation, which is the purpose—

Mr. Speaker: A number of the amendments would certainly permit that. Again the Chair invites the Hon. Member to consider whether, when a specific amendment is put forward, an amendment to delete is also required.

Mr. Robinson (Burnaby): Mr. Speaker, I certainly will consider that. I will review the motions which have amendments attached as well as motions to delete. I am quite prepared to do that. If the debate can be facilitated by a discussion on the amendment, I am certainly prepared to withdraw any motion to delete on that particular clause. I appeal to the Chair that there are a number of clauses which have no amendments attached whatsoever. The only means of dealing with those particular clauses and that particular subject matter would be by way of a motion to delete, precisely because there are no amendments which deal with the subject matter referred to in that particular grouping.

Those are my suggestions with respect to grouping the motions to delete. I certainly will review the motions in light of the Chair's suggestion. I note as well that the Bill itself is broken into four or five major parts. There is a clear recognition of the fundamental distinction of the different parts. I will attempt to deal with the motions to delete, particularly in the context of those motions which are made to clauses which are the subject of amendment.

That is the proposal which I would make with respect to the grouping of amendments. I strongly appeal to the Chair that there must be some systematic grouping by subject matter. To suggest that one 10-minute speech can deal with all of the diverse subjects which are touched upon in the groupings I have indicated does not do justice at all and is far too restrictive. The votes on those questions are separate elements.

The second paragraph of the Chair's preliminary ruling is with respect to Motions Nos. 3 and 4. The Chair notes that these motions propose to add new features to the Bill by means of a substantive amendment to the interpretation clause, which is out of order. I certainly recognize the citation in question. I suppose this relates to a difficulty which is referred to in Sub-paragraph (7) of the Speaker's preliminary ruling. If indeed the Speaker rules that one sub-paragraph of Motions Nos. 3 and 4 is defective, I appeal to the Chair as to whether that would in fact mean that all elements of that motion are defective.

We are dealing here with the definitions section. There are a number of provisions in Motion No. 3 in the name of the Member for Vancouver South (Mr. Fraser), and in Motion No. 4 submitted in my name, which in no way expand the scope of the Bill beyond that which is permissible. There are a number of sub-paragraphs. As I say, given that this is a definition or interpretation section, I appeal to the Chair to show some latitude in permitting those paragraphs which do not, in the view of the Chair, exceed the bounds of relevance. Those particular paragraphs should be permitted under the scope of Motions Nos. 3 and 4 instead of striking them out entirely.

I will give just one example of what I am referring to. In Motion No. 4 submitted in my name, there is a provision for an expansion of the definition of security assessment which would simply require that the criteria for such security assessments be set out in regulations under the Act, which regulations shall be made public. Clearly that is within the scope of the Bill. I recognize that the Chair has some concern about the concept of the parliamentary oversight committee. However, I would appeal to the Chair, given that this is a definition section, to show some latitude. If the Chair feels it necessary to strike one or more of the paragraphs as attempting, in the words of the Chair, a substantive amendment to the interpretation clause, those other provisions included in other paragraphs should be permitted to stand.

Turning to the third paragraph of the Chair's preliminary ruling with respect to Motions Nos. 5 to 9 inclusive, the Chair is suggesting that these should be debated together. It is also suggesting that an affirmative vote on Motion 5 would dispose of the subsequent four motions, but that a negative vote on Motion No. 5 would necessitate separate votes on Motions Nos. 6, 7, 8 and 9.

I would draw to the attention of the Chair that we are dealing with very different subject matters in Motions Nos. 5 through 9. Motion No. 5 is submitted by the Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand). Motions Nos. 6 through 9 were submitted in my name on behalf of the New Democratic Party. Motion No. 5 would substitute five different definitions of "threat to the security of Canada". There was some debate on that. Motions Nos. 6, 7, 8 and 9 deal with four distinct elements of the definition of threat to security.

Given that, I strongly urge the Chair to reconsider its decision with respect to the grouping of these amendments. At the very least, I suggest that Motion No. 5, which was submitted in the name of the Hon. Member for Notre-Dame-de-Grâce-Lachine East, should be dealt with as a separate motion and that Motions Nos. 6, 7, 8 and 9 submitted in my name be dealt with. If the Chair insists they be dealt with together, so be it, thay can be dealt with together. However, I suggest that to lump Motion No. 5 with the subsequent four motions does not enable us to do justice to the very essential questions which are raised in these motions.

I note as well the suggestion that an affirmative vote on Motion No. 5 disposes of Motions Nos. 6, 7, 8 and 9. With respect, if Motion No. 5 were to be adopted, that in no way disposes of Motions Nos. 6, 7, 8 and 9. Motions Nos. 6 through 9 in fact delete specific elements of the definition of "threat to the security of Canada". These specific elements stand on their own. They are specific paragraphs. As I understand it, amendments can be proposed to Motion No. 5. I would seek some guidance from the Chair on that question because it affects my argument with respect to Paragraph No. 3. As I read the Standing Orders, that is permissible under Standing Order 79(8) which reads as follows:

When the Order of the Day for the consideration of a report stage is called, any amendment of which notice has been given in accordance with section (5) of this Standing Order shall be open to debate and amendment.

As I understand it, it would be entirely in order to propose amendments to the motions of which notice has been given under the provisions of Standing Order 79(8). I do not know whether it is appropriate for me to seek guidance at this point. I may ask the indulgence of the Chair on that point. If that is indeed possible, it would be possible to move amendments to Motion No. 5 which would achieve the objective set out in Motions Nos. 6 through 9.

Mr. Speaker: The answer to the Hon. Member's query is yes, amendments are permitted.

● (1710)

Mr. Robinson (Burnaby): Mr. Speaker, if that is the case, that would facilitate the discussion on Motion No. 5. I would still strongly argue that Motion No. 5 should be dealt with separate from Motions Nos. 6 through 9.

Turning then to Motion No. 11, which is—

Mr. Speaker: The Chair has at this point proposed a certain scheme of grouping. The Hon. Member is giving an argument for an alternative scheme of grouping. It would be possible, the Chair submits, for a number of schemes to be proposed. The difficulty the Chair has is, first, trying to do justice to the Hon. Member's argument, and every effort will be made, but there has to be a decision. There is a element of discretion in the decision. Can the Hon. Member give good reasons why these groupings are better than the suggested ones? Short of being corrected upon reading the transcript—it is not always easy to follow argument—the Chair has the impression that several schemes could be offered on about the same basis. The Chair is then left in a position to choose. If the Hon. Member can give me reasons why the groupings I have suggested are really not satisfactory, it would be helpful.

Mr. Robinson (Burnaby): Mr. Speaker, with respect, that is precisely what I have attempted to do by dealing with the substance of the motions in question. As the mover of a number of motions which the Speaker has attempted to group, and having had an opportunity to re-examine the substance of those motions, I am trying to provide an alternate means of dealing with the grouping of the motions in question, bearing in mind the suggestion of the chair yesterday that Members should in fact review the Speaker's preliminary ruling in the context of the motions which they have submitted. If it is the Chair's opinion that I am not doing that, I apologize. My clear intention is to point out the distinctions with respect to substance on a number of these motions.

With respect to Motion No. 11 which stands in the name of the Hon. Member for Vancouver South, the transcript of the committee will record the fact that I myself did raise some question as to the procedural admissibility of a motion which would maintain the security service under the control of the RCMP. I note the Bill does propose to create an independent service which is not under RCMP control. I think that given the fact there was considerable debate on the question whether or not a service within the scope of the RCMP, but subject to stricter guidelines, would in fact be an alternative acceptable to this House, and I have certainly made my views known on that subject—

Mr. Speaker: The Chair does not wish to be disrespectful to the Hon. Member. I have in mind a citation in Beauchesne and the role of the Chair in the circumstances. From the Fifth Edition of Beauchesne, I quote again Citation 795 (1) and (2) which read:

(1) At the commencement of the report stage of a bill, the Speaker by virtue of S.O. 75(10) may select or combine motions in amendment for debate as he may think fit. At this time, he may also give notice of those motions which are of procedural concern and ask for guidance on their procedural acceptability.

(2) By practice, the Speaker will also decide whether the motions will be voted separately or in groups.

The concern the Chair has at this point is that the Hon. Member appears to be proposing a totally different scheme. The Chair stands to be corrected on reading the record. It would be helpful if the Hon. Member could give an indication that he has a difference of opinion regarding where the Chair has proposed that certain amendments are not acceptable. Would he focus on that? The Chair is anxious to be fair and just. The grouping obviously is at the discretion of the Chair. The Chair is not prepared to argue that the greatest of wisdom in the world resides in the Chair. There is going to be a certan arbitrariness in the grouping and in the decisions as to voting, but the Chair tries to reduce that element to the absolute minimum. But what appears to the Chair to be a totally different scheme at this point presents certain difficulties.

Mr. Robinson (Burnaby): Mr. Speaker, I am certainly not attempting to present a totally different scheme; I am attempting to respond on a point by point basis to the scheme which Your Honour has proposed. I am in no way proposing a scheme which is entirely separate from that.

I am not going to make any further representations with respect to Motion No. 11, other than to indicate clearly that if we are to have a full and informed debate with respect to the fundamental question whether the service should be included within the umbrella of the RCMP and subject to greater parliamentary safeguards and restrictions on powers, then certainly Motion No. 11 standing in the name of the Hon. Member for Vancouver South would facilitate such a debate.

As to the procedural acceptability of that motion, certainly the Chair has made its views known. I believe it would facilitate that debate. I will leave it at that, Mr. Speaker.

With respect to Motions Nos. 13 and 14, paragraph 5 of the Speaker's preliminary ruling, the Chair is suggesting that Motions Nos. 13 and 14 should be grouped for debate, and that an affirmative vote on Motion No. 13 would obviate the need for a vote on Motion No. 14. If there were a negative vote on Motion No. 13, there must be a vote on Motion No. 14.

Briefly, I must note that Motion No. 13 deals with the question of the appointment of the Director of the service who, subject to a certain subsection, has operational responsibility

for the service. That is a motion standing in the name of the Member from Vancouver South.

Motion No. 14 has a fundamentally different objective. Motion No. 14 would require that the Prime Minister, after consultation with the Leader of the Opposition in the House of Commons and the Leader of any Party which has at least 12 members, should appoint the Director and that the Director could only be appointed following such consultations.

Motions Nos. 13 and 14 are totally unrelated and in no way, Mr. Speaker, I submit, should Motion No. 13 be grouped for debate with Motion No. 14. Just to illustrate a somewhat surprising position in which we would be left under the suggestion that an affirmative vote on Motion No. 13 would obviate the need for a vote on Motion No. 14, let me say that an affirmative vote on Motion No. 13 would state that the Director has operational responsibility for the service. Let us assume there is an affirmative vote on that. That in no way, Mr. Speaker, deals with the scope and the objective of Motion No. 14, which calls for consultation before the Director of the service is appointed. I am not sure what the objective of the Chair was in grouping those motions. I hope the Speaker recognises that an affirmative vote on one would not dispose of the other. They are separate points and should be grouped separately and voted upon separately.

Turning to a paragraph 6 of the Speaker's preliminary ruling, which deals with Motions Nos. 15, 76, 84, 117 and 175 on the question of the introduction of the principle of a parliamentary oversight committee into the Bill, the Chair notes that this is a concept which is not in the Bill as introduced or as read a second time, and refers back to Motion No. 4. The Chair suggests it is a new idea which was not contemplated in the Bill as agreed to at second reading.

With respect, Mr. Speaker, this question of the possibility of a role for Parliament in the oversight of the operations of the new civilian security service is a question that was dealt with repeatedly by this House at second reading. It is a question which many Members of the House, including Members of the Opposition, view as being one of the central issues to be addressed in this Bill. Even the Solicitor General suggested that he was prepared to hear debate on the question of parliamentary oversight. He was prepared to hear representations by witnesses with respect to the amendment I was proposing on that question. Indeed, even Members of the Liberal Party were prepared to support the concept of parliamentary oversight.

● (1720)

To suggest that this concept or principle is one which is novel, or one being introduced for the first time, flies in the face of the debate itself. It flies in the face of the fact that this is a concept which was dealt with on many occasions by many speakers from all Parties—not just on the Opposition side of the House but on all sides—at second reading.

I will not take the time of the House to read some of the representations which were made by Hon. Members at second reading on the question of a parliamentary oversight committee.

Mr. Kaplan: Go ahead, read them.

Mr. Robinson (Burnaby): Unless the Solicitor General so insists.

Mr. Kaplan: You want this to last forever. You might as well read them.

Mr. Robinson (Burnaby): I will certainly note that many witnesses dealt explicitly, at the suggestion of the Solicitor General, with the question of parliamentary oversight.

What motions are referred to in paragaraph 6? First, there is a suggestion that before the Director of the new civilian security service is appointed, that appointment must be ratified by the parliamentary oversight committee. Surely that does not go beyond the scope of this legislation. Surely it is not unreasonable to suggest that Parliament should play a role in the appointment of the Director. That, I suggest with respect, flows directly from the Bill itself and from the principles underlined in it.

Similarly, Motion No. 76 suggests that the appointment of the Inspector General must only be made pursuant to ratification by the parliamentary oversight committee, again a function which is essential and which in no way derogates from the underlying principles of the legislation.

Motion No. 117 is the one which explicitly would establish this parliamentary oversight committee. This is the motion which the Speaker suggested went beyond the scope of the Bill. The motion suggests that the report prepared by the Security Intelligence Review Committee—and that Committee is already established in the Bill—on an annual basis, together with any special reports which are prepared, should be referred to a special committee of the House of Commons or a special joint committee which would be established by Parliament for the purpose of engaging in effective and comprehensive oversight of the administration and policies and operations of the service, and they would have access to the information.

That in no way transgresses the principles of this Bill. Indeed, the Solicitor General has argued on numerous occasions that there will be a role for Parliament to play pursuant to the provisions of the legislation. All this is doing is codifying the role that Parliament will play in this essential question of oversight by elected representatives. Therefore, I must take very strong exception to the suggestion that it is somehow beyond the scope of the Bill to include the concept of a parliamentary oversight committee.

There was never any suggestion at committee, either by the chairman of the committee or any member thereof—and I see a number of the members of the committee in the House today—that this concept of parliamentary oversight, which would help to ensure that the committee would not become a political tool in the hands of the government of the day, should not be included. This concept has indeed been adopted in other

jurisdictions such as the United States, West Germany and elsewhere. Certainly this concept is one that should be included. Indeed, Hon. Members of the House should be given an opportunity to debate it at this stage of our proceedings.

For the Chair to suggest, after having given lengthy consideration to this question of parliamentary oversight at second reading, after having invited witnesses to make representations with respect to the role that Parliament will play in oversight and after having had a comprehensive debate on that very question in committee, that somehow down comes the guillotine and we are no longer permitted to debate the question surely is unacceptable if we are to give the Bill adequate scrutiny.

Finally on this question, I would note that there appears to be at least a considerable inconsistency in the preliminary ruling of the Chair. Motion No. 123 which was submitted by the distinguished Hon. Member for Vancouver South reads:

The administration, provisions and operation of this Act shall be reviewed ona permanent basis by such committee of the House of Commons—

Or such joint committee, to paraphrase in the interests of time.

—as may be designated or established by Parliament for that purpose.

Motion No. 117 refers to a committee which would be responsible for engaging in effective and comprehensive oversight of the administration, policies and operations of the service. Motion No. 123 talks about a committee which deals with the administration, provisions and operation of this Act. How is it that my motions, which deal with the essential question of parliamentary oversight, are ruled out of order?

Mr. Peterson: Oh.

Mr. Robinson (Burnaby): I would be prepared certainly to yield to the Hon. Member for Willowdale (Mr. Peterson) if he wishes to speak at this point.

Mr. Peterson: I am going to the garden party.

Mr. Robinson (Burnaby): I would submit that Motion No. 123, which is entirely in order, in effect is on the same point as the motions which have been ruled out by the Speaker.

Turning to subparagraph (7) of the Speaker's preliminary ruling—and I do not have very much more to say on this very important preliminary ruling—it deals specifically with my arguments with respect the procedural admissibility of Motion No. 49. First, I would note that the motions which are consequential to Motion No. 11—Motions Nos. 18, 21 and so on as set out in subparagraph (7)—proposed by the Hon. Member for Vancouver South with respect to the bringing of the service under the control of the RCMP should be considered by the House, just as those consequential motions should be considered by the House.

Motion No. 49, just to refresh the memory of Hon. Members, contains three or four subparagraphs. I would just ask that the Chair exercise some leniency, since it suggested in its ruling that subparagraphs (a) through to (c) are to be ruled out of order. I assume that is pursuant to the ruling on subparagraph 4. Surely the Hon. Member for Vancouver South should be permitted to put the remaining subparagraph (d) of Motion No. 49. That is the paragraph which would require the Attorney General of Canada to report all relevant information to the Attorney General of the province in which the alleged unlawful activity occurred, unless the Attorney General of Canada certified a document. That motion of the Hon. Member for Vancouver South is clearly in order. If the Chair insists on ruling subparagraphs (a) through (c) out of order, certainly this House could proceed to consider subparagraph (d) with respect to the reporting of possible illegal activity.

● (1730)

Turning to the final page of the Chair's preliminary ruling, I will now deal with paragraph 8. This paragraph deals with Motions Nos. 19, 23 and 24. It is suggested in the Chair's preliminary ruling that these motions be grouped for debate, but that they be voted on separately. I have no difficulty with voting on these motions separately, but surely even a cursory examination of the provisions of Motions Nos. 19, 23 and 24 makes it clear that the subject matter of these motions is fundamentally different and distinct. They should not be grouped for debate any more than they should be grouped for a vote.

There are two separate broad subject matters referred to in Motion No. 19 which have been lumped together in the interests of efficiency and time. Motion No. 19 refers to the proposed power on the part of the Minister and requires the Minister to issue policies with respect to the use of undercover operatives by the service, policies with respect to the use of physical surveillance, the training of employees and minimization procedures for warrants issued under the Act.

Second, it would require that a clause be added that the Director shall keep the Minister fully and currently informed of the operations of the service. That clause stands on its own in terms of some requirements for reporting on the part of the service. That is an amendment which was proposed to Clause 6.

Motion No. 23 proposes an amendment to an entirely separate clause on an entirely separate question. How on earth the Chair, with the advice of the Table, saw fit to group a motion which deals with directions that can be given to the service with a motion which sets out various prohibited grounds for discrimination in hiring members of the service remains a mystery. I can only assume that that was done by inadvertence. There is clearly not the slightest shred of linkage between Motion No. 19 on the issuance of directions and Motion No. 23 on a separate clause entirely which deals with the suggestion that there must not be discrimination in the service on the basis of race, colour, national or ethnic origin, religion, sex, marital status, family status, sexual orientation, disability, political belief or conviction for which a pardon is being granted.

With respect to Motion No. 24, which is lumped with these two entirely separate motions, that motion is totally unrelated

to Motions Nos. 23 or 19. Motion No. 24 deals with the collective bargaining rights of employees of the service. How on earth can it be argued that there is any connection whatsoever between a bar on discrimination in the hiring of employees and denial of collective bargaining rights of employees and the kind of directive which can be issued, or the requirement that the Director of the service keep the Minister fully and currently informed of all operations of the service? There is patently no connection whatsoever. I submit those motions should be dealt with separately and voted on separately.

Coming to the penultimate paragraph in the Speaker's preliminary ruling, this paragraph deals with Motions Nos. 31, 32 and 34. The suggestion is that they be debated together but voted on separately. Once again it is important to note—I am not sure if my privileges are being affected by the attire of the Hon. Member for Willowdale (Mr. Peterson), but I will attempt to carry on despite the obvious distraction. Motions Nos. 31, 32 and 34 are to be debated together and voted on separately.

Looking at the contents of Motions Nos. 31 and 32, I have no difficulty with the suggestion of the Chair that they be grouped for debate, although I believe they should be voted on separately. Motions Nos. 31 and 32 both deal with Clause 12.

I would have preferred that Motion No. 31 stand on its own, particularly because it would include an amendment that would ensure that the new security service would not be engaging in some of the dirty tricks that unfortunately brought such discredit to the RCMP security service. That amendment states that it shall not be a function of the service to carry out measures to enforce security. That is a very important amendment which should be debated and voted on separately. In the interest of time, I am prepared to agree with the Speaker's suggestion that it be voted on and debated together with Motion No. 31.

The suggestion that Motion No. 34 be lumped with Motions Nos. 31 and 32 must surely be unacceptable. I see the Hon. Member for Ottawa Centre (Mr. Evans) nodding his head in agreement. Motion No. 34 deals with an entirely separate question. There is a suggestion at page seven that Clause 13(3) be dealt with separately. That clause permits the new civilian security service to enter into agreements or arrangements with governments of foreign states. The Solicitor General admits that the present RCMP security service enters into arrangements with countries that do not even acknowledge the existence of their own security agents.

The suggestion in Motion No. 34 is that we not permit that kind of co-operation with banana republics that the Solicitor General might want to have a cosy relationship with. Motion No. 34 is fundamentally distinct and separate. Indeed, it relates to a separate clause from Motions Nos. 31 and 32. On that basis, I submit that Motion No. 34 should not only be voted upon separately but debated separately as well.

Finally with respect to paragraphs 10 and 11 of the preliminary ruling, I note that the Speaker will be making another preliminary ruling on the motions referred to in those paragraphs.

I have tried to keep these remarks brief. I will have some remarks of similar brevity with respect to the Speaker's preliminary ruling on the other motions. I underline the fact that we are dealing with a Bill which fundamentally affects the rights and freedoms of Canadians. If there is to be full and informed debate on the sensitive questions which have been the subject of such intense public discussion over the years, we as Members of Parliament must have an opportunity to debate them fully in the context of report stage. It is on that basis and in the interest of time that I will take my seat. I hope the Speaker will carefully consider the representations I have made with respect to this preliminary ruling.

Hon. John A. Fraser (Vancouver South): Mr. Speaker, I realize that it is not possible for the same individual to occupy the Chair perpetually throughout a long day and it is no slight to you, Sir, when I say that I regret that Mr. Speaker is unable to hear this argument. However, I am sure that you will pass my comments on to your senior colleague.

• (1740)

An Hon. Member: Have no doubt.

Mr. Fraser: I hear from my colleagues on the Government side that I should have no doubt that my comments will be passed on. I have no doubt about that at all, because of course it will all be recorded. Whether it will all be read is something else again.

Mr. Deputy Speaker: Order. Let me assure the Hon. Member for Vancouver South (Mr. Fraser) that the Chair has many ears and that it is all ears.

Some Hon. Members: Oh, oh!

An Hon. Member: He got a haircut!

Mr. Fraser: Mr. Speaker, your comment has brought forth ribald comment here in the Chamber. I hope for your own dignity, Your Honour, that you did not hear some of the comments that have been made which, of course, have been made in jest.

I would first like to point out that there are about 24 motions which have been put forward in my name on behalf of this Party, all of which propose amendments to Bill C-9. The important thing to remember is that of those 24 motions, only approximately 11 of them are separate motions or motions that stand on their own. It must be clearly understood that a number of the motions which have been put forward are consequential upon another main motion. The motions which are consequential motions are the following ones: Motions Nos. 3, except for paragraphs (f), (g), (h) and (i). At this time I wonder if I could give to the Table a copy of my own amendments with comments. I think this would assist the Table in taking notes throughout this argument.

If the Clerks at the Table will look at Motion No. 3, they will notice that Motion No. 3 contains Paragraphs (a) to (i) inclusive. Paragraphs (a), (b), (c), (d) and (e) are paragraphs which are consequential, as are all of the motions to which I shall refer, to Motion No. 11, the motion directed toward retaining the security service under the aegis of the Royal Canadian Mounted Police.

Now that the Table has the documentation before it, I shall continue to list the motions which are consequential, and they are as follows: Motions Nos. 3, 13, 18, 21, 27, 29, 44, 49, 53 which is a motion which is part consequential and part substantive, 65, 74, 81, 83, 91 and 115. The motions which stand on their own are the following: part of Motion No. 3, as has already been explained, Motions Nos. 11, 32, 49, 53, 62, 68, 79, 94, 123 and 130.

I wanted to list those motions so that I could put this matter into some perspective.

Some Hon. Members: Oh, oh!

Mr. Deputy Speaker: Order, please. May we have order in the House, please. Will the Hon. Member for Willowdale (Mr. Peterson) resume his seat. Order in the House, please. The Hon. Member for Vancouver South has the floor.

Mr. Fraser: Thank you, Mr. Speaker. If you will allow me to continue, I would like to deal with the preliminary ruling made yesterday by the Speaker. I shall turn to page 2 of that ruling and to paragraph 2 thereon. I am not concerned with the reference therein to Motion No. 4, but I am concerned with the reference to Motion No. 3. That paragraphe of the preliminary ruling reads as follows:

> Motions numbered 3 and 4 propose to add new features to the Bill by means of a substantive amendment to the interpretation clause, which is out of order. I refer honourable Members to Beauchesne's 5th edition, Citation 773(10), which states:
>
> "A substantive amendment may not be introduced by way of a modification to the interpretation clause of a bill. Journals, May 21, 1970, p. 835."

Let me put my proposition before you, Mr. Speaker, which deals with Motion No. 3, paragraphs (f), (g), (h) and (i).

Mr. Deputy Speaker: May I appeal to Hon. Members to resume their seats if they wish to have private conversations? The Hon. Member for Vancouver South was recognized.

Mr. Fraser: Thank you, Mr. Speaker. Motion No. 3 purports to amend Clause 2 of the Bill. Clause 2 of the Bill begins with the words "In this Act," and then sets out a number of words which are then defined. It is an interpretation clause. On page 2 of the Bill, still within Clause 2, the words "threats to the security of Canada" appear and then certain things are set out in paragraphs (a), (b), (c) and (d). Those paragraphs are very central to this piece of legislation. When I say central, I mean central because the Bill mandates rules of behaviour and guidelines for a security service. These paragraphs set out the kinds of things that can be investigated by the security force.

Paragraph (a) is fairly simple. It deals with espionage or sabotage that is against Canada or is detrimental to the interests of Canada, et cetera.

Paragraph (b) reads:

● (1750)

> —foreign influenced activities within or relating to Canada that are detrimental to the interests of Canada—

Paragraph (c):

> —activities within or relating to Canada directed toward or in support of the threat or use of acts of serious violence against persons or property for the purpose of achieving a political objective within Canada or a foreign state—

Paragraph (d):

> —activities directed toward undermining by ocvert unlawful acts, or directed toward or intended ultimately to lead to the destruction or overthrow by violence of, the constitutionally established system of government in Canada—

It is extrememly important to this House that those four paragraphs were the subject of more comment and debate in committee than any other single part of the legislation. As you know, Mr. Speaker, a number of witnesses appeared before the committee and discussed those clauses. Their concern was that the wording was inadequate for two reasons. First, the wording was unclear in some cases. The consequence of unclear wording would be that those who must operate a security service would not know exactly what it was they were to investigate. They would not know what information to seek out. To the degree that it was unclear, they might go beyond the intended mandate.

The other criticism was that, whether the wording was clear or not, it gave too broad a mandate in some circumstances. I refer especially to Paragraph (d) which has been referred to over and over again as the paragraph which will have the effect of giving to the security service the right and power to have intrusive surveillance—wiretap, searches, et cetera—of Canadians operating in this country and operating in a way which is lawful.

Citation 773 of Beauchesne's Fifth Edition, paragraph 10, was cited by Mr. Speaker to indicate that the amendments which I have moved to the four paragraphs are substantive amendments to an interpretation clause. The citation provides:

> A substantive amendment may not be introduced by way of a modification to the interpretation clause of a bill.

Beauchesne's goes on to cite *Journals* of May 21, 1970, page 835. Mr. Speaker will know that the citations in Beauchesne's are extremely helpful, but they are like the headnotes of a law report; they do not tell the whole story. As every law professor has told every law student, "Don't count on passing if all you can remember is the headnote".

I have taken the trouble to look at the ruling which is supposed to have been made on the basis of the citation from Beauchesne's. That is from *Journals* of May 21, 1970, page 835. If, Mr. Speaker, you look carefully at that ruling, you will find that that case dealt with the report stage of that Bill. It happened to be Bill C-144 on that day, which was to provide for the management of the water resources of Canada, including research, planning and the implementation of programs

relating to the conservation, development and utilization of water resources. Certain amendments were attempted, which the Chair eventually ruled out of order. Some of those motions were related to the question of the financial initiative of the Crown. They were ruled out of order. The Speaker of that day said:

> I might also add that in the opinion of the Chair amendments of a substantive or declaratory nature should not be proposed to an interpretation clause.

We see clearly what the Speaker then had in front of him. He had what amounted to amendments which had nothing to do with the interpretation clauses themselves which were in the Bill. In other words, someone was trying to get around the rules by trying to work those amendments into the interpretation part of the Bill at report stage.

Let us look carefully at what is contained in the *Journals*:

> It must be recognized in the first instance that motion No. 2 purports to amend the interpretation clause of the bill. Accordingly, the form and content of the motion must be consistent with the purposes sought to be effected by the interpretation clause. Although the preliminary sentence of motion No. 2 appears to be in the form of an interpretation provision, what follows is a list of prohibitions and objectives to be observed in the administration of the Act. In other words, motion No. 2 is but a substantive proposition of a declaratory nature. It neither defines nor interprets any provision of the bill.

The point is that in the case which forms the basis of Beauchesne's ruling, in the Speaker's preliminary ruling of yesterday the reasons that the motions were not allowed was that they neither defined nor interpreted any provision of the Bill. That is quite clearly the basis of Beauchesne's ruling. I have no quarrel with that.

If you looked at Beauchesne's quotation which Mr. Speaker included in his preliminary ruling yesterday, and then examined the facts of the case which led to it, there would be an opportunity to say: "Are the circumstances here today the same?" My argument, Mr. Speaker, is that clearly they are not, because each of the motions which I am putting is not foreign to the interpretation clause of the Bill. They are, in fact, very much a part of the interpretation clause itself. Therefore, there is a fundamental distinction between the circumstances before us today and the facts upon which the ruling by Beauchesne was made.

Perhaps I could call it six o'clock.

[*Translation*]

Mr. Deputy Speaker: It being six o'clock, this House stands adjourned until 11 a.m. tomorrow pursuant to Standing Order 2(1).

The House adjourned at 6 p.m.

HOUSE OF COMMONS

Thursday, June 14, 1984

The House met at 11 a.m.

• (1110)

[*English*]

HOUSE OF COMMONS

MOTION TO EXTEND SITTING HOURS

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, at this time I would like to move a motion with the unanimous consent of the House. I have had consultations with both House Leaders on the other side regarding the extension of hours for the last ten sitting days, and we have reached an agreement. Therefore I move, seconded by the Hon. Member for Saskatoon West (Mr. Hnatyshyn) and the Hon. Member for Hamilton Mountain (Mr. Deans):

That, commencing Monday, June 18, 1984 until Friday, June 29, 1984 inclusive, the House shall, notwithstanding the provisions of Standing Order 9, continue to sit beyond six o'clock p.m. and shall adjourn at nine o'clock p.m. on every sitting day provided for in the Standing Orders with the exception of Fridays;

That during this period the sittings of the House shall not be suspended between one o'clock p.m. and two o'clock p.m.;

That these sitting hours shall not affect the hours set aside for Private Members' Business on Mondays, Tuesdays, Thursdays and Fridays;

That for the purposes of Standing Order 45(1) the adjournment motion shall be debatable from nine o'clock p.m. to 9:30 o'clock p.m. on Mondays, Tuesdays and Thursdays;

That during the additional hours provided herein, the only business to be considered shall be Government Orders; and

That following the adoption of this motion, no motion under Standing Order 9 shall be receivable on Monday, June 18, 1984.

Mr. Speaker, if you were to seek unanimous consent for the presentation and adoption of this motion, I have no reason to believe that it would be denied.

Mr. Speaker: Does the Hon. President of the Privy Council (Mr. Pinard) have unanimous consent to move the motion?

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, the Government House Leader is correct in that there have been discussions and consultations among the House Leaders. Accordingly, through our respective caucuses, we have considered the proposal put forward by the Government House Leader and we are prepared to give our unanimous consent for the motion to be presented now and adopted.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, as was mentioned by the House Leader for the Government and the House Leader for the Official Opposition, we did engage in discussions on this matter and we came to an agreement that these hours would be satisfactory. We recognize that there is substantial legislation which still has to be dealt with by the House of Commons and we would very much like to see those priority pieces of legislation passed before the House rises for the summer.

• (1115)

Mr. Speaker: Hon. Members have heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed from Wednesday, June 13, consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs; and Motion No. 1 (Mr. Robinson (Burnaby)).

Mr. Speaker: The Chair has heard comments concerning a point of order flowing out of the preliminary remarks of the Chair.

Hon. John A. Fraser (Vancouver South): Mr. Speaker, when I stopped speaking at six o'clock last evening Your Honour was not in the Chair but your colleague was. You will have had a chance to look at the transcript of my remarks. I was referring then specifically to paragraph 2 of your preliminary ruling in which you cited Beauchesne's Fifth Edition, Citation 773(10), which states:

A substantive amendment may not be introduced by way of a modification to the interpretation clause of a bill.

I had been showing, Mr. Speaker, that in the *Journals* of May 21, 1970, at page 835, which was cited as the basis of that Beauchesne citation, the situation there was clearly different from the situation before us. To sum up what I said yesterday, and I do not believe it is necessary to go over it, I would ask that Your Honour look very carefully at the *Journals* themselves which form the basis of the Beauchesne citation. I believe you will see that yesterday I distinguished quite clearly the factual situation. My proposition is that what

we are trying to do here is not to bring in an amendment which does not properly belong in the interpretation section of the Act. What we are trying to do is improve the wording of the interpretation section of the Act and adjust that wording to limit the possibility of a greater invasion of privacy and liberties than would generally be desired with the mandate.

I know Your Honour will consider very carefully the remarks which were made and I would, therefore, feel it appropriate to move on to the next stage of my argument. You will know, Mr. Speaker, that yesterday I was able to give to the Table a package of motions which are being proposed in my name on behalf of our Party, in order to assist the Table and Your Honour. It is headed: "The Report Stage of Bill C-9, Canadian Security Intelligence Service. Notes on Proposed Amendments of the Official Opposition. June, 1984".

Before leaving Motion No. 3, which I was discussing yesterday, with respect to Clause 2 of the Bill, I want to make the record clear. What we propose in our Motion No. 3 would be to narrow Paragraph (a) of the Bill before us. Specifically it would narrow the definition of "threats to the security of Canada" by making it clear that the espionage or sabotage must be against Canada, or detrimental to the security interests of Canada. This amendment would narrow the definition to preclude economic or commercial espionage from being included in the service's mandate. I remind Members of the House that the Attorney General of Saskatchewan, in a brief filed with the committee, said that the phrase "detrimental to the interests of Canada" is wide enough to include economic espionage and any other espionage that could be construed as detrimental to our interests and should be limited to the national security interests of Canada. The offensive aspect of economic espionage should be dealt with by the criminal law.

• (1120)

Further, our amendment would narrow Paragraph (b) of the Bill; that is, narrow the definition of "threats to the security of Canada" by making it clear that the foreign-influenced activities within or relating to Canada must be detrimental to the security interests of Canada in order to come within the mandate of the security service.

Another amendment under our Motion No. 3 would significantly narrow Paragraph (c) of the Bill as it is presently before us relating to the definition of threats to the security of Canada by restricting the mandate of the service. Activities would not only have to have as their purpose the achieving of a political objective within Canada or a foreign state, but as well would need to be detrimental to the security interests of our own country, Canada.

The other amendment under Motion No. 3 would narrow Paragraph (d) of the definition of threats to the security of Canada by removing from the mandate of the service the investigation of activities directed toward undermining the system of government in Canada. It would instead deal with what the McDonald Commission termed "revolutionary subversion". The wording at page 441 of that Commission's report states that "revolutionary subversion" means activities directed toward or intended ultimately to lead to the destruction or overthrow of the democratic system of government in Canada.

It is important to note that the Canadian Bar Association said that the words "undermining" and "intended ultimately" should be removed as they are too vague and broader than necessary. Also, the Attorney General of Saskatchewan, at page 5 of his brief, stated that the word "ultimately" in the definition is "not particularly definitive". Our amendment also removes the reference to the "ultimate" intentions and the amendment would also ensure that lawful advocacy, protest or dissent are not the subject of investigation by the service. In relation to this matter the Attorney General of Saskatchewan called the closing words of the "threats" definition as presently before us "an empty guarantee".

I think it can be shown that our Motion No. 3 does not come within the stricture of the Beauchesne's section which Your Honour asked us to consider yesterday. However, there is another aspect to this. It is not just a procedural matter at all. These four paragraphs in the Bill, Subclause (2), (a), (b), (c) and (d), are of utmost importance in the working of the mandate set out in the remainder of the Act. Your Honour will remember that yesterday I pointed out that these definition sections caused very great concern to the many people who brought briefs and suggestions to the committee. These amendments are aimed at improving the wording of these definitions. They have nothing to do with anything else in the Act. They direct themselves entirely, completely and exclusively to the definitions which are presently before us in the Bill. I think they are in order. I do not know how we would explain to the public of Canada if, when we got to report stage of this Bill, after weeks of listening to witnesses, some of them with quite significant credentials in terms of the law and civil rights, we could not follow up on any of the suggestions they made by moving amendments to these very vital definition sections.

• (1125)

In your ruling you also said that Motion No. 11 seems to change the purpose and principle of the Bill as agreed to at second reading by bringing the service under the control of the Royal Canadian Mounted Police. Your Honour has, of course, cited the traditional rules which say that an amendment cannot be contrary to the principle of the Bill. With that proposition I have no quarrel. The difficulty lies in deciding what the principle of a Bill is. The difficulty also lies in deciding what is meant by "approval in principle" in terms of the second reading debate.

With respect, the real purpose of Bill C-9 is to establish a lawful framework within which the security service of Canada will operate. The word which is being used all the time is a "mandate" for the security service. It really means that rather than having the present security service, which has been physically in place with its personnel and activities for many years, subject only to government guidelines, this Bill properly seeks to set out a mandate. To put it in simple terms that a

child could understand, the Bill seeks to set out rules within which the security service must operate.

When the second reading debate was held and there were comments made about the Royal Canadian Mounted Police, there was no suggestion that that was irrelevant or something which could not be discussed. During the committee hearings there were representations reviewed by the committee which dealt directly with whether the security service should become completely a civilian service or whether it should stay under the aegis of the Royal Canadian Mounted Police. When this question was being discussed in committee by witnesses who put forward their propositions and submissions from briefs that were filed by other witnesses, it did not seem to be such a bizarre notion to be discussing whether it was appropriate to remove the security service entirely from the aegis of the RCMP. It is important that people understand that this security service which is receiving this set of rules and regulations as set out in this Bill is not something that will suddenly take effect the day after the Bill receives Royal Assent. It has been in existence for many years. The security service has been a mix of many things. While it is under the aegis of the RCMP, not everyone in it is a member of the RCMP.

• (1130)

The Commissioner has been operating the service and has been responsible to the Solicitor General for its operation. All that this present Bill does is replace the Commissioner with a Director. That is one of the simplest effects of the Bill. The essential purpose of the Bill is to place the rules by which the security service will operate into law. This Bill would still stand if it were amended to read "Commissioner" of the RCMP instead of "Director" except for some consequential amendments. We have made it quite clear which of our amendments would be consequential. The mandate would still exist.

The mandate can apply easily to a service under the aegis of the RCMP or a service under the civilian Director. In other words, the purpose of this Bill is not to create a new security service. It simply sets down some rules for a security service that already exists. All of this talk about a new security service, especially in the media, is, with great respect, inaccurate. There is nothing new about it.

I think it is appropriate at this time to put on the record what the Minister said in committee to support the fact that this security service has been in place for many years and will continue to exist with the same people. This Bill will make many of the present regulations and rules that have been applied by the Solicitor General (Mr. Kaplan) mandatory after the unfortunate troubles of over a decade ago. I put this question to the Minister in committee:

> The fact is, Mr. Minister, that for many months now—for many years in fact—since the revelations in the House of Commons in 1977 and the action which was taken consequently, the security service has been working as a part of the Royal Canadian Mounted Police. The commissioner has been reporting to the Solicitor General effectively, competently and in a manner in which I am sure you would agree meets with your approval. You testify that this has been done in a manner which meets the appropriate sensibilities of the Canadian public. Is that not so?

The Solicitor General replied:

> Yes, that is so.

It is important that we understand what we are doing here and that the Canadian public realizes that this exercise is not to create anything new at all. We are laying down the set of rules into law under which the security service, which has been in existence for these many years, will have to operate. In fact, we are putting rules into statute form that are already in place. The passage of this Bill is, to a remarkable degree, a firming of the rules that were established after the revelations of the wrong-doing in the early 1970s that were brought to the attention of the House in 1977. I point out that it has been seven years since the matter was raised in the House of Commons and 14 years or more since some of these wrong-doings that were complained about took place.

I also want to refer to some of the comments of the Solicitor General during second reading debate. This is what the Hon. Solicitor General said in the House about the principle of the Bill at second reading:

> Mr. Speaker, the proposed legislation before us today represents a major turning point for Canada's security intelligence system. We are asking Parliament to provide for the first time in Canada's history a legal framework more comprehensive and more detailed than that of any other security system in the world.

Notice that he says "We are asking Parliament to provide a legal framework". I agree completely with what the Hon. Solicitor General said because I suggest that that is the basis of this legislation. He went on to say:

> The purpose of this bill is, therefore, to a large extent, to provide a new set of guarantees and controls that do not exist at the present time in order to protect the rights of Canadians against undue interference.

The Solicitor General was explaining at second reading stage what this Bill is all about. It does not take much imagination to realize that all of that is just as applicable to a security service that reports through the Commissioner of the RCMP as it is to a security service that reports through a civilian director.

There has been much talk about great change. However, the fact is that all those who have been in the security service all of this time will still be there when this Bill is passed. This Bill will set out the legislative mandate, through the rules that have been passed by the House of Commons of Canada, which they must apply. That is the purpose of this Bill. I would ask you, Mr. Speaker, to take that into account when you consider your preliminary ruling.

• (1140)

I am trying as best I can not to deal in this discussion with your preliminary comments which do not affect my motions. There are others who seem to be quite able to argue their own case and I do not want to stray into that area, Mr. Speaker. Unfortunately, and I am sorry to have to advise your Honour of this, I had made some careful notes on my own copy of your ruling of yesterday which would have enabled me to get through my submission more quickly this morning than I am going to be able to because somehow that copy has been

mislaid. I am at a bit of a disadvantage, but I will try to move on as rapidly as possible.

My argument has dealt with your paragraph 2 and my Motion No. 3. It has dealt with Motion No. 11, which is the motion to retain the service under the aegis of the Royal Canadian Mounted Police. I think in the interest of cohesiveness, I want to discuss for a moment paragraph 6 of Your Honour's preliminary ruling. Paragraph 6 reads, "Motions Nos. 15, 76, 84, 117 and 175 attempt to introduce an entirely new concept and principle into the Bill of a parliamentary oversight committee, a concept not in the Bill as introduced or as read a second time. Such a committee was also mentioned in Motion No. 4, previously ruled out of order, and is a new idea which was not contemplated in the Bill as agreed to at second reading. Thus it is clearly beyond the scope of the Bill, and I must rule each of these motions out of order."

Those particular motions which are set out in paragraph 6 are basically motions which have been introduced by other Members. What Your Worship may not have noticed is our Motion No. 123—

Mr. Speaker: The Hon. Member for Burnaby (Mr. Robinson) is rising on what basis?

Mr. Robinson (Burnaby): Mr. Speaker, I rise on a point of order. I have a question as to the practice with respect to the appellation of the Chair. I have heard reference to "Your Worship". I know "Your Worship" is not a mayor. I do not know whether this is an appropriate—

Mr. Speaker: I suggest there might be a little latitude permitted. The Hon. Member is not being disrespectful to the Chair. The Hon. Member for Vancouver South (Mr. Fraser).

Mr. Fraser: Your Honour, I have spent a good deal of the life I led before I came here in various courtrooms and places of significance.

Some Hon. Members: Oh, oh!

Mr. Fraser: I have been in the habit of having to think through carefully just how I address the august and esteemed persons before whom I appeared. I want Your Honour to know that I was concentrating so hard on the pith and substance of my submission to you, as I know you were, that I did not notice having said that. The interesting thing is that you were listening so carefully to me that you did not notice either!

Mr. Robinson (Burnaby): I was listening.

Mr. Fraser: But my hon. friend from Burnaby was not listening to the pith and substance at all, Your Honour. He was just listening to these little details. I have, however, refrained from addressing Your Honour as "Your Lordship" or "Your Grace", knowing that even if I—

Some Hon. Members: Oh, oh!

Mr. Speaker: I would ask the Hon. Member to get on with his argument. I am sure the mood of the House is to extend a certain latitude because courtesy is obviously being extended to the Chair. Under such circumstances, the Chair could not care less.

Mr. Fraser: Your Honour, if raising your dignity will advance my argument any, I would cheerfully do it.

Some Hon. Members: Oh, oh!

Mr. Fraser: Back to the pith and substance of this cogent argument that I am making, motion No. 23, which is our motion, deals with a parliamentary oversight committee. It is not mentioned in your paragraph 6, which I suppose was an oversight, but I want to discuss it. I think I am duty bound to bring this to your attention. Unless it is dealt with in the context of your paragraph 6, it will just have to be dealt with at another time because I am sure Your Honour would notice it.

Motion No. 123 is not mentioned in paragraph 6. I hope your Table officers are following carefully the point I am making because I think Your Honour would have wished that it be included, so I will address it now. The purpose of Motion No. 123 is to introduce a new Clause 56. Motion No. 123 reads:

> That Bill C-9 be amended by adding immediately after line 20 at page 24 the following:
>
> "56. The administration, provisions and operation of this Act shall be reviewed on a permanent basis by such committee of the House of Commons or of the House of Commons and Senate as may be designated or established by Parliament for that purpose."

What that does, Your Honour, is enable the government of the day from time to time, according to what it wishes to do under this section, to create a review committee made up of Members of the House of Commons, or of the House of Commons and Senate. Your Honour has indicated, at least in your first view of this, that this would be an entirely new concept, and as a consequence it would be beyond the scope of the Bill. The Bill does include a review committee. It is an appointed committee and it could include Members of Parliament. I think the general intention was that it would be aimed at people not in the House of Commons or Senate. To bring in an amendment to this Bill that would also establish a parliamentary overview committee in my view does not seem to break with the principle or add some new principle to the main theme of the Bill.

● (1150)

Mr. Speaker: Order. The point is the process by which committees of this House are established. There is an amendment which says it should be reviewed by a parliamentary committee. The initial reaction of the Chair is that Parliament can always decide that a review should take place, but to establish a special committee by this process gives the Chair concern. There is a method through the Standing Orders. Sometimes the statutes may expressly provide. However, to establish a special committee through this process is what gives the Chair concern.

Mr. Fraser: Mr. Speaker, I can understand the point that you are making. The fact that this is particularly aimed at a parliamentary overview committee made up of parliamentarians to overview the security service may take it out of the general proposition which you have advanced to me for my consideration. I have to argue that that would be my reply to the proposition which you have raised.

We also have to look at the common sense of it. There was a great deal of discussion in committee about whether there should be a parliamentary overview committee and what its powers should be. In fact, the committee went to the trouble of bringing two distinguished public servants from Washington to give us extensive testimony on how the United States Senate overview committee on security matters operates and is supported and staffed and, although not in as great detail, some interesting information with respect to a similar committee of the House of Representatives.

Nobody suggested at that time that to organize it, to go to the trouble of bringing them here and hearing these witnesses, would somehow be discussing a matter which was outside the principle of the Bill. I would argue and I would urge upon Your Honour that, to the degree possible, you would view this amendment and other amendments seeking the same objective which have been filed by my learned friends as not being something that is foreign to the Bill but is very much part and parcel of a principle which is in the Bill, and that is the principle of a review.

The other thing that is important is that the basis of the acceptance of the security service in the mind of the Canadian public is trust. To our great dismay and to the dismay of all decent Canadians, revelations were made in 1977 concerning things that were done that ought not to have been done over a decade ago. When they were made public, there was dismay. Apart from the detailed acts, what hurt us all, including a great institution as well as the institution of this Parliament, was that it was clear that there had been an absence of adequate control by political Solicitors General and perhaps even the Prime Minister. What hurt most was the sense that our trust had been betrayed.

As Your Honour, we in this House and the public of Canada know, notwithstanding all the laws we pass, that we run a civil community, with decency and fairness under the rule of law, to a great degree on trust. In the context of trust, it would be beneficial to have an overview, oversight or review committee consisting of Members of Parliament. Members of Parliament, whatever their faults or their occasional indiscretions—

Mr. Pinard: That is not a point of order. You are debating the Bill.

Mr. Speaker: Order. I invited comment by the Hon. Member concerning the proposal that this motion is inadmissible. In fairness to Hon. Members, the Chair is giving a fair amount of latitude, as was the case of the previous speaker, in hearing argument. Following the argument, the Chair proposes to deal with the matter as the Chair is obliged to do.

Mr. Fraser: Mr. Speaker, I will not be overly long. I will sum it up by saying this. There is an overview committee provided for in the Bill. All this amendment is doing is making a special arrangement whereby this House can appoint Members of Parliament to review our security service. I am suggesting that that is not outside the spirit of the Bill. Members of Parliament are in contact with the public at all times. As I was saying, despite whatever sins of commission or omission they commit, or whatever their frailties, on a daily basis they have to respect that relationship of trust between the public and those they send here to pass the laws and govern the country. I do not need to overstate the case, but that is the position I am trying to make.

I will deal briefly with the various motions which we are introducing. As I indicated to the Table yesterday, when you take away the consequential motions which would only pass if our Motion No. 11, the retention of the security service under the aegis of the RCMP, were passed, we have before Your Honour only nine motions and part of two others. That is not hundreds. I want to get them on the record very quickly so that we understand what they are.

I have dealt with Motion No. 3 to amend Clause 2, which deals with the very important amendments in the definition section. I dealt with Motion No. 11 which amends Clause 3. If it were passed, the security service which presently reports through the Commissioner of the Royal Canadian Mounted Police would continue to do so. Motion No. 32 amends Clause 12. The purpose is to make it abundantly clear in the legislation that the collection of information and intelligence by the security service should be limited to "strictly necessary for the purpose of protecting the security of Canada". I do not think Your Honour would find that motion out of place.

Motion No. 49 to amend Clause 20 would require the Attorney General of a province in which alleged unlawful acts occurred to be informed by the federal Attorney General unless it would not be in the public interest. In that case the Attorney General of Canada would have to certify his reasons and forward them to the review committee. The reason for that motion was that there was ample testimony before us indicating that the relationship between the federal Government, the provinces and the other police forces is one which must be respected and dealt with appropriately.

● (1200)

Motion No. 53 amends Clause 21 which deals with warrants. Again, very briefly, the effect of this amendment would be that warrants would not be granted for ordinary domestic activities on the basis that the need for warrants for these matters had not been demonstrated. That is consistent with what Commissioner Simmonds of the Royal Canadian Mounted Police said when he appeared before the Justice Committee. He said that the intrusive powers envisioned by the Bill which is presently before us would be of only marginal use to such investigations.

The other part of that same amendment provides that warrants should only be granted where there are reasonable

and probable grounds for such warrants. The clause in the Bill presently reads only "reasonable grounds". We would like to change that clause. The words "and probable" tighten it up because the phrase "reasonable and probable" has been defined by many judges and courts across the land. There is plenty of law regarding the exact definition of that phrase. As well, the amendment would see that warrants for intrusive techniques should only be available for a maximum of 60 days rather than the one year that is presently provided for in the Bill. That change is consistent with the Criminal Code.

Motion No. 62 amends Clause 22. This clause as well applies to search warrants and warrants for intrusive surveillance. The purpose of our amemdment would be to limit the maximum length of a renewal of 60 days, which is again consistent with our original position that the first warrant for intrusive surveillance should only last for 60 days, as is provided in the Criminal Code of Canada.

Motion No. 68 amends Clause 24. Again, this clause deals with warrants. The present wording of Clause 24 contained an awkward part which make it unclear as to what would happen to an innocent third party who was told to do something by a security service person operating under the authority of a warrant if it turned out that what the third party was asked to do was unlawful. As Bill C-9 presently stands, an innocent third person is expected to believe that the official person giving him the orders does in fact have a warrant. I must ask Your Honour to consider how often a janitor, a person working in a store or a taxi driver who is told to do something quickly by an official who says he is in the security service would cross-examine the official on the spot and ask whether he in fact has a warrant.

Motion No. 79 amends Clause 31. This clause deals with Cabinet documents. Our position is quite clear and it is that the Inspector General ought to be able to see Cabinet documents that relate to the work of the security service, because if he does not have that ability, he is clearly not in a position to know exactly what is going on.

Motion No. 94 amends Clause 38. This would have the effect of allowing the review committee which is established under this Bill to review and have oversight on other security and intelligence agencies or arrangements in Canada. Motion No. 123 amends Clause 56. This is the motion I have discussed at length which would establish a parliamentary oversight committee. Motion No. 130 amends Clause 61. The effect of our amendment would be to establish a positive duty on the Royal Canadian Mounted Police to consult with other police forces when investigating national security offences, even though the Royal Canadian Mounted Police would have primary responsibility.

I do not think it is necessary for me to argue the rationale behind those motions. That is our basic package, Your Honour. We think it would be hard to explain to the Canadian public why those amendments ought not to be put to this House at report stage. The substance of all of those amendments has been the subject of much debate in the committee and the subject of many briefs that were submitted to the committee. The substance of those amendments has been spoken to by witnesses who have appeared before the committee at great expense.

I would urge that when considering your preliminary ruling, Mr. Speaker, you reconsider your view that some of these amendments are not in order. As well, I would urge you to interpret the rules as broadly as possible, as I know you will, so that the work that has been done in committee will actually be reflected in the amendments that are brought forward at report stage.

This Bill went through second reading, and at that time the Government indicated that when the Bill went to committee, it could be improved. It indicated that we were to bring forward our amendments at that time. The fact of the matter is that the Government has not accepted any significant amendments. One must ask oneself what this was all about. It is not that some very significant matters were not brought to the attention of the Government in committee because they were. However, the Government did not accept anything. There seems to be very little indication that the Government will accept anything now. One of these days, people will look back at this Parliament and say: "In view of what that committee was told by eminent Canadians on the question of civil rights, why did the Government not budge, why did it not adjust, why did it not pay attention to some of the matters that were brought before it?" Someone might say: "Well, there are only a few Government Members in committee and they do not reflect the entire government caucus".

I think it is important that these amendments be put to the House because we know that there are Government Members who think that there is considerable merit to a number of these amendments. They feel there is merit to the amendments on parliamentary oversight, on the review committee's right to have access to Cabinet documents that relate directly to the security service, on the definition clause which is Clause 2, Paragraphs (a), (b), (c) and (d), and on many other matters. We know that there are Members on the Government side who think that these amendments which we are trying to put before the House have merit. As a matter of fact, some of the amendments are being moved by a former Solicitor General of that Government.

If these amendments are blocked here, then one of these days someone is going to look back on this Parliament and ask: "What in the name of heaven went on?" Some of these Government Members will respond to that by saying: "Gosh, I did not realize that that was happening. I would have supported that adjustment to Paragraph (d). I do not think that Cabinet documents directly related to the security service should be kept from the Inspector General and the review committee. How could this have ever happened?" It will happen. They will be able to get away with that kind of falderal if these amendments are not put at report stage.

● (1210)

There is the question of process and procedure. There is also the question of the substance of these amendments fitting into

the mandate of the legislation which will set the rules under which the security service has existed these many years and will still exist. It will not be born anew with this legislation.

We also have to address a sense of fitness. Is it appropriate that this House would take these amendments coming from committee—all of which have been discussed extensively and are the subject of briefs which were prepared by Canadians of eminent learning and experience—and decide that it would not accept any of the amendments? Worse than that, it will not even let those amendments be put.

I know that Your Honour will consider my remarks carefully. I know that the Table officers have been listening closely. I have tried to put my argument in such a way that it is clear, concise and flows in some proper order. I have some hon. friends in this Chamber who do not believe that anyone here could ever say anything which is clear, concise and in the proper order. Perhaps they are seeing the rest of us through eyes that know themselves only too well. I shall rest my remarks and trust in the wisdom and judgment of the Chair, which is assisted, of course, by able Table Officers. Depending on the ruling, I do not know whether I will have the chance to be as approving later as I am now. However, faith and trust are important matters. We should call upon them at times like this and wring every ounce of goodness which we can from them.

Some Hon. Members: Hear, hear!

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I must say that I find it almost a challenge, of which I may not be worthy, to follow the Hon. Member who has just sat down. He covered almost everything that one could ever expect to be covered with regard to the ruling. I look forward to reading *Hansard* in order to garner even more wisdom from his comments.

I would like to deal with three matters and I would like to deal with them very quickly. The first matter is the appropriate groupings, as we interpret them, from the point of view of the amendments which we have put forward. I would like to reply to a question which was asked by the Speaker when he was in the chair yesterday. I would also like to deal with the question of admissibility of the clause which will put into place parliamentary oversight.

To begin with, I am sure, Mr. Speaker, that you will know that Mr. Speaker Francis, on page 4639 of *Hansard*, when referring to my hon. colleague from Burnaby, said:

> —but the issue before us is a group of amendments and, with all due respect to the Hon. Member, the Chair would invite him to direct his remarks to the way in which the amendments should be grouped.

At a later point in the proceedings yesterday, Mr. Speaker Francis indicated that the question of grouping was the responsibility of the Chair and that there were many ways in which amendments could be grouped. Of course, he is absolutely right. It is the responsibility of the Chair. Not only that, there are a number of different ways in which amendments could be grouped, given that he specifically requested us to suggest for his consideration how we thought they should be grouped.

I would like to draw your attention to the comments of the Hon. Member for Burnaby (Mr. Robinson) who, having probably as much knowledge of the content of this legislation as any single Member in the House of Commons, and I suspect having as much knowledge of the content of the legislation as any member of the public in Canada, as reported on page 4641 of *Hansard* proposed a way of grouping the amendments which were put forward by the New Democratic Party. His suggestion would allow us not to have to deal with each and every single one that was filed for the purpose of report stage debate. He has reduced from some 90 or more amendments the total number of votes to something in the order of 12 to 14 votes. In doing that, I think he met the challenge of the Chair. The Chair quite rightly requested that proposal.

I suggest to you, Mr. Speaker, that if the amendments which we proposed were to be grouped in the way in which the Hon. Member for Burnaby suggested, they would be grouped according to subject matter. I think that that is a practical way in which to apply groupings. They would also be grouped in such a way as to allow a vote to take place which would dispose of the amendments without the necessity of going through each one individually. I commend to the Chair that particular series of groupings. I would expedite the business of the House in dealing with the Bill. It would improve the mood of the House, which I think we are all trying to do at all times. It would make it possible for the House to deal in a fair and reasonable way with this very difficult subject matter.

It was said by the Hon. Member for Edmonton East (Mr. Yurko) yesterday that this is perhaps one of two pieces of legislation which have been paramount importance to the country. He is absolutely right. I think for the benefit of hindsight historians will reflect upon this legislation and the constitutional changes which took place two or three years ago. They will analyze the work of this Parliament and come to the same conclusion: that those two pieces of legislation will probably turn out to be the most significant legislation which has been dealt with during the history of this particular Parliament. There will be tremendous force and effect felt as the result of the changes which we now have before us. Therefore, we ought not to deal with it frivolously. Neither should we allow the possibility of taking an extra day or two to interfere with doing a good job.

The second point which was raised by the Chair can be found on page 4641 of *Hansard*. Again, Mr. Speaker Francis rose and asked the Hon. Member for Burnaby the following question:

> Could the Chair ask the Hon. Member if he is prepared to withdraw any of these motions to delete? Does he consider that every single motion to delete should be considered by the House?

You will perhaps be aware, or you will be made aware, Mr. Speaker, that the Hon. Member for Burnaby, in his response, said that we did not in fact intend that every single motion to delete ought to be or need be dealt with by the House. He has, after a very careful analysis of each of the motions, offered to

the Chair a large number of amendments which we believe can be withdrawn and need not be dealt with. We hope, in taking into account those two actions, on the one hand our proposal for grouping, and on the other hand our offer to withdraw a significant number of motions, that that will find favour with the Chair and that the Chair will in its final ruling reflect that gesture of goodwill on our part which is intended to facilitate the business of the House.

● (1220)

I believe, therefore, we have met the two challenges given by the Chair to the Hon. Member for Burnaby, who was speaking on behalf of this Party. We believe on those two questions the action of the Hon. Member for Burnaby will help to improve the orderly disposal of this legislation.

I would now like to come to what I believe is perhaps the most important matter left to be dealt with. On page 3 of the preliminary ruling, the sixth point states:

> Motions Nos. 15, 76, 84, 117, and 175 attempt to introduce an entirely new concept and principle into the Bill—a parliamentary oversight committee—a concept not in the Bill as introduced or read a second time.

The paragraph continues and the relevant ruling, if you will, preliminary though it is, is as follows:

> Thus it is clearly beyond the scope of the Bill and I must rule each of these motions out of order.

I do not have to explain the Bill to you, Mr. Speaker, as you are probably just as familiar with it and all of its clauses as I am. However, the bill is for the purpose of setting up a Canadian Security Intelligence Service. That is the main principle of the Bill. Within the Bill itself there are a number of proposals which deal with how the security service should be set up; who should constitute the security service; how the security service should be administered; and how oversight, if you will, should be provided. There are at least two sections in the Bill which deal with the question of oversight, which deal with the very important question of who is to be responsible for ensuring that the actions of this security service, if, as and when it becomes law, will be adequately judged and reviewed by an appropriate body.

We are not proposing to remove the review committees which are presently provided for within the Bill. What we are proposing is that they do not go far enough. We are proposing to extend the oversight provision. What we are saying is that there can be no group anywhere in the country more suitable than Members of Parliament in determining the appropriateness of the actions of the security service. We are the only people in Canada who are directly accountable. The decision to accept unto ourselves the resonsibility, onerous though it is, of answering for the actions of the security service is a decision, I believe, which shows both intestinal fortitude and a sense of the importance of the service and of Parliament. It surely is the responsibility of Parliament to make that kind of decision. That cannot be beyond the scope of the Bill. Surely there can be no one who could argue that the Parliament of Canada does not have the right to set up a committee for the purpose of ensuring that the security service of Canada operates within the legal framework established by the Act under which it is constituted. If we do not have the right to make that decision, then who does? If we do not have the right to establish a committee—

Mr. Kaplan: But not at report stage. That is on second reading.

Mr. Deans: The Minister interjects—and I am not being critical of the interjection—and says that we should have made this—

Mr. Kaplan: You did make it.

Mr. Deans: Wait a moment—we should have brought this to a vote at second reading. But we cannot make the amendment at second reading.

Mr. Kaplan: No, at committee stage.

Mr. Deans: But we did take it to the committee stage.

Mr. Kaplan: That is right.

Mr. Deans: And the committee decided not to approve it. I do not want to give a lesson on parliamentary procedure, but the reason for the report stage is to allow Parliament as a whole to consider those matters which were placed before the committee, if it so desires. That is what the report stage is all about. We have a report stage so that all Members of Parliament will be given the opportunity to exercise their responsibility by voting for or against matters which the committee—being representative of Parliament but not in fact involving everyone in its deliberations—had placed before it and decided upon.

Let me suggest, for example, that it is my understanding that the Minister is going to attempt to put back before Parliament a clause which the committee decided it did not want in the Bill. The Minister is going to do that. Would he argue that since he lost it in committee he is not entitled to ask that the House vote on it? Of course not. Why, then, would he argue that an amendment moved by the Opposition which was defeated in the committee is inappropriate to place before the House at report stage? One cannot have it both ways.

Mr. Kaplan: But one was out of order.

Mr. Deans: One was not out of order. It was quite in order. The rules of Parliament make it abundantly clear that it is possible to move not only to alter clauses contained in a Bill which is before the House or before the committee, but it is equally appropriate to move to introduce new clauses provided they are within the general scope of the Bill as contained in the principles debated at second reading.

Quite clearly in the debate at second reading, we raised the question of the inappropriateness of the review structure contained in the Bill and indicated that we intended to move an alternative review structure, or if not an alternative review structure, to augment the review structure in the Bill with an additional review. We said so at second reading. We served

notice at second reading that that was our intent. The Minister in response said, "Bring it up at committee". And we did. It was not ruled out of order at committee; it was voted down by the Government majority.

It is therefore appropriate, given that it was considered in order at the committee, given that it is clearly within the scope of the Bill, given that it is simply an extension of the review structure which already exists within the Bill and given that it is intended to place in the hands of Parliament and parliamentarians the responsibility for ensuring that the actions of the security service are indeed actions which it is legally entitled to undertake within the broad scope of the legislation, given all of those things it surely cannot be argued that the Parliament of Canada does not have the right to vote upon that and to make the decision, yes or no, whether we want to assume that responsibility.

I put it to you, therefore, Mr. Speaker, that it would be wrong to deny Parliament the opportunity to assume a responsibility that, at least in part, it believes it would like to assume. It would be wrong to rule out of order an attempt by Members of Parliament to assume their responsibilities. I therefore cannot agree that it is beyond the scope of the Bill. It is not beyond the scope of the Bill. The Bill clearly encompasses the question of review. The method of review is up to Parliament. The Government said there should be a review and the Opposition said the review offered by the Government is inadequate. We are simply asking that the review be expanded to allow parliamentarians to do their job.

• (1230)

I therefore urge upon you, Sir, after careful consideration, that you come to the conclusion that while perhaps at first glance it would have appeared to be out of order, with the benefit of a more careful review, in fact the principle that Members of Parliament be part of the process of review in no way deviates from the main principle of the Bill or, for that matter, in no way takes us outside the scope of the Bill.

Having said that, I leave to your good judgment the appropriateness of the suggestions we have made. We have responded properly to the questions the Chair placed before us. We have attempted throughout this discussion to provide the Chair with an alternative which we believe is both practical in its use of the time of the House as well as ensuring that adequate debate is allowed to take place. Equally importantly, we consider that it would ensure a proper vote on the various clauses of the Bill.

As I said earlier, we will withdraw certain of the motions to delete and we will have provided today a substantial list to the Chair for consideration for withdrawal. I ask in all fairness, since we are prepared to do that, that we not be abused by the process and that that portion of our submission not be the only one given proper consideration. I would find it offensive, quite frankly, if all other arguments we placed before the Chair fell on deaf ears and only our willingness to withdraw certain of the amendments in the interest of the orderly proceedings of the House of Commons was accepted. I am sure that will not happen but I say it so it is on the record.

I appreciate your patience in hearing me out, and if we could get a favourable ruling along those lines it would expedite the orderly disposition, through passage or otherwise, of this legislation and enable us to get on with the business of Parliament.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I sat throughout those many days of committee hearings and I watched this whole process. The first observation any partial or impartial person outside would have to make is that the whole process was handled very badly, indeed incompetently, by the Government and its advisers. Here we are into a procedural wrangle and it would not have been necessary at all had the Government had its wits about it and had the Government's advisers simply followed the rule of law.

As you know, Mr. Speaker, we are here because the Cabinet made a decision many months ago to have a civilian security intelligence agency. Out of that process came Bill C-157, which was so badly drafted and such a disaster that the Government, even before it came to the House for second reading, had to pull it out and sterilize it by putting it into a Senate committee. They heard dozens and dozens of witnesses and made over 40 changes. Had the Government been competent in the first place, Bill C-157 would have come to the House, had a proper debate with amendments, and it could now be the law.

Mr. Deputy Speaker: Order. I invite the Hon. Member to limit his remarks to the suggestion of Mr. Speaker that comments should relate to the grouping itself and not to the relative merits or substance of the Bill, if I may suggest.

Mr. Thacker: I appreciate what you are saying, Mr. Speaker, but you will see as I get into my argument that it will deal with equity in this highest court of the land. It will deal with how the Speaker in his equitable jurisdiction should be dealing with this as compared to the strict rule of law or the statutory rules, although I have an argument on that subject as well.

Bill C-9 comes in, closure is applied on second reading, and the Government now seems to be saying that because something was not dealt with at second reading stage it cannot be dealt with at committee stage. The Government did not give us a chance at second reading. We could not put amendments in when the Government brought in closure, so we have to do it at committee stage. They were deemed acceptable by the chairman at committee stage, fully debated, some were passed and some were defeated. Now we are back at report stage and everyone has the right to put in as many amendments as they want. That is exactly what has happened. Had the Government been able to foresee, as it should have, what would happen in committee, we would not be involved in this huge debate with the loss of all sorts of time.

I would rather be debating the substance of the Bill than a procedural wrangle. In committee Government Members themselves came to realize that much of what the witnesses

were saying, along with the amendments we were putting forward, was reasonable. Indeed, they accepted one of the amendments. One Member abstained, and the chairman, having sat through this for months and months, voted with the Opposition on one of our amendments which resulted in its getting through. Government Members have strong feelings on this themselves and they would like to see some changes.

We have our little green book, Mr. Speaker, which gives us the process for resolving conflicts. When the Government decided that the NDP had put in too many amendments or that it was stalling, there was a mechanism to deal with that. Standing Order 80 provides that the Government can try to reach an agreement which can be filed in this House and put time limits on the committee stage. But even if it cannot get agreement from all three Parties, it could have used Standing Order 81, which states:

When a Minister of the Crown, from his or her place in the House, states that a majority of the representatives of the several Parties have come to an agreement in respect of a proposed allotment of days or hours—

That can be filed in the House as well, but no one approached us.

Mr. Deputy Speaker: Order. I really apologize to the Hon. Member for interrupting him again. However, I feel he is not addressing the very specific matter of groupings and the Speaker's comments. The Hon. Member is now referring to events which occurred in committee. I appreciate his earlier remarks, that he is attempting to lay the foundation for argument on some point which he plans to raise later on in his remarks. But I would invite the Hon. Member, for the sake of orderly debate and strict relevancy to what is now exercising the House, that is commenting on the Speaker's proposed ruling, to reach that point as soon as possible so that I can have a better understanding of what he is arguing.

● (1240)

Mr. Thacker: Thank you, Mr. Speaker. I am sure that in your equitable jurisdiction you would agree that the court should never be put in the position of having to rescue someone as a result of one of the people appealing to you not having followed the rules. If the Government would have followed Standing Order 81, wherein it could have dealt with us and the two Parties could have struck an agreement, it would not have mattered what the NDP wanted. Failing that, it could have acted under Standing Order 82 wherein the Minister can simply and say there is no agreement. Therefore, they could have brought debate to a close, not only in the House but in the committee. That is the point. There was a mechanism to resolve the conflict in the committee. Standing Order 82 states "at which a public bill was under consideration either in the House or in any committee". That is my point. They are calling upon the Chair to extricate them from a situation which the Government itself caused. I do not think the highest court in the land, and the Speaker of that court, should have to rescue the Government as a result of its own incompetence.

Referring to what you were calling upon in terms of motions, Motion No. 11 is one of the PC motions which is really the heart and core of what we are saying in the sense that the existing service should continue, that the statute which is going to codify the existing practice should simply apply to the existing organization which is there. We should, as a Parliament, be able to make a division on that. It would be quite appropriate for you to say that Motion No. 11, being the substantial element of it, has a lot of consequentials, so that if Motion No. 11 is deleted all of these consequential motions fail. That would be a reasonable grouping right there. It is not crystal clear from the preliminary ruling that that is the case. I think that should be one of the chapters. That would be fair and reasonable.

My hon. colleague from Vancouver South laid out very well the case as to the other groupings and the other nine motions, all of which I believe should be found in order. The House should be able to divide on those. The proposal of the Member for Burnaby (Mr. Robinson) is truly a reasonable proposition for the grouping of the NDP amendments as well.

I would like to make one brief comment with regard to some of the remarks that were made in the House about the conduct of the chairman of the committee. I believe he was put in an impossible situation, just as you are, Mr. Speaker. In that impossible situation he had to act, and he acted to the very best of his ability. As a result he did the honourable thing: he resigned at the end of it. He said that he had been put in such a terrible position by the actions of the Government that he felt he had no choice as chairman of the committee but to make a resolution and resign. The Government should have gotten him off the hook by coming to the House and seeking an order under Standing Order 82. That was the proper and lawful mechanism to resolve it, but the Government allowed the chairman of the committee to hang out on the line. He had to save their bacon two or three times. Indeed, when he felt it was proper he voted with the Opposition Members. Now the Government is bringing in motions to change around the amendments that were accepted and voted on by some of their own Members. It is an absurd situation. I take exception to the chairman being hung out to dry for the incompetence of the Government.

I want briefly to reiterate the argument put by my hon. colleague from Vancouver South. I too went back and looked at the *Journals*. I believe this is one of those cases where the quote in Beauchesne does not adequately reflect the actual wording of the *Journals*. I can remember the Chief Justice of the trial division of the Supreme Court of Alberta speaking to us when we were graduating as young law students. He told us how we would go before the court and be psyched out by senior lawyers who have had 20 years' practice and seem to know everything. He told us not to be fooled by it. He said that if a young lawyer goes behind the headnote and reads the cases, he will often find that the case does not actually bear out what the senior counsel, going on long-term memory and flying by the seat of his pants, is saying. He told us we would win several cases on that. That is true. This is an example of that, Mr. Speaker. I would encourage you strongly to read the

actual *Journals*. I do not think it is a sound basis for the quote from Beauchesne.

Mr. Derek Blackburn (Brant): Mr. Speaker, I would like to enter into the debate at report stage. In other words, I want to address Motion No. 1.

Mr. Deputy Speaker: That is quite in order. The Chair recognizes the Hon. Member for Brant (Mr. Blackburn) for that purpose on Motion No. 1.

Mr. Blackburn: Thank you, Mr. Speaker. I had the opportunity of speaking on Bill C-9 at second reading although I was limited to 10 minutes then as I am now. This is one of the most important Bills ever to come before the House in my time. I am in my fourteenth year in this Chamber. In some respects it is also one of the most odious pieces of legislation which we have had to deal with because of the intransigence of the Government and its refusal to, what I call, democratize, or I might even use the word "liberalize", the framework of this very important piece of legislation.

I can recall a few weeks ago speaking before the county council of Brant, the riding which I represent. That council is dominated by Conservatives and Liberals. They informally expressed very grave concerns about the arbitrariness of Bill C-9. Intrusive powers have always been looked upon with a tremendous amount of concern by Canadians. We are not essentially a criminal nation by any stretch of the imagination. There may be evidence, and no doubt there is, of terrorist or potential terrorist activities in our country as well as subversive or potential subversive activities. I would like to pay tribute to the work that the RCMP have done over the years in keeping our country relatively free of these most objectionable and heinous individuals who have from time to time arrived on our shores or may have been born here.

I ask myself why we must pass a Bill such as C-9 which would give a civilian security agency so much more power to legitimize the dirty tricks that the RCMP security division were guilty of back in the late 1960s and early 1970s and which brought this whole matter to the surface. I suggest that the dirty tricks were perpetrated primarily because there was not a chain of responsibility from the head of the security branch of the RCMP through to the Solicitor General and from the Solicitor General to the Cabinet and from the Cabinet to the Prime Minister.

There is nothing in this Bill which sets up that direct chain of responsibility. In a democracy it seems absolutely incredible that we, the people's duly elected representatives, would allow a secret police force to have such power that it is not directly responsible to any of the people's representatives. If you look at the Bill carefully you will see that the Director General is not obligated to report on every aspect of all the activities which are going on at any given time within the security force. Even if he is asked by the Solicitor General (Mr. Kaplan) or ordered by the Cabinet or the Prime Minister (Mr. Trudeau), he is not obligated to present all the information that he has at his disposal. He can be very selective. In other words, the Bill gives arbitrary, virtually dictatorial and indeed authoritarian power to the Director General of this proposed security agency. That is anathema to me, as one who believes in democracy. I do not believe for a moment that the Solicitor General can argue that to protect ourselves, our country, our laws and our institutions, we need that kind of authoritarian power. I went through the intrusive powers, as we all have, at second reading and committee stage.

● (1250)

The other point I want to speak on very briefly is the oversight committee. In West Germany there is a parliamentary oversight committee. We in this country often tend to think that the American police forces, such as the FBI and CIA, have such untrammelled and unlimited power that it is dangerous. We are talking about a security agency in this country that is somewhat analogous to the FBI. We have the impression that the FBI has tremendous power. However, in the United States, because the FBI abused that power which it developed by hook or by crook since I believe the early 1930s, the U.S. Congress in its wisdom set up an oversight committee.

Let me quote from an article in *The Globe and Mail* of February 11, 1984, written by Mr. Jeff Sallot, in which he refers to that oversight committee and what the chairman of that committee of the House of Representatives had to say about the laws and powers that we are about to give to this civilian security agency in Canada. He says:

Congressman Donald Edwards—

He is an elected representative of the people, as we are here as Members of Parliament.

—the chairman of the House of Representatives committee which scrutinizes FBI activities, said that the 'loose' definitions of threats to national security in the Canadian bill would never be tolerated in the United States.

He is referring there to an oversight committee, not some ancient Privy Councillors who may have sat in the House 25 years ago or indeed never run for public office but were somehow appointed to the Privy Council of Canada as friends of a Prime Minister. He was referring to a committee of Congressmen who represent congressional districts and are elected directly by the people. They are on that oversight committee in the United States to ensure that the FBI does not break the law and is not guilty of dirty tricks.

That is what the New Democratic Party is asking for. We are asking for an oversight committee composed of parliamentarians. What does the Solicitor General have against parliamentarians? What does the Cabinet have against parliamentarians? Are we not trustworthy? Can we not be expected to do an honourable job in making sure that the civilian security agency operates according to the regulations and laws that we gave it in the first place? That is what is important and what is at stake. That is a fundamental democratic principle on which we base our arguments with respect to the oversight committee.

The third point I want to make concerns the powers that the RCMP already have through the criminal justice system. As I read the Bill, the civilian agency would take over many of

those simple and sometimes not so simple police activities which the RCMP is presently charged with carrying out. These include to cause an investigation, secret or otherwise, to effect arrests, to lay charges and, through the Crown, bring the suspects to trial.

In the United Kingdom there is what is called the MI-5, which is somewhat similar to what we are proposing with the secret service here and the FBI in the United States. However, in the United Kingdom MI-5 officers do not carry guns, do not effect arrests and do not even lay charges. Their job is counterintelligence. Their job is to gather information within the law. It is a special branch of Scotland Yard that does the police work.

I suggest that that is the way it should be here in Canada. The RCMP, which is a police force, should be charged with the normal application of the criminal justice system in effecting arrests and laying charges, and this new civilian security force should have no right whatever to act as policemen. They are not, in fact, trained as police officers. That is why I would like to see a considerable amount of the authority that is provided in this Bill remain within the hands of the RCMP.

Finally, I do not know why the Solicitor General has ignored many of the basic recommendations of the McDonald Royal Commission which led to Bill C-9 in the first place. I do not know why he insists on refusing to follow the advice of the Pitfield Committee in the other place. In both those instances, they warned against too much power, too much authority and too much secrecy vested in this proposed civilian agency.

That is why, at the outset of my remarks, I said it was odious. It is anathema to those of us who truly believe in democracy in a country such as Canada. Canada is not a hive of subversion and subversive activity. It is not a mecca of terrorism. It is true that we no doubt have some persons in this country who harbour terrorist aspirations and who may in fact be directly involved in terrorist activity. There are others who would no doubt like to undermine our democratic institutions by force. But in a country such as Canada, these conditions are to the best of my knowledge, and looking back over the years historically, an absolute minimum. While I agree that we desperately need a much more effective security force in Canada and, if need be, a civilian security force, as a believer in democracy I refuse in principle to grant those authoritarian powers to the secret little club that the Prime Minister and the Solicitor General want to establish.

I would like to call it one o'clock, if I may.

Mr. Deputy Speaker: Is the House disposed to call it one o'clock?

Some Hon. Members: Agreed.

[*Translation*]

Mr. Deputy Speaker: Order. It being one o'clock, I do now leave the chair until two o'clock this afternoon.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

EXTERNAL AFFAIRS

BALTIC STATES—ANNIVERSARY OF CITIZENS' DEPORTATION

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, on this forty-third anniversary of a terrible event I would like to draw to the attention of the House a moving event which took place last night in downtown Montreal. Several hundred people gathered together to remember something. They were members of the Baltic Federation of Montreal and they were taking time to remember the terrible events of June 14, 1941, in Lithuania, Latvia, and Estonia.

What took place was a brutal round-up and deportation to Soviet hard labour camps of thousands upon thousands of citizens of the three Baltic States. They were rounded up between 1 a.m. and 5 a.m. that night, given only a short time to gather a few personal possessions, put in trucks, and taken to railway stations. There they were herded into boxcars, each one of which was hopelessly overcrowded. Slits in the sides were all that let in some air and some light. A hole in the floor served as a toilet. Throughout a journey lasting several days and nights, they were given no food or water. The doors were barred and were opened only at the destination, by which time, starvation, illness, and death had all taken their toll.

No wonder so many Canadians of origin in the Baltic States took time last night to lay their wreaths and to say "je me souviens". I should also add that representatives of the following Montreal organizations were in attendance: the Canadian Polish Congress, the Canadian Hungarian Committee of Montreal, the Canadian Ukrainian Committee, the Czechoslovakian National Association, the Afghan Association, and the anti-Bolshevik Association.

* * *

[*Translation*]

RADIO-CANADA

REQUEST THAT VILLAGE OF KEGASKA, P.Q., BE GIVEN ACCESS TO TELEVISION PROGRAMS

Mr. André Maltais (Manicouagan): Mr. Speaker, I have spoken a number of times in the House about the television problem in Kegaska, a small village on the middle and lower North Shore. A few weeks ago, Radio-Canada informed me that it would be possible to use equipment formerly used in Gaspé to set up a transmitter for Kegaska. Mr. Speaker, at the present time, this small village with a population of 200 does not receive either French or English television. Every time, the

CRTC has turned down requests for cable because the village does not have the required minimum population of 500. I would ask the Minister responsible to take the necessary action to give this community access to television broadcasts. Canadians ought to realize that before setting up a second network, the CBC should make sure that everyone in Canada can at least receive the first network. I think it is very sad that after four years of repeated requests, the CBC has yet to find a solution to a minor problem that might cost them about $250,000. Mr. Speaker, I am repeating my request and I want to make sure that the Canadian Broadcasting Corporation takes the appropriate action so that the community of Kegaska can receive television broadcasts in 1984.

* * *

[*English*]

CANADIAN BROADCASTING CORPORATION

COVERAGE OF LIBERAL PARTY LEADERSHIP CONVENTION

Mr. Geoff Scott (Hamilton-Wentworth): Mr. Speaker, I have it on good authority that the Canadian Broadcasting Corporation producers of this weekend's Liberal leadership extravaganza are praying that the race will go to four or five ballots. That is the only way the CBC will have time to roll all the credits for participating commentators, most of them Liberals. Heaven help them if this thing only goes to one ballot. Quite apart from the amount of money these well known Liberals are being paid for their transportation and expertise, our government owned network cannot deny its long-time friends due recognition at this Liberal-CBC love in.

Seriously, a few of these high powered Grits will be worth hearing. From Newfoundland, representing Atlantic Canada, we will have the Hon. Joey Smallwood, a distinguished Father of Confederation. From the West Coast we bring you such famous names as Senator Ray Perrault, Senator Jack Austin, and former Vancouver mayor and defeated candidate, Art Phillips; from Edmonton, Alberta's only surviving Liberal, Mayor Laurence Decore; from Saskatchewan, former Liberal leader and now a Senator, Davie Steuart another impartial observer and survivor of Liberal fortunes in Western Canada; from Manitoba—are you ready for this, Mr. Speaker?—Izzy Asper, once a rumoured Liberal leader in that province. And so it goes.

We have a distinguished former broadcaster, the Hon. Minister of Consumer and Corporate Affairs (Mrs. Erola), the Minister of Finance (Mr. Lalonde), the Minister of National Health and Welfare (Miss Bégin), all lending their impartial expertise this weekend. It beats me, when we have some 5,000 journalists and independent analysts in town—

Mr. Speaker: The Hon. Member's time, unfortunately, has expired.

S.O. 21

LABOUR RELATIONS

CLEANERS' STRIKE AT TORONTO'S FIRST CANADIAN PLACE OFFICE TOWER

Mr. Dan Heap (Spadina): Two hundred immigrants, mostly Portuguese women, have for several years cleaned the offices and stores in First Canadian Place, Toronto's biggest and snazziest office tower. Although the owners, Olympia and York, are worth $3.5 billion, the cleaners are expected to support families on $5.83 an hour. Therefore they went on strike on June 4, led by their union, the Food And Service Workers of Canada.

Support for the strike is strong among the union members and within the Portuguese community in Toronto, many of whom have joined the picket line. However, the strikers are shocked to find the Government of Canada trying to help the employer break the strike.

Canada Employment Centres are sending unemployed workers to cross the picket line. Not only does the Government use poor people against poor people, but it uses the workers' own unemployment insurance payments to defeat the workers. It is intimidating the unemployed by suggesting that if they do not cross the picket line they may lose their entitlement to unemployment insurance.

The Portuguese cleaning women on strike, and all other workers, are angry at what is called "being kicked with their own boot."

I demand that the Minister of Employment and Immigration (Mr. Roberts), when he returns from his paid vacation with the leadership campaign, immediately make a public declaration assuring unemployed workers that they will not lose their entitlement to unemployment insurance by respecting and refusing to cross a legal picket line.

* * *

THE PRIME MINISTER

TRIBUTE TO LEADERSHIP

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): This day the Liberal Party of Canada bids a special farewell and thank you to one of its most illustrious leaders and a most eminent parliamentarian. It is my concern that at this time we should reflect on the principles that have guided our Leader in Parliament.

His irrepressible debating skills will not soon be forgotten, especially by the opposition Parties. His arguments inevitably were based on rational thinking and logic, rather than on emotion. They were motivated by an intense love of country and a respect for all Canadians. His goal was unity of the country and a federal Government that spoke for all of Canada.

His statements were always tempered by respect for the rule of law and the judgments of the courts of this land. His decisions took into account the historic perspective of Canada.

S.O. 21

The parliamentary process itself was enriched by his introduction of the innovative use of committees and task forces, by making available, to Government and Opposition, improved research facilities and manpower.

Outside the House he acquired the respect of members of the press, even if he did not capture their affection. His thinking crossed Canadian borders, making him a citizen of the world. He was an internationalist, with the intense desire to overcome the gap between the rich and the poor.

Though he will be missed as a Leader of the Liberal Party, I sincerely hope that in his future endeavours the Prime Minister (Mr. Trudeau) will continue in his role that has been so meaningful to Canada and to the world as a whole, and that is as a respected, informed, and articulate ambassador of peace.

* * *

• (1410)

CANADA MORTGAGE AND HOUSING CORPORATION

FUNDING OF RESIDENTIAL REHABILITATION ASSISTANCE PROGRAM

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, a very important loans program appears to be suffering greatly at the hands of the Canada Housing and Mortgage Corporation. The Residential Rehabilitation Assistance Program, known more commonly as RRAP, is under funded to the point that it is nearly ineffectual. The CMHC office in North Bay, which is responsible for the riding I represent, received only two-thirds of the funding it sought for this calendar year. Consequently there is a waiting list of roughly 70 applications from persons in dire need of home repairs. We are not talking about people who want financial assistance for swimming pools and hot tubs. We are talking about people who need new heating systems, plumbing, fire safety systems, and whose house structural foundations are crumbling beneath them. RRAP loans also make homes more livable for the disabled.

More funding is needed for more delivery agents to assess the work on behalf of CMHC. Organized areas with municipal representation have the advantage of agents supplied by the councils, but what may be done for those persons who are not represented at the municipal level, those who live in unorganized territories? I appeal to the Minister responsible for CMHC to approach Treasury Board for increased funding for this important program.

* * *

CANADIAN ARMED FORCES

DAMAGE CAUSED BY HELICOPTER ACCIDENT IN HALIFAX, N.S.

Mr. Howard Crosby (Halifax West): Mr. Speaker, Nova Scotians in Halifax West are proud of the presence in the community of the Canadian Armed Forces, particularly Maritime Command. Respect for the naval tradition was evident in the massive response to the parade of sail in Halifax harbour involving 50 tall ships and sailors from all over the world. However, while the Armed Forces are welcome in Nova Scotia, the Government must make appropriate amends for damage or loss resulting from military activity.

On June 10, 1984, a Seaking helicopter operating from CFB Shearwater caused an unfortunate accident not justifiable on grounds of military authority or emergency. The Seaking damaged a power line, resulting in a lengthy interruption of electrical services to thousands of homes and business premises in Halifax West. Damage ranged from spoiled foods in households to substantial injury to food products held in storage. Liability should be accepted by the Government as a public responsibility. Those incurring losses should not be subjected to technical legal defences, nor incur the expense of protracted legal action. I urge the Minister of National Defence (Mr. Blais) to accept responsibility and proceed to settle claims on a fair and reasonable basis.

* * *

DISASTERS

LOSSES CAUSED BY FIRE AT FOAM LAKE, SASK.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, on June 1 of this year the town of Foam Lake suffered the worst fire in its history. I had the opportunity to survey the damage last week, with Mayor Velma Johnson of the town of Foam Lake. Part of the main street was destroyed, including a large hardware store, a grocery store, home care offices, and a large grain annex. The damage is around $2 million. In addition, there were a lot of firefighting costs. The fire was still smouldering in the grain annex four or five days after June 1. Therefore the damages have been quite extensive for the town.

I was shocked to find out that the provincial Government has denied any emergency assistance to the town of Foam Lake, despite the tremendous cost. The Mayor and the townspeople are very disappointed with this. My purpose in rising this afternoon is to ask the federal Government whether there might be some emergency assistance it can give to the town of Foam Lake. Perhaps the Government could help me to negotiate with the provincial Government in an attempt to try to persuade it to fulfil the obligation it has to the people of Foam Lake. This is a very expensive burden for the people of that town. They deserve help.

* * *

EMPLOYMENT

SPECIAL EMPLOYMENT INITIATIVES PROGRAM—ALLOCATION OF FUNDS TO OKANAGAN-SIMILKAMEEN RIDING

Mr. Fred King (Okanagan-Similkameen): Mr. Speaker, some months ago the shame of the Special Employment Initiatives Program of the Minister of Employment and Immigration (Mr. Roberts) was revealed to the nation. In a secretive manner, funding was provided to Liberal MPs only for

distribution of grants in the ridings they represent, for the obvious purpose of buying favour with the electorate. The Minister said then: "Golly, I am sorry I forgot to tell opposition Members about the grants". Therefore I submitted a number of applications on behalf of constituents in Okanagan-Similkameen, and pursued the matter through numerous conversations and correspondence with the Minister, but did not get so much as an acknowledgement of receipt of the applications.

Last week the Minister of Employment and Immigration and B.C. Senator Jack Austin announced, with great fanfare, a grant of $40,000 to the Penticton Triathlon Society, one of the applications I had submitted to the Minister for approval. Here we have it, $500,000 or more distributed to Liberal held ridings, $40,000 provided to Okanagan-Similkameen in a manner which suggests that grateful constituents should kiss the Liberal hands that opened the purse just enough to give a peek at what is going on in Liberal Canada. Imagine being expected to show gratitude to those responsible for this blantantly partisan, corrupt, unfair, unethical, irresponsible, unacceptable way of dealing with the citizens of Canada.

ORAL QUESTION PERIOD

[*English*]

FINANCE

INCREASE IN BANK RATE—EXCHANGE RATE OF DOLLAR

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, I have a question for the Minister of Finance, who undoubtedly knows that the bank rate has again today jumped. Our dollar has been taking a pounding, forced down to the lowest level it has been since 1855, yet we find this morning that plant utilization in the manufacturing sector is actually down. Will the Minister explain to the House why the Canadian dollar is taking the pounding it is now taking, and why interest rates are rising at a time when plant utilization is actually falling off?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the latest information I have is that the dollar at noon was at 76.88, which is not the lowest level it has ever been, as the Hon. Member was suggesting. Second, as far as interest rates are concerned, he knows the bank's rate went up 7/100 of 1 per cent, which is a very small increase. It is not expected to have any direct impact on loans to individuals or on mortgages.

As the Hon. Member knows, the prime rate in Canada is lower by half a point than in the United States. Conventional mortgage rates in Canada are still generally lower than in the United States. As far as the Canadian consumer and borrower is concerned, he can still get a better deal in Canada than he can get in the United States.

However, the Hon. Member knows that in the open market we are learning that interest rates in the United States have a

major influence, not only in Canada but in all other industrialized countries. If he looks at other currencies, European currencies for example, he will see that those currencies have been under pressure because of the particular strength of the United States dollar. I could go on with a longer explanation and a longer discourse on the subject, but I am sure the Hon. Member knows all these facts already.

SIZE OF DEFICIT—STATEMENT PUBLISHED BY HON. JOHN TURNER, LIBERAL LEADERSHIP CANDIDATE

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, my question is very simple. Does the Minister of Finance agree with the statement of John Turner that is now hitting the streets of Ottawa, called "John Turner Speaks Out"? I quote:

Without getting into what the deficits do to us in terms of impeding investment, keeping interest rates high, jeopardizing the exchange rate—

Mr. Speaker: Order. The Chair has some concern on two points, first the displaying of a document and, second, concerning the request for an opinion. These have been traditional—will the Hon. Member please let the Chair speak? This is a concern that I only wish to express at this point.

Mr. Stevens: The quote continues:

—what they are really doing to us, if we do not get them under control, is forcing us to pay 20 cents on every tax dollar to pay the interest on our debts, and a good deal of that is being paid to foreigners.

Is that a fair statement of Canada's position today? If the Minister agrees with that statement, why has he allowed that to happen?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member will know that I made a very similar statement in the last two Budgets and that we have taken steps to reduce the Canadian deficit gradually. The Hon. Member will also know that at the present time in Canada the budget deficit has no impact on the level of interest rates for the good reason that there is indeed a considerable supply of funds on the market. The banks and financial institutions have an ample supply of funds for both the private and public sector. There is no domestic reason why the interest rates are under pressure at the present time. The pressures are being created by the situation in the United States. This is a view that was expressed most strongly by the other six major industrialized countries at the recent summit in London.

• (1420)

The American administration has been repeatedly told that the evolution of interest rates in the United States was a source of great concern for all industrialized nations, for the developing countries and particularly for the debtor countries which are facing very substantial increases in payments for every 1 per cent increase in the value of the American dollar. A 1 per cent increase in interest rates means that these countries will have to pay $4 billion more in interest every year. These facts have been drawn to the attention of the United States administration repeatedly, and we have urged

that administration to take steps to reduce the pressure on United States rates of interest, steps which would have a beneficial effect on all other industrialized countries.

FORECAST OF INCREASE IN UNITED STATES INTEREST RATES

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, my question is again directed to the Minister of Finance who has just stated that our interest rates are being influenced to a major extent by American rates. He undoubtedly knows that this week Goldman Sachs has stated that a large rise in short-term interest rates in the United States of 3 per cent to 5 per cent lies ahead, and that the yield on 30-year treasury bonds will probably exceed the previous historic peak of 15.25 per cent. Does the Minister agree that there may be such a spiralling of American interest rates? If he does agree with that, will he allow Canada to be crucified on the cross of those American rates without stopping this nonsensical tracking of the American rates that he has been doing?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I would only say that I will not speculate on the evolution of American interest rates, except to say to the Hon. Member that the view he attributes to Goldman Sachs is certainly not shared by the United States administration, Treasury, and President. We will see who is right and who is wrong.

As far as the rest of his question is concerned, I notice that my friend, the finance critic for the Opposition, the Hon. Member for St. John's West, is not in the House today. If he were, he would certainly dispute the argument of the Hon. Member that we could somehow have a totally independent of interest determined rate in this country alone. That is certainly not the view of the Hon. Member for St. John's West, and I would hope that the Conservatives would stop trying to speak from both sides of their mouths.

* * *

THE ECONOMY

STATEMENT PUBLISHED BY MINISTER OF ENERGY, LIBERAL LEADERSHIP CANDIDATE

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, my question is also directed to the Minister of Finance. His colleague, the Minister of Energy, Mines and Resources, has recently stated:

> The last decade has taken a profound toll on individuals, families and communities.
>
> Continuing levels of unemployment unknown since the Great Depression—unemployment that has been particularly hard on the young and the less educated—

In his brochure which can be obtained across the street, the Minister of Energy, Mines and Resources has indicated:

> With youth unemployment at almost 20 per cent, the major priority must be to create jobs. Youth unemployment is a serious social and economic problem. I am deeply concerned about the scars that might be left on an entire generation.

All these, Mr. Speaker, are the words of one of the members of Cabinet who has been a part of the Government for many, many years. These words amount to an outright condemnation of the policies of the Minister of Finance. Does the Minister of Finance accept this outright criticism of the policies of his Government that is being made by candidates who seek to replace the Prime Minister?

Mr. Speaker: The Chair wishes to repeat its reservation. The introduction of literature relating to events taking place outside this House and clearly identifying the candidate—

An Hon. Member: Who says that?

Mr. Speaker: Suppose a Liberal back-bencher were to introduce such literature? There must be some impartiality. I plead with Hon. Members not to introduce documents or displays which are identified with individual candidates.

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, first of all, I may remind my hon. friend that instead of poring over material published in connection with the Liberal leadership race which is on at the present time, he ought to read the Budgets I brought down, in which I have stressed the importance of the unemployment question in this country. The last two Budgets I brought down set a very high priority on the unemployment issue and job creation in this country. I am not going to repeat all the measures these Budgets contain, but I may remind my hon. friend that, for instance, the Minister of Energy, Mines and Resources has often stressed the positive and job creating factors we have introduced starting in the energy sector thanks to a set of measures we have implemented.

As for youth unemployment, I may remind the Hon. Member once more that for 1983-84, this Government allocated the sum of $1.113 billion for young people alone. The services thus funded will benefit more than 2,146,000 young people in our country in 1983-84. This is the largest amount ever earmarked for youth unemployment in the history of this country. The Government has made a commitment to reduce youth unemployment. We have done everything we could, and we shall continue to do so.

[*English*]

Mr. Siddon: Mr. Speaker, I prefer the honest assessment that the Minister's colleague, the Minister of Energy, Mines and Resources, has made of the disastrous state of our economy, to the fluffed-up, pontificating of the Minister of Finance, who has obviously failed the country miserably.

CONFERENCE BOARD OF CANADA STATEMENT ON INTEREST RATES

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, in its recent report the Conference Board of Canada states that high interest rates continue to inhibit business investment

and consumer spending in Canada. In a recent statement, John Turner, another candidate who proposes to become the next Prime Minister, makes it clear that he has no solution to the high interest rate problem.

Would the Minister of Finance admit that consumer spending is more buoyant in the United States than in Canada, as pointed out by the Conference Board because in Canada, unlike in the U.S., households cannot deduct mortgage interest costs from taxable income, thereby maximizing disposable income. Is the Minister of Finance in favour of giving Canadian home owners a break on their mortgage interest payments by allowing deductibility of these costs, or does he really propose to offer himself to John Turner as Canada's next Finance Minister, given his disastrous record of failure to date?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, quite clearly the Conservatives are running scared.

Some Hon. Members: Oh, oh!

Mr. Lalonde: I will only say that they have good reason to be running scared. I can say that either of the two gentlemen to whom he has referred will run them into the ground at the time of the election.

My friend was quoting a particular institution. I will quote Carl Beigie to him, one of the outstanding economists in the private sector of the country, who said that the Canadian economy is in better shape at the present time than it has been in the last 15 years, for making further progress.

EFFECT ON INTEREST RATES—GOVERNMENT POLICY

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, my question is also directed to the Minister of Finance who has already been reminded today of the potential impact of increasing interest rates. He knows that with interest rates at their present level, without allowing for the increases that we are now seeing, economic recovery will likely be aborted.

The Minister has come out very strongly against the American position on interest rates, saying that President Reagan has taken an "I'm all right, Jack" position. As reflected by his interest rate policy, it is obvious that President Reagan does not care about Canadians. Paul Volcker does not care about the economic plight faced by Canadians. Does the Minister of Finance care about the plight that is faced by Canadians because of the high interest rate policies which the Government is pursuing? If he does care, why does he not do something about it? Why does he not begin to take some independent action on interest rates here in Canada?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the answer to the first question, Mr. Speaker, is yes. As far as the second question is concerned, I need only tell my friend that in the last two years interest rates in Canada have gone from 3.5 per cent higher than interest rates in the United States to half a point below them. This shows that we care and that we are doing everything we can to bring interest rates down to the lowest possible level.

MINISTER'S POSITION

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I would like to question the statement of the Minister that he does care. As a result of his high interest rate policies and of his reluctance to take independent action, there has been a social consequence in the country. Many hospital psychiatric wards are filled with young people who are depressed and young people who have attempted suicide as a result of being unable to find employment. The Minister knows that alcohol and drug abuse and family violence have increased, and that is partly because of the Minister's high interest rate policy, the lack of economic activity and the resulting economic growth, and the fact that so many Canadians are jobless.

● (1430)

Does the Minister have a conscience? Can he sit there today, knowing interest rates are again moving upward, and legitimately say that there is nothing he is prepared to do? He is just wringing his hands and saying he, in fact, does care, but the social consequences of his interest rate policy would indicate quite the contrary.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member refers to "my" high interest rate policy. I do not know where the Hon. Member has been in the last two years. I have just answered in the previous question that indeed we have succeeded for the first time in a very long time in getting interest rates in Canada to a lower level than in the United States. This required some imagination, some work, and some good co-operation from Canadians in this country, which was more than we received from the New Democratic Party, I must say. It is more interested in moaning and complaining than in trying to look at issues and trying to address them in an objective and positive way.

I can only say to the Hon. Member that if his Party has policy proposals, put them forward and let them be examined and criticized. Let those Hon. Members spell out what they would propose for this country. Let them say whether they want exchange controls. Let them say whether they want to have a policy which is going to be made in Canada only, as if the rest of the world did not exist, as if 30 per cent of our income as Canadians did not depend on our exports, as if we were not very much interdependent with the rest of the industrialized world. We are, for better and for worse, very closely tied to what happens in the American economy. Overall Canada has benefited more than suffered from its geographical and economic situation *vis-à-vis* the United States. We should bear that in mind.

REFORESTATION INVESTMENT

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, the Minister of Finance will know that one of the reasons why the

United States has shown some economic activity is because it has been investing heavily in its war industry in preparation for war. As a result of that, money is circulating in many of its communities and economic growth is taking place.

The Minister asked for some suggestions. Would the Minister consider declaring war on our number one problem in Canada, that is, unemployment? Would the Minister take some independent action right now to provide jobs for Canadians in an effort to get money circulating in our Canadian communities by investing, let us say, in reforestation projects and in fishery enhancement programs?

An Hon. Member: We have done that.

Mr. Riis: You have not done that. Where it has taken place is on a very measly level. If the Minister is serious about getting people back to work, why does he not show some leadership and get on with it? Will he declare war on unemployment in this country and get money circulating in the communities of Canada?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I was asking for positive proposals—

Mr. Riis: Reforestation. I just gave it to you.

Mr. Lalonde: —and I received rhetoric. Unfortunately that is what we are accustomed to receiving from the New Democratic Party. I suggest to the Hon. Member that if he looks at the federal programs he will find, for instance, that we have signed agreements with a number of provinces which include reforestation programs. The Hon. Member knows, or he should know, coming from the Province of British Columbia, that those resources belong to the province and to the provincial Government. We cannot just walk in and tell the provincial government: "We are going to plant trees in your forests". It requires the co-operation of the provinces for this. Some provinces have co-operated. Others are dragging their feet. If the Hon. Member has something to complain about, he should go to his own provincial Government—

Mr. Riis: That is hopeless.

Mr. Lalonde: —which has been dragging its feet in that regard.

Mr. Riis: The Socreds are hopeless.

Mr. Lalonde: The Hon. Member says it is hopeless. Well, he should not blame the federal Government for the situation which exists because of the action or inaction of his own provincial Government. That is the situation.

I invite my friend to realize what this federal Government has done in federal-provincial agreements on forestry. I invite him to look at the hundreds of millions of dollars which we have put into helping the fishing industry, and at the measures which the Minister of Fisheries and Oceans is due to introduce in the next few days to help the fishing industry in British Columbia. I will look forward to seeing what the New Democratic Party is going to do when we bring forward those proposals to help the British Columbia fishing industry.

Some Hon. Members: Hear, hear!

* * *

CORRECTIONAL SERVICE

HARASSMENT COMPLAINT AGAINST OFFICIAL IN VICTORIA

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, my question is directed to the Solicitor General, and I have given him notice of it. The Minister has known for 11 months about a case alleging harassment by a senior official of the Correctional Service's parole office in Victoria. That case, aided and abetted by the outrageous procrastination demonstrated by his Department, has resulted in serious morale problems for all staff members. Can the Minister now, after 11 months, advise the House when we may see an end to this matter? When will he stop postponing the full disciplinary inquiry which has been called for?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I want the Hon. Member to know that I also very much regret the length of time it has taken to reach a hearing on this matter. The Hon. Member will know that a large part of the delay, in fact, the delay presently being experienced, is the result of a court order that no hearing occur until the fall. Therefore at present my hands are tied. However, I have indicated to the Correctional Service of Canada that I would like the matter to be proceeded with as quickly as possible. I have its assurance that it will be proceeded with by the middle of October. I hope that is satisfactory to the Hon. Member.

In the meanwhile, so far as disruptions of the office are concerned, I have taken steps to ensure that the office continues to be run and is running in an orderly way and that business as usual continues as much as possible under the circumstances.

Mr. McKinnon: I point out to the Minister that there were four postponements of the disciplinary inquiry before the court order.

DELAY IN CONVENING INQUIRY

Hon. Allan B. McKinnon (Victoria): Mr. Speaker, my supplementary question is directed to the same Minister. The terms of reference for the preliminary inquiry included: "It has been alleged that Mr. Murray Gaw, the Director of the Victoria District Parole Office, has been involved in activities related to: (1) harassment; (2) sexual harassment; (3) police harassment; (4) public mischief; (5) discrimination against union members; (6) counselling the commission of unlawful acts; and, (7) improper staffing activities." This stonewalling has made a farce out of the Human Rights Act and clearly demonstrates we either have a weak-kneed Solicitor General or that his Department is completely out of control in its stonewalling activities in this case.

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I feel it is very regrettable that the Hon. Member would rehearse a set of allegations in the House of Commons. I hope that the statements he has made do not damage the possibility of seeing justice achieved in this case.

* * *

TOURISM

INCREASE IN DEFICIT—PROPOSED AGREEMENT WITH ONTARIO

Mr. Otto Jelinek (Halton): Mr. Speaker, my question is directed to the Minister of Industry, Trade and Commerce. The Minister knows that the Canadian tourist deficit has increased from a record $2.1 billion last year. It is projected to increase to a staggering $3 billion this year. According to Statistics Canada that will result in the loss of 150,000 jobs. One of the reasons for these alarming statistics is because of the reluctance of the Liberal Government to co-operate with the provinces. Specifically, I would like to ask the Minister why he is dragging his heels in signing the tourism development sub-agreement with the Province of Ontario. This is an agreement that has been in the works for four years. It is an agreement which, if signed, would enhance the tourist industry in Ontario. Why has the Minister not made a decision on this very important matter? And when will he?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, first of all, with respect to the preamble to the Hon. Member's question, I would indicate that my colleague, the Minister of State for Small Businesses and Tourism, I believe, in the past year has done a fantastic job with the industry. For example, he has increased the budget for advertising. He has introduced a special advertising program, for example, throughout the whole northern part of the United States in order to increase traffic back and forth in terms of tourist development.

Mr. Jelinek: What about the deficit?

Mr. Lumley: In terms of the co-operation with the provinces, Mr. Speaker, up until this point in time I believe we had—going back as far as five years and six years ago—about nine or ten sub-agreements on tourism. Therefore the Hon. Member's comment with respect to co-operation with the province is not accurate.

With respect to a possible new sub-agreement between the Province of Ontario and Canada, we are considering it. It was most unfortunate that the Treasurer of Ontario would mention that in his Budget before we had made a decision to have a sub-agreement. However, it is still a possibility.

• (1440)

BANKS AND BANKING

BANK OF NOVA SCOTIA—FORECLOSURE ACTION AGAINST BRITISH COLUMBIA COMPANY

Ms. Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, my question is directed to the Ministr of Finance. He may or may not know that the Bank of Nova Scotia has just foreclosed on a loan to Winde Pacific Forest Products in British Columbia. There was no warning, no notice, and no compensation. More than 100 people now have no jobs. Will the Minister not agree that this foreclosure in a province suffering the second highest unemployment rate in Canada, by a fat bank whose profits went up 66 per cent last year, is yet another prime example of the insensitivity and irresponsibility of the banks?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I might just ask my hon. friend which Party in this House has been holding up the adoption of improvements to the Bankruptcy Act which are in committee at the present time?

REQUEST FOR MINISTERIAL ACTION

Ms. Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, the Minister is just dodging the issue. He knows perfectly well that he could take action, and I ask him what specific action he is prepared to take when that bank's profits go up 66 per cent and it is investing $7 billion in the United States, 13 per cent of its assets? When is he going to say to the banks, through regulation, that they must lend a substantial portion of their investment capital to Canadian small business to help Canadians and help keep Canadian jobs?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, fundamentally what the Hon. Member is asking is not that the banks invest more in Canadian businesses. She is suggesting that the banks should not collect their loans. That is a strange approach to running a business, even a bank.

Mr. Stevens: Not for a socialist.

* * *

TOURISM

REQUEST THAT AGREEMENT BE CONCLUDED WITH ONTARIO

Mr. Ron Stewart (Simcoe South): Mr. Speaker, my question is directed to the Minister of Industry, Trade and Commerce. Further to the questions of my colleague, the Hon. Member for Halton, I would like to ask the Minister is it not true that you have no intention of signing that $30 million agreement—

Some Hon. Members: Order.

Mr. Stewart: Through you, Mr. Speaker—the agreement with the Province of Ontario. You are a Minister from that province.

Some Hon. Members: Order.

Mr. Stewart: Sixty-nine per cent of all American tourists and 53 per cent of all overseas tourists come through the Province of Ontario. That agreement has been sitting on the Minister's desk for four years. I asked his colleague, the Minister of Tourism, who, we know, obviously has no clout in Cabinet, why the agreement could not be signed. Ontario is the most important province for tourism in this country, and I say again that the Minister is sitting on his fanny, talking about cars and watching thousands of jobs disappear.

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, I always enjoy answering the questions of Members who are so negative. They give you a great opportunity to respond. We have not been talking about cars, Mr. Speaker; we have been actively involved in obtaining over $1 billion invested in the automotive industry in the Province of Ontario.

Some Hon. Members: Hear, hear!

Mr. Lumley: I am sure that the Premier of the Province of Ontario will look very seriously at the comments of the Hon. Member which demean the importance of the automotive industry in Ontario.

Also, Mr. Speaker, for the first time in Canadian history the tourist industry has been added as a major sector for industrial assistance under the new program called IRDP which was approved unanimously in this House almost a year ago this month.

Mr. Bussières: He was not here. He was sleeping.

Mr. Lumley: A substantial number of applications have already been approved. If the Hon. Member would just look at matters a little more positively I think he might see what is going on, instead of closing his mind to what is actually happening.

REQUEST THAT AGREEMENT BE SIGNED

Mr. Ron Stewart (Simcoe South): Mr. Speaker, the new Honda automotive plant is in my riding, of which I am justifiably proud.

Some Hon. Members: Oh, oh!

Mr. Stewart: But I hate to see a Minister hiding under IRDP which in my vocabulary answers to CRAP. He talks about billions of dollars—

Mr. Speaker: Order. The first indication was that the Hon. Member did not want a supplementary. If it is a short supplementary, can he put it?

Mr. Stewart: I did. There is a $3 billion deficit in tourism. Will the Minister sign that subagreement with the Province of Ontario tomorrow?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, with respect to the Hon. Member's preamble, the first he heard of the Honda announcement was when he saw it in the paper, unlike a lot of House colleagues. I will even give credit to his side of the House. A lot of his colleagues, when they heard about the possibility of having a Honda plant come to Canada, wrote and asked if we could put it in their constituencies. That Hon. Member did not say one cotton-pickin' word, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Lumley: Then, to top it off, he tried to stand up in the House a week later under S.O. 21 and did not even acknowledge the contribution of the Government of Canada in getting the Honda plant there.

Some Hon. Members: Shame.

Mr. Lumley: Also, without the IRDP program, the new $764 million American Motors automotive plant would not have been possible in Canada. It was that program that enabled the Government of Canada to offer financial assistance to obtain that plant.

Some Hon. Members: Hear, hear!

Mr. Lumley: Finally, Mr. Speaker, we will look very seriously at the possibility of a subagreement with the Province of Ontario on tourism.

* * *

ENERGY

COST OF ELECTRICITY IN PRINCE EDWARD ISLAND

Mr. Tom McMillan (Hillsborough): Mr. Speaker, my question is directed to the Minister of Finance. On May 25 I asked the Minister whether the Government would be open to the idea of an energy subsidy for Prince Edward Island given that the province's electrical costs are at least twice those of the rest of Canada. His reply was entirely negative on the grounds that Prince Edward Island had missed its opportunity to lower electrical costs by rejecting energy from the Lepreau nuclear plant in New Brunswick. Is the Minister aware of data released by the Minister of Energy in Prince Edward Island, Fred Driscoll, a few days ago demonstrating that energy from Lepreau would have been much more expensive for P.E.I. than other options? If not, will the Minister inform himself about Mr. Driscoll's data and take a fresh look at the issue in light of that data?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I previously referred to Mr. Carl Beigie, and I would not want to be unfair to him, but I should also add that I understand Mr. Beigie has been asked to advise the Conservative Party on

policy. Therefore I think his statement has all the more authority when he says that the economy has never been in better shape in the last 15 years.

I might advise my friend that I did not take a totally negative attitude to his question the other day. On the contrary, I indicated the large contribution the federal Government had brought to Prince Edward Island in helping that province reduce its dependence on oil in particular, especially in the area of conservation of energy generally, through home insulation, et cetera. Programs were specifically tailored for situations like that of Prince Edward Island.

As far as the report the Hon. Member has referred to is concerned, I will read it with interest, but I can tell him that the studies the Department of Energy had made at that time, in consultation with the Governments of New Brunswick and P.E.I., seem to indicate that the cost of not using the Lepreau electricity was much higher than if it had been used.

ENERGY SUBSIDY

Mr. Tom McMillan (Hillsborough): Mr. Speaker, the Minister will recognize that, while conservation is important, it is just the tip of the iceberg as far as Prince Edward Island's energy problem is concerned. Therefore, does he at least recognize that exorbitantly high electrical costs on the Island constitute the biggest obstacle to that province ever achieving any degree of economic self-sufficiency? If so, would he be prepared to recommend to the new Liberal Prime Minister after the weekend that he examine the idea of a P.E.I. energy subsidy with an open mind so that the Island can become more industrially competitive and ultimately less dependent on transfer payments both to individuals and to the Government?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I do not agree with the analysis of the Hon. Member. I can only remind him that the federal Government paid $18 million, I believe, for an electrical transmission cable to Prince Edward Island. That is a significant subsidy to help reduce the cost of electricity to the people of Prince Edward Island.

* * *

INDUSTRY

LAY-OFFS AT WOODS INCORPORATED, TORONTO

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, my question is directed to the Minister of Supply and Services concerning another plant closing, Woods Incorporated, in my constituency. Some 140 production workers have been laid off, and the question is whether it is temporary or permanent. The Minister will know the company because it bid successfully on a number of contracts before, and has recently bid on a major contract. Can the Minister hold out any hope for those workers who have been laid off that there will be production jobs in September and that they will be getting back to work?

• (1450)

[*Translation*]

Hon. Charles Lapointe (Minister of Supply and Services): Mr. Speaker, I wish to thank the Hon. Member for her question and for giving me advance notice of the question.

I discussed with the Hon. Member the offer made by the company in her riding. The information I was able to obtain was as follows: The contract will be awarded in the first half of July. At the present time, the Department is checking the quality of certain materials for these emergency bags which will be used by the Armed Forces. Today I am not in a position to say who will or will not get the contract, but I realize that the workers in the company mentioned by the Hon. Member are in a difficult situation. I hope, if the company's price and product is the best one being offered, that it will get the contract.

[*English*]

SLEEPING BAG CONTRACT

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, my supplementary question is for the same Minister, or perhaps for the Minister of National Defence. It is with regard to a similar contract. Timing seems to be very important in this situation. For this company to survive and these jobs to continue, there must be some production in the fall. Yet there have been a number of delays on another major contract of around $1 million for sleeping bags for the Armed Forces. Can we have an understanding as to when this contract will be out for bids? The company has been told week after week that it is immiment, yet there has not been any action. I trust both the Ministers are aware that the livelihood of a community, and of real people who are suffering, is at stake.

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, I would be pleased to look into the representations of the Hon. Member. I am not familiar with the particular contract she is speaking of, nor the particular requirement. I will inquire and provide her with as much information as I possibly can.

* * *

EXTERNAL AFFAIRS

POLAND—EXIT VISAS SOUGHT FOR FAMILY REUNIFICATIONS

Hon. David Crombie (Rosedale): Mr. Speaker, my question is for the Secretary of State for External Affairs. The question concerns the very brave struggle of the hunger strikers in front of the Polish consulate in Toronto. I want to associate myself with the question raised earlier by the Member for Parkdale-High Park urging the Government to press the Polish authorities to grant exit visas to the families of those people who are now in their twenty-fourth day of hunger strike.

In order to put more pressure on the Polish authorities, would the Government contact the other signatories of the

Helsinki Accord and request that they urge the Polish authorities to grant those exit visas, in order to add the strength of world opinion in opposing this clearly inhumane act by the Polish Government?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, the Hon. Member is raising cases which are quite well known to the Government and myself. Under instructions, officials of the Department have made representations to the Polish authorities toward the end of May and again this month with respect to these cases. Up to the present time the Polish authorities have declined to reverse the decisions which they have already made. We have indicated our readiness to receive the members of the strikers' families. All we can do is continue the efforts. The Hon. Member may remember that late last year we had similar incidents which we substantially solved. I am hoping we will have the same result here.

REQUEST THAT MINISTER SEEK SUPPORT OF HELSINKI ACCORD SIGNATORIES

Hon. David Crombie (Rosedale): Mr. Speaker, my question was in no way critical of the Government's effort in the matter. In fact, it has been exemplary. I was making a suggestion and wanted the Minister to respond to it. I suggest that the Government go further and contact the other signatories of the Helsinki Accord and ask them to put pressure, along with the Canadian Government, on the Polish authorities. That would allow further weight of world opinion so that we could put that kind of pressure on the Polish Government. Clearly the weight of the Canadian Government is not—

Mr. Speaker: The Chair is giving the Hon. Member an opportunity. I think he has made his point. There are several Members on his side who are anxiously seeking recognition. The Chair understood there was only to be one question by the Hon. Member.

Mr. Crombie: May I be allowed to put the question, Mr. Speaker? I simply wanted to ask the Minister to respond to the suggestion that we could gain something on behalf of these people by contacting the signatories of the Helsinki Accord and asking them to intervene on behalf of the strikers.

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, the Hon. Member's suggestion is a serious one. We do associate ourselves with the other members of the Conference on Security and Co-operation in Europe in family reunification cases. In our discussions we move together. The idea that a number of countries join in supporting cases respecting Canada is a novel idea. I am doubtful whether it would be effective. I certainly will give consideration to it.

It is true that of all the eastern European countries the Polish authorities have been among the most co-operative in responding to family reunification cases. I hope that the more open attitude which they have demonstrated will be reinforced by action they may take in the cases which the Hon. Member mentions.

* * *

FINANCE

REQUEST THAT TAX ON TOURIST MATERIALS BE REMOVED

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, my question is for the Minister of Finance. It is with regard to his 9 per cent tax on tourism materials. The tourist industry in Canada employs about 11 per cent of Canadians. It could employ a lot more Canadians, including young Canadians, particularly in small business. The tax is constituting a growing irritant to Canada-U.S. relations. In view of the fact that the tourist industry association is so concerned about this tax, will the Minister agree to have it removed in the interest of creating more tourism jobs across Canada?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I have heard the Hon. Member make this representation on various occasions. The Hon. Member ought to mention, as well, the efforts being made by the Canadian Government to help the tourist industry. My colleague, the Minister of Regional Industrial Expansion, spoke earlier about all the splendid activities being initiated by the Government to help this industry. I shall consider the Hon. Member's question as a suggestion, but I may remind him that this Government is doing more for the industry today than any other Government has done in the history of our country.

[*English*]

POSSIBLE PRINTING OF TOURIST PAMPHLETS IN UNITED STATES

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, my supplementary question is for the Minister responsible for tourism. Brewster Transportation of Alberta has indicated to him that it will move the printing of its pamphlets for 1985 to the United States unless this tax is removed. That will cost more jobs. I remind the Minister that a lot of young Canadians get jobs with Brewster Transportation in that province. Can the Minister share any information about this tax beyond what his colleague has said?

Hon. David Smith (Minister of State (Small Businesses and Tourism)): Mr. Speaker, this matter falls within the jurisdiction of the Minister of Finance. He has indicated he will review that proposal. I will discuss it with him.

* * *

ENVIRONMENTAL AFFAIRS

ACID RAIN—GOVERNMENT POSITION

Mr. Gary Gurbin (Bruce-Grey): Mr. Speaker, my question is for the Minister of the Environment. The Government of

Canada is supposed to be committed to the reduction of acid rain by 50 per cent by 1994. What is the Minister's plan of action?

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, I am surprised that the Hon. Member would ask such a question. He knows very well, or should, that we have developed a plan of action over the months which would be too long to explain in a short answer.

In essence, we have brought together a political commitment on the part of provincial and federal Ministers of the Environment to cut emissions by half by 1994. We followed that up shortly afterwards with an international conference here in Ottawa which permitted us to obtain the support and a pledge by nine European countries, in addition to Canada, for a commitment to a minimum cut of 30 per cent by 1993. On June 6 provincial and federal Ministers of the Environment met as a working group to set into motion the various aspects related to the economy and technology which are needed to reach this objective.

• (1500)

Thanks to the efforts of the Minister of Energy, Mines and Resources, we have also produced a paper for the modernization of non ferrous metals in Canada which would permit us in the years ahead, in the wake of modernization, to bring about a cleaning up of the pollution caused by this industry, and increase productivity in order to permit us to remain competitive on international markets.

Mr. Gurbin: What the Minister has just done is confirm that he has no plan of action.

PLAN OF ACTION

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, the Minister will know that the Government's words are empty and hollow unless he has a specific plan of action to reduce acid rain. In view of the jobs, the industry, and the environmental impact, will he undertake to put before the House a specific plan of action to reduce acid rain, by the end of June of this year?

Hon. Chas. L. Caccia (Minister of the Environment): Mr. Speaker, I cannot substitute for the incapacity of the Hon. Member or his colleagues on that side to interpret answers. He knows very well that we have set a plan in action and that we have already made progress since 1980 by cutting SO_2 emissions in this country by some 15 per cent. He also knows that we have announced a reduction in lead in gasoline by the end of 1986. He also knows that the Minister of Transport and I have made plans for consultation about NO_x with industry this summer. He also knows that we have a plan of action in Canada already in place today, which our neighbours to the south do not have, for a reduction by 25 per cent by 1990. In addition, there are other commitments that have been made before the production of the report by Energy, Mines and Resources. If the Hon. Member considers that as no plan, I am sorry, I cannot help him.

Business of the House

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing the House that the Senate has passed Bill C-39, an Act to amend the War Veterans' Allowance Act, the Civilian War Pensions and Allowances Act and certain other Acts in relation thereto, without amendment.

* * *

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the House that a communication has been received as follows:

Government House,
Ottawa.

June 14, 1984

Sir,

I have the honour to inform you that the Right Honourable Brian Dickson, Chief Justice of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today the 14th day of June, 1984, at 4.30 p.m., for the purpose of giving Royal Assent to certain Bills.

I have the honour to be
Sir,
Your obedient servant,
Edmond Joly de Lotbinière,
Administrative Secretary
to the Governor General.

* * *

PETITION

MR. STEVENS—HOME MAIL DELIVERY IN BOLTON, ONTARIO

Mr. Speaker: The petition presented by the Hon. Member for York-Peel (Mr. Stevens) on Wednesday, June 13, 1984, does not meet the requirements of the Standing Orders as to form.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Hnatyshyn: Mr. Speaker, I would like to ask the Government House Leader if he could outline for us the business of the House starting on Monday of next week. As he knows, we will not be sitting tomorrow. While we have a tradition of asking about House business on Thursdays, in view of the fact that there will be a new leader of the Liberal Party after this week, I thought I might have asked the question on Monday because any new Prime Minister would probably reject out of hand all the legislative initiative taken by the Government. However, I will not do that. I will let the Government House Leader let us know what he has in mind

before he consults with the new Liberal leader. We can see what happens Monday morning.

Mr. Pinard: Mr. Speaker, the business of the House for next week will be Bill C-9, the Canadian Security Intelligence Service. Priority will be given to Bills that are at report stage. Therefore, the back-up legislation will be Bill C-40, the Old Age Security Act, whereby the Government of Canada wants to increase the GIS $50 a month by the end of the year. I think the new leader will want to support that kind of legislation and will be pleased to debate it in the House and see the Tory Opposition reluctance regarding social policies in this country.

The other back-up legislation will be Bill C-37, the mortgage protection plan. I also doubt that any Liberal leader would be inclined to withdraw such legislation that intends to protect home owners against high interest rates. The third back-up Bill will be the Western Grain Stabilization Act. Again, my hon. colleague should know that there is no Liberal leader who would not be glad to continue supporting the farmers in this country, especially the western farmers.

Therefore, the business for next week will be Bill C-9, followed by Bill C-40, Bill C-37 and Bill C-33, all good Liberal legislation designed to help old age people, the western farmers, and home owners with high interest rates.

We all know that this morning we agreed in the House to sit extended hours after next weekend. I just want to seize this opportunity to thank sincerely the House leaders of the two Opposition Parties for their co-operation. It is only the second time that we have had an opportunity to live with the new rules. The first year we were unable to get an agreement in advance on the extended hours. We had to move a motion, debate it and vote on it.

This year, thanks to the co-operation of my colleagues on the other side, it was possible for us to agree in advance. Therefore, we will be able to plan business in a reasonable way, sitting from 11 a.m. to 9 p.m. on Mondays, Tuesdays and Thursdays and sitting from 2 p.m. to 9 p.m. on Wednesdays without any interruption for the lunchtime hour. We will also be able to sit on Fridays from 11 a.m. to 5 p.m. without interruption. Therefore, we will be sitting over 28 additional hours during the last 10 sitting days before summer adjournment.

I thank my colleagues for their co-operation and I hope that together we will be able to show that we do not need the threat of sitting during the summer, that we can live with the parliamentary calendar and at the same time allow Parliament to be productive in those last 10 sitting days.

We will come back on September 10. Whatever Bills we are not able to deal with before the end of June, Parliament will still be well alive come the fall and I am sure that we will be able to deal with all other matters.

Mr. Hnatyshyn: Mr. Speaker, I appreciate the statement of the business with respect to next week and through to September 10, although I do not believe him for a moment. We may be back on September 10 or September 12, but it will be with a new Progressive Conservative Government.

Seriously, I take it that the Government House Leader is, in effect, suggesting that the senior citizens, the people who are looking for legislation with respect to mortgage protection and the western grain farmers will be held hostage by the security Bill. Until such time as that legislation is passed; these items will not be brought forward by the Government House Leader. He will want to have report stage of the security Bill out of the way before these other items are dealt with expeditiously by the House.

● (1510)

The Government House Leader will remember that it was only by virtue of the intense pressure put on by the Progressive Conservative Party in this House that the western grain farmer got any attention from this Government. The senior citizens had this Bill brought forward because of our urgings and the fact that we dragged the Liberals kicking and screaming through the legislative timetable.

Can the Government House Leader tell us whether or not he is going to await the passage of a very controversial Bill affecting the civil liberties of Canadians before dealing with the other items he has mentioned? It seems to me those items are matters of which he could get quick disposition. He has his priorities in reverse. He should have the Bills that will be of benefit to the people of Canada passed expeditiously. He should not have us arguing about a Bill which seriously and negatively affects the civil liberties of Canadians. He knows this Bill will be involved in a lot of serious and justified debate on the floor of the House of Commons.

Mr. Pinard: Mr. Speaker, the Hon. Member knows very well that Standing Order 22 requires that the order of business be decided by the Government. That is exactlty what we have done. During the last four and a half years we have been able to get through Parliament some 200 pieces of legislation, among which were major reforms: the patriation of the Constitution, the Charter of Rights, the Crow rate—

Some Hon. Members: Shame.

Mr. Pinard: —the National Energy Program—

Some Hon. Members: Shame.

Mr. Pinard: —and a lot of measures, 200 of them. Parliamentary reform is also one.

I would like to be very specific on something. I take the Hon. Member's remark very seriously. In the last ten sitting days we were able to get through Parliament in all stages some eight to ten pieces of legislation. It would have been possible and it is still possible to get through all stages the Bills to which my hon. friend refers. If he had wanted, the senior citizens, the western farmers and the home owners would now be able to see their legislation in place. That is not the case because the Hon. Member's Party has refused to agree to pass

those Bills through all stages more quickly than has been the case.

Mr. Hnatyshyn: That is wrong.

Mr. Mazankowski: You are contradicting yourself.

Mr. Pinard: I am not contradicting myself. I am saying that if we were able to agree to pass legislation through all stages at least eight to ten times during the last ten days, then it would have been possible for us to add to those eight to ten Bills the Old Age Security Act, the National Housing Act and the Western Grain Stabilization Act. All we needed was the consent of the Tory Party, but we did not get it.

Mr. Mazankowski: What took you so long to bring the Bill on in the first place? Where were you six months ago?

Mr. Hnatyshyn: That is nonsense and gobbledegook.

Mr. Speaker: The Chair is having a little difficulty relating all these remarks to current business before the House, with all due respect.

Mr. Pinard: Mr. Speaker, I see my good friend from Vegreville has just discovered that if the senior citizens, the western farmers, and the home owners have been taken hostage, they were not taken hostage by the Government but by his own Party. The Tory Party could have very easily agreed to the quick passage of those Bills.

An Hon. Member: We could have passed them a year and a half ago.

Mr. Pinard: The Conservatives will have an opportunity before the end of June, Mr. Speaker, to give that kind of agreement.

As a matter of fact, I will give a very specific offer to the Hon. Member. I am willing to pass those three Bills this afternoon by unanimous consent if the Tories are willing to give unanimous consent to the passage of Bill C-9, which is now on the agenda. I am sure they will not.

Some Hon. Members: Oh, oh!

Mr. Mazankowski: What a phoney.

Mr. Gustafson: Do you want to hang a millstone around the farmers' necks?

Mr. Pinard: They want to score political points. They are not interested in seeing Parliament make progress. The Hon. Member for Vegreville should be ashamed.

Mr. Mazankowski: You should be ashamed.

Mr. Pinard: The Hon. Member's Party and the Hon. Member are the ones who are taking hostage the old age people and the western farmers. The Hon. Member will have another opportunity, I guarantee, after the convention to co-operate and to react more positively to the generous offers made by the Government to pass not only the four Bills I am talking about, but a lot of other measures that are on the Order Paper that are most important to the people of this country. The minute the Tories stop filibustering and delaying, as they have done so many times during this Parliament, including ringing the bells for 14 days, which was shameful of them—

Miss MacDonald: The people approved.

Mr. Pinard: —then we will be able to see how we can deal with all of those problems.

Once again, the business for next week, and it can be dealt with even faster—I will be prepared to outline other Bills assuming the Tories really care for the old people and the western grain farmers—will be Bill C-9, Bill C-40, Bill C-37 and Bill C-33. If we succeed in passing those Bills before the end of the day on Monday, I will be here personally to outline the other good measures which the Government will bring forward.

Mr. Robinson (Burnaby): Mr. Speaker, with respect to House business, first I should say that we are quite prepared to accept the very generous offer of the President of the Privy Council that we continue debate on the security legislation in September. Prior to that time, I suggest that rather than attempting in effect to blackmail this House by holding the old age pensioners, the home owners and the western grain farmers hostage to this Government policies, we on this side of the House are prepared to deal expeditiously with all of that legislation but not at the price of the fundamental civil liberties of Canadians. We want to make that very clear. We are prepared to continue that debate in September as the Government House Leader suggested, Mr. Speaker.

With respect to Government business today, what action does the Government intend to take to ensure that, prior to the House rising on June 29, that legislation which fundamentally affects the health, the safety and indeed the lives of many hundreds of thousands of Canadian workers—I am referring to the proposed amendments to the Canada Labour Code—is dealt with? Or is the Government House Leader going to use his form of blackmail with respect to Canadian workers as well as farmers, old age pensioners and home owners?

Mr. Pinard: Mr. Speaker, the Hon. Member looks upset. He appears to be upset about something, I do not know what. There is no need for him to lose his cool. He should realize that Bill C-34, the amendments to the Canada Labour Code to which he has referred, would be law today if he personally would have allowed some other legislation to be disposed of quickly in the House of Commons. He knows very well and the public knows very well—we have read it in the press—that because of his childish attitude and systematic obstruction on Bill C-9 at committee stage as well as since the Bill has been reported to the House, it has not been possible for Parliament to dispose of Bill C-34 quickly.

I want to assure this House and the workers of this country that, despite this dilatory attitude on the part of the Hon. Member, we nevertheless introduced that Bill, managed to

negotiate its passage at second reading, sent it to committee, and it is one of our priorities to pass the Bill through third reading before the end of June. If the Hon. Member wants to show a little more maturity and allow Bill C-9 to get out of the way, this will allow us to deal with all of the Bills that are at report stage.

Once again, the Bills that will get priority in this case are the Bills that are at report stage. The Bill to which the Hon. Member refers is not yet at report stage but could be before the end of June. It will be given priority in due time. The sooner Bill C-9 is passed, the better our chances for Bill C-34 to be adopted in this House, as well as Bill C-40, Bill C-37 and Bill C-33.

Mr. Wise: Mr. Speaker, I believe one week ago and perhaps on two or three previous occasions I posed a couple of questions to the Government House Leader regarding the status and progress of two agricultural Bills. This might not be the best way to view the discussions and the attitude presently prevailing in the House—

Mr. Speaker: The last intervention of the Hon. Member turned out to be a 15-minute speech. The Chair hopes he does not have the same thing in mind.

Mr. Wise: I appreciate that, Mr. Speaker, and I can recall your words of caution to me one week ago. I will certainly bear them in mind. I will come directly to the two Bills in question. One was the required amendment to the advance payments Bill. The Minister is well aware why I posed that question. He indicated to me that he was not certain whether the Bill would be passed next week or before the House adjourns for the summer recess. The second one was the required amendments to the National Farm Products Marketing Act to meet the request of the troubled tobacco industry in southwestern Ontario. To help the Minister out, he responded to me on that occasion by saying that the Bill will be introduced once the policy has been approved by Cabinet. Can the Minister give us any further information or tell us if there has been any advancement in the progress of the status of those two pieces of legislation?

● (1520)

Mr. Pinard: Mr. Speaker, this question is the same as the one asked last week by the Hon. Member at page 4448 of *Hansard*. My answer appears on the same page and at page 4449 of *Hansard* for June 7, 1984. I invite my colleague to read the answer. It is the same one I have to give today.

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BILINGUALISM

TABLING OF LETTER TO PREMIER DAVIS OF ONTARIO

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, I wish to seize this opportunity to seek the unanimous consent of this House, presuming that the Tory Party have had the time to read the letter on language rights signed by the Prime Minister (Mr. Trudeau) and sent to Premier Davis. I again seek the unanimous consent of the House to append this letter which was tabled in the House by the Prime Minister earlier this week to today's *Hansard*.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, the Government House Leader never ceases to surprise me, and he has done it again today. The usual courtesy is that we have prior consultation. It does not involve standing up one day with the Prime Minister (Mr. Trudeau) attempting to slip in a letter as an appendix to *Hansard* without even having the courtesy of consulting prior to that with other Members of Parliament.

Second, we should look at occasions when we append items to *Hansard* with some care. There should be the fullest consultation. We know that the appending of items to *Hansard* has been restricted almost exclusively in the history and tradition of Parliament to items dealing with budgetary matters.

What I wanted to discuss had I had the opportunity of a *tête-à-tête*, *mano a mano*, eyeball-to-eyeball discussion with my colleague, the Government House Leader, is just what the parameters are with respect to requests on the part of the Prime Minister, the Government House Leader or any Member of Parliament, for unanimous consent to append documents, however important or trivial they happen to be. If the Government House Leader wants me to give my consent right now, I cannot give that consent. I would want to consult, as is the custom in my Party, with my colleagues about this. We are a team over here. We work together. We consult with each other. I always do the courtesy to my colleagues of discussing these matters to make sure that we understand what the rules are, unlike the Government House Leader who seems to have a penchant for autocratic action, given the leadership by his own Prime Minister *pro tem*.

Mr. Speaker: There does not appear to be unanimous consent.

Mr. Pinard: Mr. Speaker, I am surprised at the remarks made by my colleague. This is not the first request for unanimous request to append this letter to *Hansard*. The Prime Minister made that request on Monday. Therefore, he should not be surprised. I understand that language rights constitute a very sensitive issue for his Party. I am just asking for the same consent asked a week or so ago by the Prime Minister. My colleague should not lose his cool or get upset because I make that request without having talked to him privately and asking whether he read the letter a week ago. He knew of that request. He does not have to agree to it.

I do not agree with what he said about the kinds of documents that are appended to *Hansard*. By unanimous consent we can append any letter or document. If he does not agree, all he has to do is say no. What we are dealing with is language rights, specifically language rights for the French-speaking minority in Ontario. The Tory Party is free to say yes or no to appending a letter from the Prime Minister to a Premier. If they say no, they say no; but they do not have to

argue about being taken by surprise. The request was made a week ago by the Prime Minister. After four or five days I suppose they have been able to read the letter. All they have to do is say yes or no.

Mr. Hnatyshyn: Mr. Speaker, just to show the Government House Leader, before he goes into the Liberal convention, that I am a person of some considerable compassion, I have listened to what he has had to say and I will give his request the most serious consideration.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

MR. BLAIKIE—VERNON ARMY CADET CAMP

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I have the honour to present a petition on behalf of the residents of Winnipeg who are concerned that vacancies for the cadet leader course at the Vernon Army Cadet Camp have been halved recently, resulting in an unavailability of positions this summer at the Vernon Army Cadet Camp. They are concerned that at least 11 members of the Winnipeg, Manitoba-based army cadet corps may not be able to attend this course despite their earnest desire to do so. Therefore they call upon Parliament to instruct the Department of National Defence to increase enrolment in the cadet leader course in Vernon, B.C. this summer.

PROTECTION OF CHILDREN FROM SEX OFFENDERS

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, I have the honour and privilege to present a petition from a number of citizens in British Columbia, mostly from the municipality of Surrey, who are very concerned that the law relating to known sex offenders loitering around areas frequented by children is defective. Therefore, they appeal to the House of Commons to ensure that that law is remedied so that children will receive proper protection. I submit this petition and urge the Government to take action on it.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I have the honour to present several petitions from different municipalities in British Columbia. The first one contains some 340 names. It is from parents of children living in Vancouver City and has to do with asking that Section 175 of the Criminal Code be amended. There was an error in the original section. They ask that this law be changed so that children will be safe against known sexual offenders.

I have a similar petition from North Vancouver and West Vancouver with about 30 names, asking for the same change in the Criminal Code inasmuch as the peace officers do not

have power under the present Code to protect children against known sex offenders.

Similarly, there are some 50 or so names from Richmond, Delta and Langley municipalities in British Columbia. These are largely parents of school children. They state that our present federal law system is void and, because of an error at this time, our children receive no justice in any way. They say the law should be immediately rectified so that growing children can be safe against these scaring offenders. The children should be protected from known sex offenders.

Similarly, I have several petitions from Surrey and North Delta in British Columbia. They also ask that the Criminal Code section be changed.

I would like to say that I presented several hundred petitions to this effect formerly. I hope the Minister of Justice (Mr. MacGuigan) is taking note and will do something about this situation. It is very important to parents.

Mr. Speaker: I commend the Hon. Member for Vancouver East (Ms. Mitchell) for the way she has dealt with a number of petitions and summarized them. Her conduct is exemplary in that respect.

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I have the honour to present a large number of petitions with hundreds and hundreds of names of people from British Columbia, drawing to the attention of the Minister that Section 175 of the Criminal Code must be altered to permit more protection for young children from sexual offenders and child abusers. The names on the petition are by and large from parents of children in a variety of schools, indicating a concern for individuals who are known sex offenders lurking and loitering in areas around schools. They are concerned that the present law makes it very difficult for law enforcement officers to provide the appropriate protection for young people and ask that Section 175 be reviewed.

• (1530)

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I will attempt to follow the exemplary practice of the Hon. Member for Vancouver East (Ms. Mitchell) when presenting these petitions. I have the honour to present a petition on behalf of a number of my constituents from Burnaby, the North Burnaby area and the Burnaby Mountain area. This petition raises very serious concerns with respect to what the petitioners allege to be a weakness or deficiency in the present provisions of the Criminal Code with respect to known sex offenders that is found in Section 175(e) of the Criminal Code. They urge that what they view as this anomaly in the law be rectified in order that their children may be safe against the offenders to whom they refer. And as in duty bound your petitioners will ever pray.

I have as well a petition signed by a large number of constituents from the South Burnaby area to the similar effect. I will not repeat the contents of the petition other than to indicate once again that these petitioners are some 20 constituents who are extremely concerned that, in their view, having

carefully examined the provisions of the Criminal Code, it does provide inadequate protection to young people in the community.

I have a number of other petitions of a similar import with respect to the deficiencies as viewed by my constituents from different parts of Burnaby in this area of the Criminal Code. My constituents would urge that the Minister of Justice (Mr. MacGuigan) view very seriously their concerns with a view to making the necessary changes in the Criminal Code. And as in duty bound your petitioners will ever pray.

Mr. Speaker: Those are all the petitions of the Hon. Member?

Mr. Robinson (Burnaby): Yes, Sir.

Mr. Speaker: Again, the Chair would like to commend the Hon. Member for the manner in which he presented the petitions.

* * *

NATIONAL ANTHEM ACT

MEASURE TO AMEND

Mr. Howard Crosby (Halifax West) moved for leave to introduce Bill C-247, an Act to amend the National Anthem Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Crosby: Mr. Speaker, may I explain briefly that this amendment to the National Anthem Act makes a change that I consider necessary to conform to the spirit of the Canadian Charter of Rights and Freedoms and the endorsement of equality for men and women. Specifically, the change removes the words "thy sons" from *O Canada* so that the national anthem will now ask for "True patriot love in all of us command!"

Motion agreed to, Bill read the first time and ordered to be printed.

* * *

PUBLIC SERVICE EMPLOYMENT ACT

PUBLIC SERVICE STAFF RELATIONS ACT MEASURE TO AMEND

Mr. Les Benjamin (Regina West) moved for leave to introduce Bill C-248, an Act to amend the Public Service Employment Act and the Public Service Staff Relations Act (political rights).

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Benjamin: Mr. Speaker, I feel it necessary today to introduce a Bill which would give the same rights to federal public servants to participate in political activities as are enjoyed by most other Canadians. I do this now at a time when the Public Service Commission is ready to discipline federal employees who register as delegates at the Liberal Convention and after watching the witch-hunt which took place in Saskatchewan after the last election. This Bill would give federal public servants the right to attend and participate fully in the meetings and activities of a political Party or candidate and the right to work for or against a candidate, Party or policy on their own time. I hope our respective House Leaders will agree that this should be dealt with in Private Member's hour before the end of June and before the time of the next federal election.

Motion agreed to, Bill read the first time and ordered to be printed.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 155, 242, 428, 433, 666, 670, 671 and 845.

[*Text*]

DND—CODE OF CONDUCT

Question No. 155—**Mr. Crosby:**

1. Does the Department of National Defence have written rules or regulations governing the conduct or standards of behavior for employees of the Department and, if so, are they embodied in a code of conduct or other specific document and is the code or document available to the public?

2. In the five years preceding April 1, 1982, were any employees of the Department disciplined by way of suspension, dismissal or otherwise for violations of any rules or regulations governing the conduct or standards of behaviour for departmental employees and, if so, in each case, what was the name of the employee and the date of the disciplinary action?

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): 1. A departmental Standard of Conduct, Civilian Personnel Administrative Order 7.05 to be issued in the spring of 1984 will provide clear instructions on what is expected of employees in terms of conduct and standards of behaviour. This document will be available to the public.

2. The Code of Civilian Discipline, Civilian Personnel Administrative Order 7.06, also available to the public, indicates behaviour which is considered misconduct. This order states that a notice of disciplinary action placed on the personal file of an employee shall be destroyed after two years have elapsed since the disciplinary action was taken providing that no further disciplinary action has been recorded during this period. The following statistics are therefore provided:

(a) Suspensions—1980-81	25
(b) Discharges—1980-81	4
(c) Suspensions—1982-83	19
(d) Discharges—1982-83	13
(e) Suspensions—Apr. 1, 83 to June 1, 84	21
(f) Discharges—Apr. 1, 83 to June 1, 84	10

The Human Rights Act prohibits the release of information pertaining to personal character without the written consent of the employee.

CIDA—GRANTS TO ORGANIZATIONS

Question No. 242—**Mr. Elzinga:**

1. Did the (a) Coalition for Nuclear Disarmament (b) Edmonton Peace Council (c) Edmonton Learner Centre receive any grants or funds from CIDA and, if so, in each case, in what amount?

2. Did the organizations receive grants or funds from any other government department?

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): I am informed as follows:

1. (a) No. (b) No. (c) The following contributions to the general program of the Edmonton Learner Centre have been made:

1974-75	$20,000
1975-76	$24,000
1976-77	$21,500
1977-78	$19,300
1978-79	$9,000
1979-80	$23,695
1980-81	$33,256
1981-82	$37,318
1982-83	$50,650

2. Department of External Affairs, $1,200 for the March, 1982 conference of the Coalition for Nuclear Disarmament.

ENERGY DERIVED FROM RENEWABLE RESOURCES

Question No. 428—**Mr. Howie:**

In the fiscal year 1983-84, did the Government make any expenditures with respect to energy derived from renewable resources and, if so (a) what total amount (b) what amount was spent on research and development performed (i) within the Government (ii) by outside agencies?

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): I am informed as follows:

Department						
(a) Energy, Mines and Resources					$ 7,595,000	(est.)
Fisheries and Oceans					284,000	(est.)
Canada Mortgage and Housing Corporation					100,000	(est.)
Environment Canada					5,427,000	(est.)
Agriculture Canada					632,654	
National Research Council					24,548,000	
(b) Energy, Mines and Resources	(i)	$ 594,000	(est.)	(ii)	$ 6,960,000	(est.)
Fisheries and Oceans		212,000	(est.)		72,000	(est.)
Canada Mortgage and Housing Corporation		—			100,000	(est.)
Environment Canada		591,000			4,836,000	
Agriculture Canada		—			632,653	
National Research Council		7,364,000			17,184,000	

"THE PINES", KENORA, ONTARIO

Question No. 433—**Mr. Reid (Kenora-Rainy River):**

1. Did the Department of the Solicitor General sign a contract with "The Pines" of Kenora, Ontario, for the provision of a halfway house for prisoners and, if so, on what date?

2. Did the Department agree to (a) pay an amount per occupant of "The Pines" and, if so, what amount (b) guarantee a number of occupants and, if so, how many?

3. Did the Department advance any moneys to "The Pines" over and above the amount referred to in part 2 and did it make any other cash advances?

4. During the period October 8, 1982 to August 31, 1983, what amount was paid to "The Pines"?

Hon. Bob Kaplan (Solicitor General of Canada): In so far as the Correctional Service of Canada (CSC) is concerned:

1. CSC renewed its contract with "The Pines" on April 1, 1983 for a period of one year.

2. (a) CSC pays a per diem rate of $42.37 per federal offender placed in this Community Residential Centre (CRC). (b) CSC guarantees and pays for the use of a minimum of six beds per day.

3. The Pines Camp Board of Directors incurred a debt of approximately $15,000 over the projected relocation costs of the Camp due to the necessity to construct a new road and to install a new septic system as per provincial standards. CSC advanced a payment of $12,000 in the form of a loan while the Ontario Ministry of Correctional Services, made a $3,000 loan contribution. This prepayment is being recovered by holding back 15 p. 100 of the monthly contract payments to the CRC until such time as the total amount is recovered. No other cash advance has been made.

4. During the period of October 8, 1982 to August 31, 1983 "The Pines" provided services to CSC for a total amount of $64,798.14. However, 15 p. 100 of this amount was deducted towards the repayment of the $12,000 cash advance.

RETIRED ARMED FORCES PERSONNEL RECEIVING PENSIONS

Question No. 666—**Mr. Knowles:**

1. On February 14, 1984 how many (a) retired Armed Forces personnel (b) widows of Armed Forces personnel or of retired Armed Forces personnel were receiving monthly pension benefits including their basic pensions and any supplement or supplements added thereto, of amounts within each of the following brackets (i) less than $20 (ii) $20 to $29.99 (iii) $30 to $39.99 (iv) $40 to $49.99 (v) $50 to $59.99 (vi) $60 to $69.99 (vii) $70 to $79.99 (viii) $80 to $89.99 (ix) $90 to $99.99 (x) $100 to $149.99 (xi) $150 to $199.99 (xii) $200 to $249.99 (xiii) $250 to $299.99 (xiv) $300 to $399.99 (xv) $400 to $499.99 (xvi) $500 to $599.99 (xvii) $600 to $699.99 (xviii) $700 to $799.99 (xix) $800 to $899.99 (xx) $900 to $999.99 (xxi) $1,000 to $1,499 (xxii) $1,500 or more?

2. What is the number of retired Armed Forces personnel and also the number of widows of Armed Forces personnel or of retired Armed Forces personnel presently residing in each province?

3. In respect of how many orphans of Armed Forces personnel are pension benefits paid and what is the average amount thereof?

Order Paper Questions

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): 1. Retired Armed Forces Personnel as at February 14, 1984: 61,281

(a) less than $20—	2
(b) 20 to 29.99—	16
(c) 30 to 39.99—	83
(d) 40 to 49.99—	142
(e) 50 to 59.99—	133
(f) 60 to 69.99—	112
(g) 70 to 79.99—	128
(h) 80 to 89.99—	158
(i) 90 to 99.99—	180
(j) 100 to 149.99—	976
(k) 150 to 199.99—	2,390
(l) 200 to 249.99—	3,266
(m) 250 to 299.99—	2,981
(n) 300 to 399.99—	5,797
(o) 400 to 499.99—	6,069
(p) 500 to 599.99—	6,236
(q) 600 to 699.99—	6,287
(r) 700 to 799.99—	5,635
(s) 800 to 899.99—	4,413
(t) 900 to 999.99—	3,185
(u) 1,000 to 1,499.99—	8,549
(v) 1,500 to over—	4,543

Number of widows receiving monthly pensions as at February 14, 1984: 8,677

(a) less than $20—	0
(b) 20 to 29.99—	5
(c) 30 to 39.99—	11
(d) 40 to 49.99—	13
(e) 50 to 59.99—	13
(f) 60 to 69.99—	17
(g) 70 to 79.99—	21
(h) 80 to 89.99—	20
(i) 90 to 99.99—	18
(j) 100 to 149.99—	315
(k) 150 to 199.99—	735
(l) 200 to 249.99—	909
(m) 250 to 299.99—	1,055
(n) 300 to 399.99—	2,109
(o) 400 to 499.99—	1,454
(p) 500 to 599.99—	788
(q) 600 to 699.99—	466
(r) 700 to 799.99—	309
(s) 800 to 899.99—	198
(t) 900 to 999.99—	88
(u) 1,000 to 1,499.99—	107
(v) 1,500 to over—	26

2. Retired Armed Forces Personnel and Widows residing in each province as at February 14, 1984:

Province	Personnel	Widows
Newfoundland	381	24
Prince Edward Island	635	96
Nova Scotia	6,801	802
New Brunswick	2,763	313
Quebec	4,926	845
Ontario	21,659	3,562
Manitoba	2,633	400
Saskatchewan	1,104	140
Alberta	6,480	714
British Columbia	12,668	1,545
Northwest Territories	148	16
Outside Canada	1,083	220
Total	61,281	8,677

3. Number of Orphans as at February 14, 1984—145

Average monthly amount 126.01

CANADIAN FORCES SUPERANNUATION ACCOUNT

Question No. 670—**Mr. Knowles:**

1. On March 31 of (a) 1981 (b) 1982 (c) 1983 what total amount was at the credit of the Canadian Forces Superannuation Account?

2. In the fiscal year (a) 1980-81 (b) 1981-82 (c) 1982-83 what (i) average rate of interest did the Government pay for the use of the money in the account (ii) total amount of interest was paid into the account (iii) total amount was paid out of the account?

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): 1. Balance in the Canadian Forces Superannuation Account (CFSA) as at:

	CFSA	Actuarial Liability Account	Total
(a) March 31/81	2,523,331,978.89	6,804,085,933.01	9,327,417,911.90
(b) March 31/82	2,630,606,376.80	7,712,947,031.15	10,343,553,407.95
(c) March 31/83	2,780,632,293.29	8,565,673,547.97	11,346,305,841.26

2. Rates of Interest for (a) 1980-81

1. Quarter ending 30-06-80— 2.0507 per cent
2. Quarter ending 30-09-80— 2.0910 per cent
3. Quarter ending 31-12-80— 2.1033 per cent
4. Quarter ending 31-03-81— 2.1258 per cent

(b) 1981-82

1. Quarter ending 30-06-81— 2.1895 per cent
2. Quarter ending 30-09-81— 2.2373 per cent
3. Quarter ending 31-12-81— 2.2912 per cent
4. Quarter ending 31-03-82— 2.3338 per cent

(c) 1982-83

1. Quarter ending 30-06-82— 2.4172 per cent
2. Quarter ending 30-09-82— 2.462 per cent
3. Quarter ending 31-12-82— 2.5016 per cent
4. Quarter ending 31-03-83— 2.5155 per cent

Amount of Interest credited to CFSA during fiscal year ending:

	CFSA	Actuarial Acct.	Total
(a) March 31/81	131,624,814.29	348,181,725.07	479,806,539.36
(b) March 31/82	162,749,782.66	455,232,249.14	617,982,031.80
(c) March 31/83	188,012,415.43	566,405,833.82	754,418,249.25

Payments out of CFSA during Fiscal year ending:

(a) March 31/81	280,843,097.67
(b) March 31/82	306,886,710.98
(c) March 31/83	327,096,214.31

PERSONS DRAWING PENSIONS UNDER CANADIAN ARMED FORCES SUPERANNUATION ACT

Question No. 671—**Mr. Knowles:**

In each year from 1959 to 1983 with respect to the Canadian Armed Forces Superannuation Act, how many (a) personnel of the Armed Forces commenced drawing pensions (b) widows commenced drawing pensions (c) pensions under the Act formerly paid to (i) retired Armed Forces personnel (ii) widows were discontinued because of the death of the recipient?

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): (a) Personnel of the Armed Forces commenced drawing pensions:

1959	752
1960	1,048
1961	1,418
1962	1,343
1963	1,623
1964	2,454
1965	3,419
1966	3,407
1967	2,983
1968	2,787
1969	4,050
1970	4,075
1971	4,267
1972	4,405
1973	3,357
1974	3,478
1975	3,459
1976	3,003
1977	3,124
1978	3,388
1979	3,847
1980	4,033
1981	2,784
1982	2,173
1983	1,602

(b) Widows commenced drawing pensions:

1959	98
1960	121
1961	166
1962	179
1963	207
1964	208
1965	283
1966	263
1967	303
1968	303
1969	371
1970	323
1971	375
1972	420
1973	441
1974	478
1975	470
1976	554
1977	527
1978	574
1979	499
1980	673
1981	446
1982	566
1983	454

(c) (i) Retired pensioners deceased in:

(* includes deceased, re-enrolled, transfer to PSSA/RCMP)

1959	91
1960	103
1961	114
1962	127
1963	142
1964	169
1965	190
1966	208
1967	243
1968	295
1969	353
1970	356
1971	331
1972	323
1973	379
1974	524
1975	496
1976	513
1977	507
1978	384
1979	673
1980	775
1981	1038
1982	902
1983	804

(ii) Widows of pensioners deceased in:

(* includes deceased, remarried)

1959	9
1960	12
1961	17
1962	19
1963	26
1964	28
1965	34
1966	39
1967	45
1968	56
1969	50
1970	52
1971	24
1972	11
1973	12
1974	30
1975	39
1976	58
1977	28
1978	38
1979	91
1980	137
1981	98
1982	120
1983	101

TASK FORCE ON CONFLICT OF INTEREST

Question No. 845—**Mr. Stewart:**

1. Did the Government establish a Task Force on Conflict of Interest and, if so, what total amount was spent on (a) publishing the report of the task force (b) research and support staff wages (c) wages for Hon. Michael Starr and Hon. Mitchell Sharp?

2. How many research and support staff worked for the co-chairmen in the preparation of the report, and what are their names?

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): In so far as the Prime Minister's and Privy Council Offices are concerned:

1. The Task Force on Conflict of Interest was established in July, 1983 and released its report in June, 1984. (a) $15,000.

(forecast), (b) $96,728.36, (c) Hon. Michael Starr—fees $9,450., Hon. Mitchell Sharp—nil.

2. The research and support staff who worked in the preparation of the study may be found listed on pages 11 to 13 of the report.

* * *

[*Translation*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 507 could be made an order for return, that return would be tabled immediately.

Mr. Speaker: The questions enumerated by the Parliamentary Secretary have been answered. Is it the pleasure of the House that question No. 507 be deemed to have been made an order for return?

Some Hon. Members: Agreed.

[*Text*]

PUBLICATION "NATIONAL DRUG INTELLIGENCE ESTIMATES 1982"

Question No. 507—**Mr. Hnatyshyn:**

1. Was a publication, entitled "National Drug Intelligence Estimates 1982" printed and distributed by or for the Royal Canadian Mounted Police and, if so, at what total cost?

2. Did Quorum Graphics provide any services with respect to this publication and, if so (a) what were they (b) at what cost?

3. To what individuals, groups and organizations was the publication distributed?

Return tabled.

[*English*]

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

Mr. Robinson (Burnaby): Mr. Speaker, I wonder if the Parliamentary Secretary to the President of the Privy Council (Mr. Evans) could inform us of the reason for the delay in the responses to Questions Nos. 664 to 676 which are on the Order Paper. These are questions which have been put in the name of the Hon. Member for Winnipeg North Centre (Mr. Knowles) and have been on the Order Paper since February of this year. They relate to pension funds. I think it would certainly be most appropriate that answers to those questions be tabled before the House rises because, as Hon. Members know, the Hon. Member for Winnipeg North Centre will not return to the House in his capacity as a Member. I would ask the Parliamentary Secretary to take that under advisement.

As well, I would ask about the current status of the response to Question No. 835, which stands in the name of the Hon. Member for Vancouver East (Ms. Mitchell) and deals with contributions by the Department of National Health and Welfare under the Canada Assistance Plan to the Province of British Columbia for social assistance and various social services which, as we know, have been squandered on megaprojects and not utilized for the benefit of the people of British Columbia.

Mr. Evans: Mr. Speaker, the Hon. Member can be assured that I will look into these matters and see if we cannot have expeditious answers to those questions. It is not that any Member is more equal than others, but we will look into this matter especially in the case of the Hon. Member for Winnipeg North Centre.

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs; and Motion No. 1 (Mr. Robinson) (Burnaby).

Mr. Speaker: The Chair is prepared to make a decision on matters outstanding on a point of order. Before I rule on the preliminary statement I gave the House on June 12, I wish to thank Hon. Members who gave me the benefit of their thoughts. I also wish to make some observations on report stage of Bills.

Report stage of a public Bill in our procedure is a very important stage. It offers the whole House an opportunity to reconsider what has taken place in committee. I think I should underline that report stage is not a repetition of the committee stage nor is it a repetition of the second reading stage when a Bill is considered in principle. The House is not considering clauses in principle. The House is addressing specific amendments to the Bill which may or may not have been discussed at the committee stage.

I also wish to remind Hon. Members of the Speaker's role in relation to report stage, for nowhere in our Standing Orders is the Speaker's discretion so absolute. The Speaker has power to select motions in amendment; that means he can choose certain motions or choose not to put certain motions to the House. This power of selection has never been exercised by the Chair, probably because the number of amendments filed at report stage has been relatively small in number in the past. If amendments at report stage are to be as numerous as they

recently have been, the Speaker may indeed have to exercise his power of selection in the near future.

● (1540)

The second power given to the Speaker during report stage is that of grouping motions either for debate or for voting or both. Again, this power is absolute and the Speaker can combine motions as he may think fit. No occupant of the Chair can exercise this discretion without keeping in mind the importance of his decisions. That is why I have sought comments on the procedural acceptability of certain motions in amendment to Bill C-9. In listening to yesterday's and today's comments, what I have heard were interventions dealing with the substance of the amendments, the desirability of the amendments and a wish to discuss in principle certain clauses of Bills at report stage. All of the above are noble intentions but, unfortunately, they are not of a procedural nature.

I have also been offered alternative grouping schemes, and I have been convinced in listening to the argument that the scheme that I proposed should be modified.

In presenting his argument, the Hon. Member for Saskatoon West (Mr. Hnatyshyn) suggested that the initial grouping contained in the Chair's preliminary statement, if taken as a precedent, would undermine the right of Members to present motions to delete and have them debated.

There is no question about the procedural acceptability of these motions, and I might add that the debate has already begun. While Members have an undoubted and, within the limitations set out in our rules and practice, virtually unlimited right to propose motions to delete clauses at the report stage, the Speaker has the power to group motions for debate.

While Members' rights to offer such motions at report stage cannot be undermined, may I draw the attention of all Hon. Members to Beauchesne's Fifth Edition, Citation 787, which states, in part:

—Although amendments which are rejected in the Committee and amendments attempting to restore the original text of the Bill may be proposed, the Speaker's power of selection of motions in amendment is a check upon the excessive repetition of debates which have already taken place in Committee.

The Hon. Member for Burnaby (Mr. Robinson) made several points on the grouping of the motions to delete, and his arguments have convinced me to group the motions to delete clauses with those motions which amend the same clauses. The remaining motions to delete have been grouped in three separate groups, according to parts of the Bill. To do so effectively, I have had to group all the motions standing on the Order Paper. The grouping of all motions for the report stage debate shall, therefore, be as follows:

First, the motions to delete clauses which do not also have substantive amendments proposed in relation to them will be grouped for debate as follows:

(a) Motions Nos. 10, 16, 20, 25, 26, 28 and 35 will be debated together, and a vote on Motion No. 10 will also dispose of the remaining motions in this group.

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(b) Motions Nos. 64, 69, 70 to 73 inclusive, 80, 82, 87, 88, 90, 92, 98, 103 to 107 inclusive and 110 to 112 inclusive will be grouped for debate, and a vote on Motion No. 64 will dispose of the remaining motions in this group.

(c) Motions Nos. 124 to 128 inclusive, 131 to 137 inclusive, 142 to 150 inclusive, 156 to 158 inclusive, 161 to 165 inclusive and 168 to 174 inclusive will be grouped for debate, and a vote on Motion No. 124 will dispose of the remaining motions in this group.

Second, Motions Nos. 2 and 5 to 9 inclusive should be debated together and voted on as follows:

(a) An affirmative vote on Motion No. 2 will dispose of Motions Nos. 5 to 9 inclusive. A negative vote on Motion No. 2 will necessitate a vote on Motion No. 5.

(b) In the event that a vote on Motion No. 5 is decided in the affirmative, this vote will dispose of Motions Nos. 6 to 9 inclusive. A negative vote on Motion No. 5 will require separate votes on Motions Nos. 6, 7, 8 and 9.

Third, Motions Nos. 12, 13 and 14 should be debated together and voted on as follows:

(a) An affirmative vote on Motion No. 12 will dispose of Motions Nos. 13 and 14. A negative vote on Motion No. 12 will necessitate a vote on Motion No. 13.

(b) In the event that a vote on Motion No. 13 is decided in the affirmative, the vote will dispose of Motion No. 14. A negative vote on Motion No. 13 will require a separate vote on Motion No. 14.

Fourth. Motions Nos. 17, 19, 22, 23 and 24 should be debated together and voted on as follows:

(a) An affirmative vote on Motion No. 17 obviates the need for a vote on Motion No. 19. A negative vote on Motion No. 17 requires the question to be put on Motion No. 19.

(b) An affirmative vote on Motion No. 22 disposes of Motions Nos. 23 and 24. A negative vote on Motion No. 22 requires sparate votes on Motions Nos. 23 and 24.

Fifth, Motions Nos. 30, 31, 32, 33, 34, 36, 37, 38 and 39 will be grouped for debate and voted on as follows:

(a) An Affirmative vote on Motion No. 30 will dispose of Motions Nos. 31 and 32. A negative vote on Motion No. 30 will require separate questions on Motions Nos. 31 and 32.

(b) An affirmative vote on Motion No. 33 will obviate the need for a vote on Motion No. 34. A negative vote on Motion No. 33 will require a vote on Motion No. 34.

(c) An affirmative vote on Motion No. 36 will dispose of Motion No. 37. A negative vote on Motion No. 36 will require a vote on Motion No. 37.

(d) An affirmative vote on Motion No. 38 will dispose of Motion No. 39. A negative vote on Motion No. 38 will require a vote on Motion No. 39.

Sixth, Motions Nos. 40 to 43 inclusive, 45 to 48 inclusive, 50 and 51 will be grouped for debate and voted on as follows:

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(a) An affirmative vote on Motion No. 40 disposes of Motion No. 41. A negative vote on Motion No. 40 necessitates a vote on Motion No. 41.

(b) An affirmative vote on Motion No. 42 disposes of Motion No. 43. A negative vote on Motion No. 42 requires a vote on Motion No. 43.

(c) An affirmative vote on Motion No. 45 will also dispose of Motions Nos. 46 and 47. A negative vote on Motion No. 45 will require separate votes on Motions Nos. 46 and 47.

(d) An affirmative vote on Motion No. 48 will dispose of Motions Nos. 50 and 51. A negative vote on Motion No. 48 requires separate votes on Motions Nos. 50 and 51.

Seventh, Motion Nos. 52, 54 to 63 inclusive and 66 to 68 inclusive shall be grouped for debate and voted on in the following manner:

(a) An affirmative vote on Motion No. 52 will also dispose of Motion Nos. 54 to 59 inclusive. A negative vote on Motion No. 52 will necessitate votes on Motions Nos. 54 to 59 inclusive, as follows:

(i) An affirmative vote on Motion No. 54 would obviate the need for a vote on Motions Nos. 55, 56 and 57. A negative vote on Motion No. 54 requires separate votes on Motions Nos. 55, 56 and 57.

(ii) An affirmative vote on Motion No. 58 would preclude the putting of the question on Motion No. 59. A negative vote on Motion No. 58 would require a vote on Motion No. 59.

(b) An affirmative vote on Motion No. 60 will dispose of Motions Nos. 61 to 63 inclusive. A negative vote on Motion No. 60 requires the question to be put on Motions Nos. 61, 62 and 63 as follows:

(i) An affirmative vote on Motion No. 61 would obviate the putting of the question on Motion No. 62. A negative vote on Motion No. 61 requires a vote on Motion No. 62.

(ii) Motion No. 63 would be voted on separately.

(c) An affirmative vote on Motion No. 66 precludes the question being put on Motions Nos. 67 and 68. A negative vote on Motion No. 66 would require separate votes on Motions Nos. 67 and 68.

Eighth, Motions Nos. 75, 77, 78 and 79 should be grouped for debate. An affirmative vote on Motion No. 77 will dispose of Motions Nos. 78 and 79. A negative vote on Motion No. 77 will require the question to be put on Motion No. 78 and, a vote on Motion No. 78 disposes of Motion No. 79. Motion No. 75 will be voted on separately.

Ninth, Motions Nos. 85 and 86 are to be grouped for debate. An affirmative vote on Motion No. 85 disposes of Motion No. 85. A negative vote on Motion No. 85 requires a vote on Motion No. 86.

● (1550)

Tenth, Motions Nos. 95, 96 and 97 should be grouped for debate. An affirmative vote on Motion No. 95 will dispose of Motions Nos. 96 and 97. A negative vote on Motion No. 95 will require separate votes on Motions Nos 96 and 97.

Eleventh, Motions Nos 99 to 102 inclusive will be grouped for debate and voted onas follows:

(a) An affirmatie vote on Motion No. 99 will dispose of Motion No. 100. A negative vote on Motion No. 99 will require a vote Motion No. 100.

(b) An affirmative vote on Motion No. 101 disposes of Motion No. 102. A negative vote on Motion No. 101 requires a vote on Motion No. 102.

Twelvth, Motions Nos. 108 and 109 should be grouped for debate. An affirmative vote on Motion No. 108 disposes of Motion No. 109. A negative vote on Motion No. 108 requires a vote on Motion No. 109.

12. (a) Motions Nos. 113 and 114 should be grouped for debate. An affirmative vote on Motion No. 113 disposes of Motion No. 114. A negative vote on Motion No. 113 requires a vote on Motion No. 114.

Thirteenth, Motions Nos. 116, 118 to 123 inclusive should be grouped for debate and voted on as follows:

(a) An affirmative vote on Motion No. 116 will dispose of Motion No. 118. A negative vote on Motion No. 116 requires the question to be put on Motion No. 118.

(b) An affirmative vote on Motion No. 119 will dispose of Motion No. 120. A negative vote on Motion No. 119 will require a vote on Motion No. 120.

(c) An affirmative vote on Motion No. 121 will dispose of Motion No. 122. A negative vote on Motion No. 121 requires a vote on Motion No. 122.

(d) Motion No. 123 will be voted on separately.

Fourteenth, Motions Nos 129 and 130 should be grouped for debate. An affirmative vote on Motion No. 129 will dispose of Motion No. 130. A negative vote on Motion No. 129 requires a vote on Motion No. 130.

Fifteenth, Motion Nos. 138 and 139 should be grouped for debate. An affirmative vote on Motion No. 138 will dispose of Motion No. 139. A negative vote on Motion No. 138 requires a vote on Motion No. 139.

Sixteenth, Motions Nos. 140 and 141 should be grouped for debate. An affirmative on Motion No. 140 will dispose of Motion No. 141. A negative vote on Motion No. 140 requires a vote on Motion 141.

Seventeenth, Motions Nos. 151 to 155 inclusive will be grouped for debate and voted on as follows:

(a) An affirmative vote on Motion No. 151 will dispose of Motions Nos. 152 to 155 inclusive. A negative vote on Motion No. 151 requires the question to be put on the remaining motions in this group, as follows:

(i) An affirmative vote on Motion No. 152 disposes of Motion No. 153. A negative vote on Motion No. 152 requires a vote on Motion No. 153.

(ii) Motions Nos. 154 and 155 are to be voted on separately.

Eighteenth, Motions Nos. 159 and 160 should be grouped for debate. An affirmative vote on Motion No. 159 will dispose of Motion No. 160. A negative vote on Motion No. 159 requires the question to be put on Motion No. 160.

Nineteenth, Motions Nos. 166 and 167 should be grouped for debate. An affirmative vote on Motion No. 166 disposes of Motion No. 167. A negative vote on Motion No. 166 requires the question to be put on Motion No. 167.

The Hon. Members for Saskatoon West (Mr. Hnatyshyn) and Vancouver South (Mr. Fraser) have suggested that the proposal to bring the Security Intelligence Service under the control of the Royal Canadian Mounted Police is fully within the purpose of the Bill as read the second time, because the purpose of the Bill, as laid out in the title, is to establish the Canadian Security Intelligence Service.

In making this suggestion, they quoted Beauchesne's Fifth Edition, Citation 704(1), as follows:

A bill may have two titles, one long and one short. Both the long title and the short title may be amended, if amendments to the bill make it necessary.

(1) Long Title—the long title sets out in general terms the purposes of the bill. It should cover everything in the bill.

May I underline that the purpose of the Bill is laid out only in general terms in the title. It is clear from a reading of the Bill that it intends to establish a service distinct from the RCMP.

In my view, Motions Nos. 3, 11, 18, 21, 27, 29, 44, 49, 53, 65, 74, 81, 83, 91 and 115, which relate to this proposal, negate the purpose of the Bill, which is specifically prohibited by our practice, and I refer Hon. Members once again to Beauchesne's Fifth Edition, Citation 773(5) to that effect.

May I say, in passing, that a careful examination of the notice submitted by the Hon. Member for Vancouver South in relation to Motion No. 53 reveals a single motion, not three separate motions. While I might agree that some of the parts of the motion, had each been a motion standing on its own, would have been in order. I again refer the Hon. Members to Beauchesne's Fifth Edition, Citation 428(2), to which I referred in relation to Motion No. 49. It reads:

When an amendment is irregular in one particular, the whole of it is not admissible and must be ruled out of order. Journals, April 29, 1970, p. 732.

Therefore, Motions Nos. 3, 4, 11, 15, 18, 21, 27, 29, 44, 49, 53, 65, 74, 76, 81, 83, 84, 115, 117 and 175 are all ruled out of order.

At this point, the Chair has to make some remarks regarding the three remaining motions which, at first glance, give the Chair some procedural difficulty.

Motion No. 89 is attempting to remove the control of the Treasury Board over the operational expenditures of the review committee. This is clearly beyond the royal recommendation.

May I refer Hon. Members to Beauchesne's Fifth Edition, Citation 540, which states, in part:

The guiding principle in determining the effect of an amendment upon the financial initiative of the Crown is that the communication, to which the Royal Recommendation is attached, must be treated as laying down once for all (unless withdrawn and replaced) not only the amount of the charge, but also its objects, purposes, conditions and qualifications.

Since this appears to relax one of the conditions of the royal recommendation, it would seem to infringe upon the financial initiative of the Crown and would be out of order.

Motions No. 93 and 94 go beyond the scope of the Bill. Both these motions contemplate a broadening of the review committee's functions to include its reviewing of the relationships between the security service and other intelligence agencies in Canada. This is clearly a new idea which was not contained in the Bill as agreed to at second reading stage. It would seem that both these motions are out of order.

The Chair has undertaken to hear procedural argument on Motions Nos. 89, 93 and 94, but will do so at a later time.

Mr. Robinson (Burnaby): Mr. Speaker, I listened with care to the Speaker's ruling. I wonder if Your Honour could indicate specifically if you have dealt with the question of Motions Nos. 15, 76, 84, 117 and 175 with respect to the question of the parliamentary oversight committee? I did not see any explicit reference to that particular subject. It may be that it is couched within the terms of the ruling itself. Perhaps the Speaker might indicate where that is to be found?

Mr. Speaker: I made very explicit reference to a parliamentary oversight committee in my preliminary ruling and did not see fit to repeat it. A motion has been accepted to refer to a parliamentary committee, but the basic principle of creating a special committee with special duties by this means is unacceptable.

Hon. John A. Fraser (Vancouver South): Mr. Speaker, in rising, I am, of course, very cognizant of the respect which I, as a Member of this House, owe to you as the Speaker of our House. I hope you will keep that very much in mind in listening to what I have to say. Your ruling, of course, must be accepted in the sense that it is a final ruling. Your Honour will know that at least for two days I strove mightily to change your mind. I understand that you have your obligations and you have to make these rulings according to the precedents and rules as you interpret them, and I respect that.

As Your Honour knows, Hon. Members of the House and I have always done everything we could to make it very clear that we cannot conduct our affairs in this House without respecting your position and recognizing the fact that sometimes you have to make decisions which do not please all Hon. Members. However, I want to say this, and it is no reflection, Sir, on you. I am not questioning in any sense your integrity or devotion to your duty in making the ruling you did. People were asked to come before the committee and make suggestions about this Bill—

• (1600)

Mr. Speaker: The Chair has some concern. Is the Hon. Member debating the ruling of the Chair?

Mr. Fraser: No.

Mr. Speaker: The Chair is quite prepared to hear debate on the items which will be debated in this House. The Chair has listened to argument on a point of order at some length. The Chair has made a ruling. At this stage the Chair will recognize the Hon. Member on the motion and not recognize him on a point of order. Perhaps he can make a very brief intervention.

Mr. Fraser: It will be very brief. I have chosen my words carefully because I respect Your Honour's position, but the effect is that those who came to our committee to give us suggestions for improvement of the Bill are now left with the result that those suggestions in the way of proposed amendments are not now going to be considered by this House:

Mr. Speaker: The Hon. Member made this point very clearly this morning. The Chair listened to him carefully. The Chair has heard argument and made a decision, and the House will now proceed to the motion.

Is the Hon. Member for Burnaby (Mr. Robinson) rising to speak on the motion? The Hon. Member has already spoken on the motion. On what point is he seeking to be recognized?

Mr. Robinson (Burnaby): On a point of order, Mr. Speaker, a very brief point of order.

Mr. Speaker: I trust the Hon. Member is not going to reflect on the decision of the Chair.

Mr. Robinson (Burnaby): Mr. Speaker, I certainly will not reflect on the decision of the Chair. I merely seek guidance with respect to the Chair's ruling. The Chair indicated that Your Honour would be ruling on the remaining 42 motions, that is Motions Nos. 37, 39, 41, etc. through to Motion No. 167 as soon as possible. May we have some indication?

Mr. Speaker: The Chair certainly gave an indication, and the preliminary ruling did not cover it all, but with regard to groupings, the Hon. Member himself went through the whole Bill with the suggested groupings. The Chair found that, once it got into the ruling there was no other way but to carry through in a consistent way. I have looked at everything on groupings.

With regard to the other clauses of the Bill, I am inviting argument with relation to three specific clauses that give concern to the Chair and will hear argument relating to them early next week.

Mr. Robinson (Burnaby): Mr. Speaker, I have just one final question, again not reflecting in any way upon the decision of the Chair. The document I have indicates that it was drafted at 11.15 this morning. That was before the Hon. Member for Vancouver South (Mr. Fraser) had an opportunity to conclude his deliberations.

Mr. Speaker: With all due respect to the Hon. Member, for purposes of convenience he was given drafts. The Hon. Member is well aware that there is such a thing as putting drafts together by stapling. I can assure the Hon. Member that there have been numerous last minute changes. If he is trying to make the suggestion that the entire document was prepared prior to 11.15, that is simply not true.

The Hon. Member for Cowichan-Malahat-The Islands.

Mr. Jim Manly (Cowichan-Malahat-The Islands): May I speak to the motion, Mr. Speaker?

Mr. Speaker: The Hon. Member is perfectly in order. We are resuming debate on Motion No. 1 in the name of the Hon. Member for Burnaby (Mr. Robinson). The Chair recognized the Hon. Member for Cowichan-Malahat-The Islands.

Mr. Manly: Mr. Speaker, I would like to say a word or two about the importance of this debate, and a word of appreciation to the Hon. Member for Burnaby (Mr. Robinson) for consistently forcing this matter to the front of Parliament's attention. Otherwise it could very easily have slid over.

There is a great deal of attention being paid to the events taking place in the Liberal Party this week in Ottawa. Perhaps some people might think that this is the most important thing happening in Ottawa today, but in fact the most important thing for the future of Canada today is not who is going to be the new leader of the Liberal Party, but what we are going to decide on this Bill, which affects the fundamental rights and freedoms of Canadians. There is a debate in the Liberal Party as to whether or not the new leader will represent the head of the Party, the brains or the heart, but if we want to know about the Liberal Party we need to read this Bill. We see here the guts of the Party in this Bill which really is a denial of fundamental rights and freedoms. It is rather sad that this evening there is going to be a testimonial dinner—

Mr. Deputy Speaker: Order. Will the Hon. Member please be relevant to the motion now before the House, not to extraneous matters?

Mr. Manly: Mr. Speaker, I am speaking to the motion. The motion is that the title should be deleted, and I believe that is very germane because this is what Shakespeare would call a "whoreson" act, an act that does not deserve a title or name. We feel it betrays the fundamental rights and freedoms of Canadians. I was about to say that it is a rather sad that when there is a testimonial dinner for the Prime Minister (Mr. Trudeau) this evening—

Mr. Deputy Speaker: Order. With all due respect, I have asked the Hon. Member to address his remarks to the motion now before the House, which is that Bill C-9 be amended by deleting Clause 1. He should restrict his remarks to that matter.

Mr. Manly: Mr. Speaker, I can appreciate your concern that we should relate our debate to the deletion of Clause 1 which contains the title. I am trying to point out that this Bill is so dificient in meeting the needs of Canadian people that the title should be deleted. In fact, the entire Bill should be deleted. I simply want to make the point that it is a sad fact that this Bill is one of the final legacies of the Prime Minister (Mr. Trudeau) on the very day—

Mr. Deputy Speaker: Again with all due respect, I hope the Hon. Member appreciates the point the Chair is attempting to make. If I may be permitted, I will make the point that at report stage we must be relevant to the motion, and this is very much in keeping with our practices and traditions, and I would be happy to quote the relevant citations if the Hon. Member so requests. Remarks must be strictly relevant to the motion at hand, that is, to the amendment that I have just cited. I do not in any way intend to restrict the Hon. Member's freedom of expression, but the rules are clear. His remarks must be restricted to the motion now before the House. I plead with him to abide by that practice.

Mr. Manly: Mr. Speaker, I will indeed endeavour to follow the very strict rules which you in your wisdom are applying. The motion before us is that we should delete the short title. I am trying to make the point that because of the very negative effects of the Bill, because of its doubtful value to the Canadian people, it should indeed go forward to the Canadian people without any name whatsoever. It is an illegitimate Bill and it should be without a name.

Canadians are generally perceived as being a people who are very respectful of authority, just as Members of this House are respectful of the authority of the Speaker. I presume that a good deal of this respect for authority, certainly in English Canada, is the result of our United Empire Loyalist heritage. This respect for authority is not to be despised, it is not a negative trait, but neither is it to be abused. This Bill abuses our traditional respect for authority, and that is why I want to see the name deleted.

• (1610)

The authority of the state is perceived by most Canadians as being a guarantor of our rights and freedoms. Through this Act the authority of the state will be used to subvert and take away our rights and freedoms. We have had a long struggle in Canada and in our respective ancestries in Europe and other parts of the world for responsible Government. We have had to struggle to ensure that the state did not trample on the rights and freedoms of individuals. This Act, which should go forward without a name, would establish a security service which would undermine the guarantee of the rights and freedoms of individuals. Instead of seeing the state as the guarantor of our rights and freedoms, Canadians will see the state as the perverter and subverter of those rights and freedoms.

It is a sad day when we must debate this kind of an Act. That is why I support Motion No. 1 to delete the title. In the long run it is going to subvert the very respect for authority which many people have remarked upon as being a very Canadian characteristic. Many people appeared before the committee which was considering this Bill. The great majority of them have been very apprehensive about the effects this Act would have and the way in which it would destroy rights and freedoms. It is on that basis that I am supporting this motion and saying that the title should be deleted and that this Act should go forth into the world without any name at all, if the Act itself is passed.

I would like to share some of the concerns which were raised. Rev. Dr. Donald Anderson, the General Secretary of the Canadian Council of Churches, sent a telegram which reads as follows:

> Bill C-9, An Act to establish the Canadian Security Intelligence Service, should not be passed by the present Parliament until: (*a*) it makes clear and rigorous provision for the accountability of the service; (*b*) defines national security and describes more precisely those activities which are illegal under the Act; (*c*) provides for the continuation of a free and vigorous participatory society in which work for justice on behalf of the poor, the marginalized and refugees may be carried on without fear of surveillance and prosecution.

That is from the Canadian Council of Churches speaking on behalf of a wide variety of Canadian Christians. That is one reason we feel that this Act should go forth into the world without any title, if indeed it is passed at all.

It is interesting that when the moderator of the United Church, Dr. Clarke MacDonald, had a message read into the record of the committee, the Hon. Member for Sarnia-Lambton (Mr. Cullen) objected to this and told him he should mind his own business. This reminds me of King Henry II asking who is going to get rid of this turbulent priest, referring to Thomas à Becket. The attitude of the Hon. Member for Sarnia-Lambton is perhaps indicative of the whole approach of the Government toward this Bill, which is that it is wrong for people to speak out. Somehow a moderator of the United Church is not minding his business when he tries to warn the Canadian people that this Act is potentially dangerous, urges that there be public hearings, and suggests, that unless certain safeguards are put in it, it should be withdrawn. It is on that basis that we feel that this Act is harmful, that it should not have a title, and we urge that Clause 1 be dropped. We have heard similar representations from the Canadian Association of University Teachers and the Canadian Medical Association.

In conclusion, I urge that this first clause be dropped and that the Bill itself be dropped until proper safeguards have been built into it to ensure that the security service will be responsible to Parliament and not to some nameless committee appointed by the Party of patronage.

Mr. Simon de Jong (Regina East): Mr. Speaker, indeed it is a sad day. We are in the month of June of the year 1984, the year made famous by the British author, George Orwell. In his book *1984* he portrayed a society in which individuals had lost all of their civil liberties. In that society a mind police operated which stamped out any individual thought, and government propaganda was the only information people could read. George Orwell coined the phrase "doublespeak". Doublespeak is what the government used in its propaganda. It means saying one thing while actually meaning something else. Indeed, as we debate Bill C-9 today, we see all these warnings by George Orwell come true.

We are debating a Bill which could allow wiretapping the phones of those Canadians raising money for—

Mr. Deputy Speaker: Order. The Chair really regrets to interrupt the Hon. Member. At this time debate should not be so broad that Members can address remarks to the general principle of the Bill. Members must address their remarks to

the specific amendments before the House. I have deliberately listened with some patience and I find that the Hon. Member has yet to address specific remarks to the motion which seeks to amend Clause 1 by deleting it. I wish that he would come to that matter soon.

Mr. Robinson (Burnaby): Point of order.

Mr. Deputy Speaker: The Hon. Member for Burnaby (Mr. Robinson) is rising on a point of order.

Mr. Robinson (Burnaby): Mr. Speaker, I know the Chair will recognize that over the course of the debate thus far on Motion No. 1 the Chair has allowed considerable latitude in view of the fact that we are dealing with Motion No. 1 and Clause No. 1. If the Chair reviews *Hansard*, the Chair will indeed find that the debate has ranged over a very broad number of areas respecting the fundamental principles of the legislation. I recognize that Motion No. 1 does deal with the title. I say with respect that if we are guided by the wisdom of the previous occupants of the Chair and indeed the present—

Mr. Deputy Speaker: Order. The present occupant of the chair is the Chair. I have been participating in the debate. The Hon. Member for Burnaby of course feels that he is raising a valid point of order. However, the Chair takes a different view. The Hon. Member for Burnaby will recall that debate was initiated on Motion No. 1 so as to allow Hon. Members, the Chair and the Table officers to come to some understanding as to the grouping of the motions before the House. It was with some licence that debate was allowed to extend somewhat. The rules were not strictly applied in that very specific and particular context. However, that matter has now been settled. It is my duty as occupant of the Chair to ask Hon. Members to limit their remarks strictly to the motion at hand as is the standard practice in the House at report stage. I invite the Hon. Member to continue his remarks.

Mr. de Jong: Mr. Speaker, I was going to continue in my remarks to try to make a case for giving the Bill the title "1984" rather than its present title. The title "1984" is more representative of the contents of the Bill than the present title of the Bill.

It is darn shameful that a Government, which parades itself as the champion of the individual and of free thought in the Liberal tradition, should introduce a Bill which creates one of the most draconian secret service agencies in the western world. The Government, which introduced the Charter of Rights, at the same time introduces this piece of legislation which takes away the very freedoms and rights which the Government has given with the Charter of Rights. With this piece of legislation it yanks those freedoms and rights away from the Canadian people.

That is why we on this side, the churches, university teachers and provincial attorneys general right across the length and breadth of the country are outraged at this piece of legislation. We are outraged at the tactics of government Members in committee. We are outraged at how they are shoving down our throats a piece of legislation which is as important as the Charter of Rights and the Constitution. In fact, the independent Member for Edmonton East (Mr. Yurko) made a very valid point the other day. He said that the two most important pieces of legislation were the Constitution and this Bill. Yet, at the end of this long session and the life of this Parliament, we see the Government introduce a Bill and insist on something on which there is no national consensus. Enlightened, concerned and educated people right across the country are opposed to this.

• (1620)

One must ask the pertinent question: why does the Government continue with this Bill? Why does it continue with legislation that could be used to remove legal and medical files of individuals who might be protesting the state of unemployment or the state of poverty in this country? For instance, those files could be used against farmers who are demonstrating against farm bankruptcies. They could be used against native organizations or any group of people who want to see some basic change in the social and economic structure of this country.

That is why we introduced Motion No. 1 that we are debating today. We are opposed to this Bill starting with its title. As I mentioned, there is a long list of people who are opposed to it, including even members of the Government. The former Solicitor General, the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand) is outraged at this piece of legislation. Yet the Government continues to push ahead with it.

I think we are all aware that currently societies all over the world are experiencing very rapid technological, social and economic changes as well as psychological changes. We will see human displacement on a scale that we have not seen since the advent of the Industrial Revolution. This displacement will lead to periods of discontent. Yet, believing as we do in the democratic process of our society, we hold true to the belief of open debate and discussion so that a new equilibrium of power sharing will evolve.

This Bill will suppress legitimate opposition. People who are suffering within the present economic and political structure will be forced underground because they will have no sense of security that they will be able to raise legitimate debate in this country. The Bill will simply be an excuse to go underground. Violence begets violence. If the mentality exists that there are spies and terrorists under every bed, lo and behold you create the reality that you set up to protect yourself against. That is my prediction while debating this Bill. It is like a mirror image. The Governemnt is opening the way to the very reality that this Bill is supposed to be protecting us from.

Why is the Government so insistent on this legislation? The police forces in this country already hold power that very few police forces in the western world hold. I am told that there are some 800,000 files on Canadian citizens. The power that the police already have is quite awesome. Does the Government suspect that there are 800,000 spies and terrorists in the

country on whom we must keep files? Is that what it believes the Canadian people are all about?

Why does it want more power? Why does it want to legalize opening mail, taping telephones and obtaining medical records and legal records? Why does it want to infringe on the basic democratic rights of Canadian citizens? It would do this without having a parliamentary overview committee which would have the power to police the police.

The Bill is flawed in many ways. It is a danger to the democratic process and to our rights as Canadians. It does not have the types of checks and balances that one finds in the American system. It does not have a parliamentary overview to make certain that the secret police do not get out of hand and become involved in their own web of paranoia which can damage the social fabric.

The Government seems to be afraid of making the secret police accountable to Members of Parliament. It seems to fear its own shadows. As such, we cannot but go on to one course of action, that is, to attempt, with every conceivable tool that the Opposition has, to stop this legislation. As the third Party, we do not have too many tools, but whatever tools we have we will use to stop this piece of legislation. We know that if this piece of legislation is allowed to pass, it can ultimately endanger Canadian society more than any foreign enemy of this country. It is a greater danger to our way of life as we know and cherish it than any foreign agent can be. As such, we will stand opposed, opposed and opposed.

Mr. Pinard: Point of order, Mr. Speaker.

Mr. Deputy Speaker: The Hon. President of the Privy Council (Mr. Pinard) is rising on a point of order.

Mr. Pinard: Mr. Speaker, I rise on a point of order.

Mr. Robinson (Burnaby): Point of order.

Mr. Pinard: I am already recognized on a point of order.

Mr. Deputy Speaker: I have already recognized the Hon. President of the Privy Council on a point of order.

M. Pinard: Mr. Speaker, if my colleague has something important and serious to say, I may just allow him to speak first. I just wanted to know if the hon. gentleman who just finished his speech was speaking in the name of his Party when he promised to do whatever he could to delay and prevent this Bill from being passed in the House. This is a very serious threat of a pure filibuster that is unacceptable.

Mr. Deputy Speaker: I thought the Hon. President of the Privy Council was rising on a bona fide point of order. However, he rose to put a question, rhetorical or otherwise. A question can only be allowed at this time by unanimous consent, because the time allotted to the Hon. Member for Regina East (Mr. de Jong) had expired. Therefore, I will ask if there is unanimous consent to allow the President of the Privy Council to put his question. Is it agreed?

Some Hon. Members: Agreed.

Mr. Pinard: Were you speaking for your Party or not?

Mr. de Jong: Mr. Speaker, I understand that I do have unlimited time to answer the question by the Hon. Member. It is a very serious question that the—

Mr. Deputy Speaker: Order. I should make it very clear at this time that, contrary to what he may think, the Hon. Member does not have unlimited time to answer the question. The Chair will allow him reasonable time to answer the question. That is the Chair's discretion.

Mr. de Jong: It is an important question that has been asked. We in this Party are very much opposed to the Bill as it stands. We do not state that there is no need for a security service. We believe that there is such a need. However, we believe that major changes to the Act must take place in order to create that balance which will, on the one hand, provide the safety and security of Canadians that can be guaranteed by an effective security system while, on the other hand, the freedoms and rights and liberties of Canadians are guaranteed and not endangered.

We feel that this piece of legislation is so important that the very fabric of Canadian society is threatened by what we have in front of us. Therefore, we will use all means at our disposal—and they are limited because the major opposition Party has many more tools than us—to change the legislation. We will do whatever we can, Mr. Speaker, to introduce legislation, to discuss the amendments, and to convince the Government to sit down and reach a consensus among all Parties in this House, among all segments in Canadian society including university teachers, the churches, the provincial attorneys general and the Canadian Civil Liberties Union. We must achieve that consensus so that we can have a piece of legislation that, on the one hand, will protect Canadian citizens and our way of life, and yet, on the other hand, make certain that our democratic freedoms and our individual rights are not threatened by some cloak-and-dagger concoction which this Government or its successors will have at their disposal. I hope this answers in full the question that was put to me.

• (1630)

Mr. Deputy Speaker: Debate. Is the House ready for the question?

Some Hon. Members: No.

The Deputy Speaker: The Hon. Member for Red Deer.

Mr. Gordon Towers (Red Deer): Mr. Speaker, certainly this day can be referred to as Black Thursday.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

Mr. Towers: Yes, Mr. Speaker, the "Ohs" come across from the other side. It is they who have little regard for the freedom of the Canadian people. Members on the other side disregard that completely. This is what we are talking about, Mr.

Speaker, the freedom of Canadians. Look at what happened in the Department of National Revenue. Look at what happened in the Department of Justice.

An Hon. Member: Tell us.

Mr. Deputy Speaker: I plead with the Hon. Member, who is a very experienced parliamentarian, to address his remarks to the motion now before the House. His remarks cannot be of a wide ranging and broad nature. The Hon. Member must address himself to the specific amendment.

Mr. Towers: I understand that, Mr. Speaker, and I apologize for digressing, but I did have to take care of the "Ohs" from the other side. Apparently that is all they are able to say.

In dealing with this motion before us today, because of the Speaker's ruling we find it strikes at the very guts of the whole Bill. The Speaker mentioned—would you allow me?

Mr. Deputy Speaker: I am afraid the Chair cannot allow any comment or reflection on the Speaker's ruling. That is very much against the rules, practices and traditions of the House. I plead with the Hon. Member to restrict his remarks to the motion before the House.

Mr. Towers: Mr. Speaker, if we can delete the title, then we will be able to deal with the other aspects of this Bill when we get to those motions that are of fundamental importance to the Canadian people. I refer to Motion No. 11 which has been negated by the title. If the Government opposite would see fit to delete the title, then we could deal with Motion No. 11. I hear the Gentleman of the Black Rod at the door, Mr. Speaker.

An Hon. Member: Someone is practising.

Mr. de Jong: That is the knock on the door for the 12 Liberal Cabinet Ministers.

Some Hon. Members: Oh, oh!

Mr. Deputy Speaker: I invite the Hon. Member to pursue his remarks. The noise is not a knock on the door.

Some Hon. Members: Oh, oh!

Mr. Deputy Speaker: May we have order in the House. It is very distracting to the Hon. Member for Red Deer (Mr. Towers) who is making a speech to be disrupted in this fashion. If we could have decorum in the House the Chair would appreciate it, as would the Hon. Member for Red Deer I am sure.

Mr. Towers: Mr. Speaker, the Government has not convinced Canadians that the close surveillance of the Canadian Security Intelligence Service will be adequately controlled. They are not satisfied that Parliament, the Minister or the Cabinet are going to have adequate control of this service. This is the frightening part of this legislation. That is why I say Motion No. 1 should be withheld or deleted until such time as the changes that can be made within the debate as it goes clause by clause take place. Perhaps the Government of the new Leader of the Liberal Party will have a change of heart and thereby we will have that opportunity to make the changes that will be satisfactory to Canadians.

I am sure that the people you represent in this House of Commons, Mr. Speaker, are just as concerned as the people I represent. They have seen so many of their freedoms disappear, disappear through agencies over which there is no control. The best example I could give you is of the dark days of Quebec in 1970. Hindsight is always better than foresight, as the saying goes, but nevertheless we do have to set legislation in place to ensure proper protection for Canadians so that they will not experience those kinds of problems in the future.

All one has to do is to read the minutes of the committee hearings, statements in the press and, statements made by representatives of all three political Parties, even the Party opposite, which show concerns about the changes of establishing this agency without adequate control put in place. We have had a ruling today. Unless we can change the title, delete it or table it until such time as there has been adequate debate in the House of Commons to ensure that legislation is put in place to protect Canadians, we are going to suffer a great deal of apprehension about what can happen in the future.

It does not matter from which province you come, certain circumstances can happen anywhere, not necessarily in the province of Quebec. I have often said, and I continue to say, that anything that can happen any place in the world can happen in Canada. We read every day about what is happening in other countries. We read about agencies getting out of control and the rights of individuals suffering as a consequence. I have to warn you, Sir, and the Members opposite that I am not speaking lightly about this. I am very sincere. We read in the papers about people who object to certain things, in other countries and suffering the consequences by having their arms cut off. These atrocities take place elsewhere in the world today because some entity is given control.

Let me refer to the armed forces. I have always felt, and people will tell you the same thing, that as long as you can keep control of the management of the armed forces under three different heads you will always have that alternative, that alternative force, to ensure that total control does not take place. We have seen what has happened in the world when one man gets control of a society. This has happened within our memory and it is a situation happening in different places in the world today. At the present time, there are 35 areas of war in the world. Any of these things can happen in Canada.

● (1640)

I would urge you, Mr. Speaker, to accept this motion. I would urge you to encourage debate and to encourage Members opposite to take whatever action is necessary at least to agree to the tabling of this motion at this time. It is of fundamental importance to the well-being and protection of our Canadian people.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTION TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 45, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the Hon. Member for Winnipeg North (Mr. Orlikow)—Canadian pacific Railway (a) Projected reduction of workforce. (b) Request that Minister convene meeting of interested parties.

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO AMEND

The House resumed consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs; and Motion No. 1 (Mr. Robinson) (Burnaby)).

Mr. Al MacBain (Parliamentary Secretary to Minister of Justice): Mr. Speaker, in speaking to the motion to delete Clause 1 of Bill C-9, it appears obvious that the discussion to delete the clause is improper. The motion does not add anything to the debate that has taken place on Bill C-9. I want to speak against the idea of tabling the Bill or the clause—

THE ROYAL ASSENT

[*Translation*]

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate Chamber.

• (1650)

[*English*]

And being returned:

Mr. Speaker: Order. I have the honour to inform the House that when the House did attend the Right Hon. the Deputy to Her Excellency the Governor General in the Senate chamber, the Right Hon. the Deputy to Her Excellency had been pleased to give in Her Majesty's name the Royal Assent to the following Bills:

Bill C-16, an Act to apply the customs and excise jurisdiction of Canada to the continental shelf of Canada and to amend certain Acts in relation thereto or in consequence thereof—Chapter No. 17

Bill C-46, an Act respecting certain provisions of the James Bay and Northern Quebec Agreement and the Northeastern Quebec Agreement relating principally to Cree and Naskapi local government and to the land regime governing Category IA and Category IA-N land—Chapter No. 18

Bill C-39, an Act to amend the War Veterans Allowance Act, the Civilian War Pensions and Allowances Act and certain other Acts in relation thereto—Chapter No. 19

Bill S-15 an Act to provide for the creation by amalgamation of The Wesleyan Church of Canada.

Mr. Nystrom: Mr. Speaker, it is not quite five o'clock yet, but I wonder whether or not we could deem it five o'clock and go on to Private Members' Hour. Could you ask the House for such unanimous consent?

Mr. Pinard: Agreed, Sir.

Mr. Speaker: Is there unanimous consent to call it five o'clock?

Some Hon. Members: Agreed.

Mr. Speaker: It being five o'clock p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—PUBLIC BILLS

[*English*]

Mr. Speaker: Shall all orders and items preceding No. 30 stand by unanimous consent?

Some Hon. Members: Agreed.

* * *

PARITY PRICES FOR FARM PRODUCTS ACT

MEASURE TO ESTABLISH

Mr. Lorne Nystrom (Yorkton-Melville) moved that Bill C-232, an Act respecting parity prices for farm products, be read the second time and referred to the Standing Committee on Agriculture.

He said: Mr. Speaker, I appreciate having been afforded the time of the House to move Bill C-232 and I thank the Hon. Member for Regina East (Mr. de Jong) for seconding the motion.

Bill C-232 is an Act respecting parity prices for farm products. Very simply, parity pricing means that a farmer should receive for the product he or she is selling, whether it be grain, cattle or hogs, a guaranteed price that is based on the cost of production and a decent profit or a decent living wage. That is really all Bill C-232 is asking for and it is really no more than many other people in our society have today.

Many contracts negotiated on behalf of unions contain cost of living clauses. Teachers receive annual increases. Members of Parliament now receive annual increases to our wages and salaries. Even senior citizens receive cost of living adjustments to the old age pension every three months. Bill C-232 only asks that farmers receive a return on their labour and on the investment they make in grain and livestock that reflects the cost of production and a decent living wage so that they may support themselves on the farm.

Bill C-232 is before the House because a group of five farmers came to see me last November after I had held a series of meetings in a number of towns in my constituency. I went around not only to Yorkton and Melville but to towns like Kamsack, Canora, Ituna, Foam Lake, Priestville and many other places. These five farmers came to see me one evening to tell me that they were having a lot of problems. That part of Saskatchewan is not an area in which many farmers are very wealthy. In fact, according to the recent census, the average farm income in my constituency is one of the lowest on the Prairies. Because of that, many people are going bankrupt. In fact, one of the farmers who came to see me that night was a farmer whose property was being foreclosed by the Bank of Montreal.

These farmers came to me with an idea. That idea was parity pricing. It had been talked about in the past by the old CCF, by the Farmers' Union, by John Diefenbaker and by many others on the Prairies back in the 1940s, 1950s and even into the 1960s. These farmers came to me with a written proposal and asked me as their Member of Parliament to present that proposal as a private Member's Bill in the House. I agreed to do that. The Bill saw first reading on April 5, and it is now before us for second reading.

The farmers on the Prairies now find themselves in a difficult situation. The world prices for many commodities are dropping. In many cases, the prices for grain and livestock certainly do not reflect the cost of production, let alone a decent living wage for the ordinary person of the land. On the other side of the ledger, the costs of production continue to rise. The price of land, interest rates, energy costs and things of that sort continue to escalate, forcing many small and average-sized farmers off their land. I see this happen in my riding every week. I see the farms disappearing and I see fewer and fewer farmers.

When I was in a small town called Duff, a farmer told me that when he was going to school about 20 or 30 years ago, there were four country schools plus one village school. The country schools have now disappeared and only the village school still remains. That shows how the depopulation of the rural areas in escalating. I believe a Bill like this one would help to reverse that trend, because it would mean that a farmer would receive a decent return on his or her investment in a farm and on the labour that he or she puts into keeping that farm going. That is why I have decided to proceed with this Bill.

This Bill is in two parts. I will describe it very briefly because I know that other Members wish to say a word or two about it. Part I of the Bill deals with grain and provides that there shall be a parity price based on 90 per cent to 100 per cent of the cost of production and a decent living wage. It provides that the cost of production shall be established annually by the legislation that is proposed in this Bill. It also provides in a very democratic way that the Wheat Board Advisory Committee shall advise and shall recommend to the Government what that parity price should be. I think that that is very important because I would like to make sure that this Bill and all legislation in this country is as democratic as possible. As well, if the parity Bill is enacted, it would be an offence to sell grain anywhere in the country at less than the parity price. There is a provision in the Bill for a penalty if someone does try to sell grain at a price lower than the parity price; in other words, if someone tries to undercut his or her fellow farmers.

Part one of the Bill is rather simple. The Canadian Wheat Board and the export agency do exist. We do not have any problems with GATT. Part I is fairly clear-cut and is not complicated. In effect, it would replace the two-price wheat system which exists today and would guarantee to farmers that the grain that is sold domestically for human consumption would return a parity price based on the cost of production and a decent return as well as increase the chances of attaining prosperity and a decent income for the ordinary farmer.

The second part of this Bill is a little more complex and deals with pork and beef. What we are suggesting here—I say "we" because I have involved the farmers in drafting this Bill—is the establishment of a national beef marketing commission and a national pork marketing commission. The farmers may decide whether or not they wish to join those commissions. There would be five to nine members on these particular commissions who would oversee the selling of beef and pork in the country. Of course, the majority of those commissioners would be farmers. I think it is very important that farmers do have a majority say in what will happen.

After one particular commission has existed for five years, the Bill recommends that the commission be changed to a marketing board. However, that change would only take place if a majority of the producers in each commodity area vote through a national plebiscite or election for such a board. In other words, the Bill which is before the House today practises economic democracy. It is not the central Government, it is not bureaucrats, and it is not Parliament imposing something on beef or pork producers that they do not want. They will receive a parity price and a national agency. That will be required because of the GATT rules and the trading rules. The producers will receive it only if they want it. The farmers will make that particular decision. I would like to make it very

clear that it will not be imposed on anyone. If the farmers vote against it, fine, that is their decision. Those provisions are included in the Bill which is before the House today.

• (1700)

If the farmers, indeed, vote for a parity price for beef, pork, or grains, as is mentioned at the beginning of the Bill, then once again there will be an advisory board. That advisory board will be elected by the producers. It will not be appointed by the Government. That is similar to the way in which the Wheat Board advisory committee is elected across the Prairies. I think that outlines in a very brief way the kind of idea which we have in mind with respect to the parity price Bill, Bill C-232.

I would like to conclude by thanking literally dozens and dozens of farmers who have lobbied on this Bill. A committee of farmers came from the Prairies to visit Ottawa about three weeks ago, during the seeding season. Those farmers came here to speak with Members not only on the Government side, but as well with Members of the two opposition Parties. They spoke to most of the members of the Agriculture Committee, including the Chairman. They stressed to everyone they saw the importance of establishing parity pricing as a principle in this country. I found it interesting that in Regina, on Tuesday of this week, seven farm organizations met to talk about the parity Bill. Six of those seven farm organizations agreed publicly at a press conference that they would endorse the Bill in principle. Of course, they also indicated that there were some details in the Bill on which they could not agree. That is normal and that is natural. That is why it is important to ensure that a Bill such as this be referred to committee so that it can be studied in detail.

The interesting thing about those farm organizations is that they are very diverse. They include the National Farmers Union, the Saskatchewan Wheat Pool, the Palliser Wheat Growers Association, the Canadian agricultural movement, a cattlemen's group which is called the Cow-Calf Association, as well as the Canola Council of Canada. Those six groups endorsed in principle, via a news conference in Regina, the idea of parity pricing. I grew up on a farm, and I know that it is very rare for all of these farm groups to get together to endorse anything in principle. I think it shows us in this House—and I think it is a non-partisan matter—that the farmers on the Prairies are rallying around an idea which is important. What they are saying to us in principle is that they want a committee to study this matter, they want public hearings and they want the House to act quickly. If we do not act quickly, more and more farmers will go bankrupt. Therefore, I make the appeal to my hon. friends in all three Parties that the subject matter of this Bill be sent to committee.

In the last few days I have been involved in conversations with various Members of the House in attempting to reach an agreement to pass a motion which would refer this subject matter to committee. I gather that this is the correct procedure and perhaps, later on in the proceedings this afternoon, a Member of this House could move a motion to that effect.

I would like to thank the Members of this House for the co-operation which I have received from my colleagues, from members of the Liberal Party and from members of the Conservative Party. I hope that this matter will be referred to committee and I hope that it will be possible for the Standing Committee on Agriculture to hold public hearings as soon as this summer. I hope there will be some action to establish parity prices for farm products. As I have already indicated, I am not wed to every idea, every "i" that is dotted and "t" that is crossed in the Bill. We are putting it forward for discussion and we hope that the House will agree to have the Standing Committee on Agriculture consider it.

I would like to single out one farmer from the Yorkton area whose name is Jim Coueslan. He is the person who was selected by the six farm organizations in Regina on Tuesday to act as their spokesperson on parity pricing. He is a former farm broadcaster from Yorkton at radio station CJGX and is a farmer in the Saltcoats area of my riding. I wanted to thank him publicly. I dare not mention other names because, if I did, I would be missing too many. I think that what these farmers have done is something which is very exciting. They united and rallied around an idea, stirred up public support for that idea and popularized it. I am very proud, as a Member of Parliament from Yorkton-Melville, to play a small part in attempting to get this matter studied seriously by the Parliament of Canada for the first time. I hope it will have the co-operation of the House.

Mr. Peter Elzinga (Pembina): Mr. Speaker, at the outset I would like to indicate to the Hon. Member for Yorkton-Melville (Mr. Nystrom) that he has the concurrence of this Party in seeing that this matter is referred to the Standing Committee on Agriculture.

Some Hon. Members: Hear, hear!

Mr. Elzinga: In saying that, I would like to share a few concerns which relate to the agricultural sector as a whole. I respect the sincerity of the Member who introduced the Bill. However, the NDP is involved in spouting platitudes while we are involved with specifics and are interested in turning around the economic hardships which those in the agricultural sector face. In looking at the legislation, it is obvious that individuals throughout the country are being misled as to what this specific legislation would do.

Last Saturday evening, I had the opportunity to speak with a farm survival group in my riding. They mentioned this legislation and they also indicated that it would establish parity for all agricultural products. Nothing could be further from the truth. This Bill simply establishes parity prices for wheat, oats and barley which is used for human consumption in Canada. That is a very small portion of the grain which is produced in Canada. Quite frankly, the Bill does not go far enough.

Mr. Nystrom: It is a good step, though.

Mr. Elzinga: It is a good step, but it does not go far enough. Our Party proposes to go further. I would like to outline a number of steps which we will implement after the next general election.

As the Hon. Member for Yorkton-Melville did, I would like to commend those individuals who are involved with the farm survival groups. I had the opportunity to read *Farm Gate Defense*. It outlined in a very moving way the difficulties which those in the agricultural sector face. I recall, as the Hon. Member indicated, under the Government of the Right Hon. John Diefenbaker, the work which was done by the Hon. Member for Qu'Appelle-Moose Mountain (Mr. Hamilton) in trying to establish parity pricing for agricultural products. It was not easy then, and it will not be easy now.

When we look at the income declines within the farming sector, we find that in 1983 the realized net income—a reflection of what the farmer has in his pocket—was down 4 per cent from 1982 levels and down 11 per cent from 1981 levels. If we look at total net farm income—realized net income plus or minus inventory changes—that was down 24 per cent from 1982 levels and down 39 per cent from 1981 levels. My Party has a broad outline on economic recovery for the agricultural sector. We will not simply oppose everything which comes forward, as does the New Democratic Party. One only has to look back to the Crow debate. At that time we indicated that changes were needed in the Crow legislation. It is heartbreaking to see the attitude of our Liberal friends opposite as it relates to the agricultural sector. They are the direct cause of the economic hardship that this sector has faced over the last number of years.

Rather than taking a great deal of time to criticize, I will indicate in a very forthright manner the position which the Conservative Party is taking. We will provide up to $100 million to assist producers with their existing high interest rate loans. We will establish an agri-bond to provide loans at reduced rates. Tax exemptions will be provided to encourage individuals to invest in this program. As well, we will establish a farm finance review board which will serve as a negotiator and a referee in helping producers to re-organize their debt repayments. We will immediately introduce legislation to double the maximum cash advance level for individual farmers from $15,000 to $30,000. In addition, we will reduce the input cost as it relates to the agricultural sector. We will reduce farm fuel costs. The current excise tax rebate on farm fuels is bureaucratic and inadequate. Fuel costs are a major component in the production of food. As our leader has said consistently in this House, we will eliminate the 9 per cent federal sales tax on farm fuel. That reduction will result in a saving in the vicinity of 20 cents on a gallon of diesel fuel. We have given a commitment as well to the farming sector to abolish the capital gains tax as it relates to agricultural land. That is a commitment which this Party will live up to. We have indicated we will develop a voluntary national income stabilization program for the red meat sector. We have three caucus members working very hard at the establishment of that program.

• (1710)

Just as important, even though it might not have any direct economic impact, we have indicated that in the event the Canadian people do place their faith in us—and I am confident they will—we will immediately allow dual labelling of agricultural chemicals and fertilizers, whereas the present Minister of Agriculture (Mr. Whelan) indicated to the Hon. Member for Vegreville (Mr. Mazankowski) just a few days ago in the House that he was not open to that type of suggestion.

Our Party is also aware that tariff protection is required for our beef sector. We are going to be more responsive with our stabilization programs by advocating an increase to 95 per cent of the pay-out. What farmers need, Mr. Speaker, is lower input costs and better prices for their commodities. We are committed to that. We are committed to the specific programs I have just outlined to the House of Commons. We have called for an increase in the initial price of grain.

In closing, Mr. Speaker, I want to indicate again that the Hon. Member for Yorkton-Melville indicated he came from an agricultural background, as do I. We know that agriculture is the hearbeat of this country. If we neglect the agricultural sector, every sector in this country is hurt. It is heartbreaking to see the low priority which this Liberal administration has given on a consistent basis to this very important sector, the prime sector in our Canadian way of life. I just want to offer the reassurance to Canadians that this is going to be a prime area for our Party once we are the government. We are committed to an economic resurgence in the agricultural sector and we are committed to giving it the high priority which it deserves and needs so that we can all prosper together.

[*Translation*]

Mr. André Bachand (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, Bill C-232 which is now before the House may contain certain elements that are worthy of consideration, but after a careful study of those proposals and considering the current situation in Canada's agricultural industry, there are many proposals we cannot support. We feel they would be very difficult to implement and would not be desirable for Canadian agriculture at this time.

Mr. Speaker, perhaps I may explain our reservations in this respect. The Canadian grain industry owes a major part of its success to its flexibility. It has kept pace with consumer demand by carefully watching variations in the selling prices for its products.

A system like the one proposed here might have a number of negative effects on the industry. By artificially maintaining prices between 90 and 110 per cent of production costs, we would not be encouraging producers to diversify production to meet demand.

The federal Government, more specifically the Canadian Wheat Board, has been successful in assisting producers while

at the same time interfering as little as possible with the laws of supply and demand on which producers depend to determine what kind of grains they should plant.

The Western Grain Stabilization Act guarantees producers the cash flow they need without modifying market prices. Similarly, the transport of all grains is subsidized. We feel we must maintain this flexibility which is essential to the development of Canada's grain industry.

Parity prices based on a cost-of-production formula do not offer the flexibility, sought by both producers and the Government. Nevertheless, we believe this new proposal would be worth discussing.

The red meat sector is another area that is very sensitive to exports, although particularly within the North American market. As in the grain industry, it is clear that without strictly controlling supplies, it would be very difficult to set prices to producers at "parity level".

During negotiations leading to the development of the Red Meat Stabilization Program, it became clear that many producers were not interested in such controls. Since supply management did not find favour with the producers, the federal Government has worked on other forms of assistance.

The most important assistance program is undoubtedly the Agricultural Stabilization Act, which guarantees producers 90 per cent of the average market price over the last five years, indexed to allow for increases in production costs. Since 1976-77, $224 million has been paid to beef and pork producers.

Therefore, we are understandably somewhat hesitant to adopt a Bill that, in its present form, might ruin the chances of success of an entire segment of our industry.

Nevertheless, the "parity level" concept does have some interesting aspects, and I am sure my hon. friends would not wish to reject a proposal of this kind without prior discussion.

That is why the Government is agreeable to referring the subject of the Bill to the Standing Committee on Agriculture.

[*English*]

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, a good many Hon. Members in the House, particularly Hon. Members from the west, represent rural ridings. As such we have first hand knowledge of the tremendous hardships which are being faced by farmers right now. At the same time, we all recognize that we should not in any way build up false expectations, because farmers are one group you cannot fool. But there is an election coming up in the near future and it is in the interests of all the Parties to get this legislation into committee, because everything about it deserves to be studied deligently. However, I would not want ever to be in the position of telling the farmers that something was going to happen quickly when I know in fact, because of my experience and understanding of the operation of Parliament, that this will not become law in the near future.

There are many aspects of this legislation which are troubling from an international and domestic prespective. The solution is to get the prices up. That can be done at an international level by an international wheat agreement. However, I believe Hon. Members of Parliament in all Parties have been trying to achieve that for a number of years and it has simply not been possible.

Another solution is to get the costs down. In terms of farmers, the most dramatic increase in their costs over the last four years have been in the fuel taxes. The farmers, of course, get a triple whammy because of the six separate individual taxes which the Liberal Government has imposed on energy, ranging all the way from just after it leaves the ground to six separate taxes over and above the federal corporation tax. It has imposed six federal taxes on energy alone. We can all handle this tax burden with respect to our cars, driving off to get groceries on Saturday and to church on Sunday. However, when it attacks farm fuels, it hits the farmers not only on the fuel for their trucks but on the fuel for their tractors which they use on every acre of those hundreds of millions of acres in western Canada which have to be gone over four or five times a year. They have to pay federal tax on every gallon of fuel they use. The tax is imposed to such a point that it captures also all the energy going into fertilizers and chemicals, so it amounts to a triple whammy dealt to farmers. If we could just move on the fuel taxes we could help farmers more productively instead of using a stop-gap measure. It is like putting a finger in the dike when, in fact, you should be looking at the whole dike and at the reason why the water is piling up on the other side.

● (1720)

The reason the water is piling up on the other side of the Canadian dam and starting to flow over is demonstrated by the figures in today's *Globe and Mail* concerning government borrowing. In 1983, the federal Government had to borrow $26 billion; the provinces and municipalities together borrowed $14 billion, and the amount left for private industry to borrow was some $12.7 billion. As recently as 1981, the federal Government borrowed $11.5 billion, so it has gone up two and a half times. The provinces borrowed about the same, $14.6 billion, but the amount borrowed by private industry was $46.5 billion. That went into creating jobs, which result in taxes flowing the federal Government. The amount of private investment this year amounts to $4.7 billion, therefore the jobs are not being created, which means less tax revenue, and increased unemployment insurance and welfare payments. So we are caught in the circle of more and more government spending, which results in deficits.

If the Progressive Conservative Party had been in power since 1979, we would not have had to face the fuel tax, we would not have such a large national debt, and capital gains taxes would likely have been eliminated. Those are the reasons why we need an election, just for a new approach. The reason we have had this Government since 1980 is that the NDP made a quite proper political calculation that if it brought the Joe Clark Government down it would get more seats. It was

successful, but unfortunately it also brought the Liberals back to power. That increased our debt, and this is what is generally hurting the farmers on an over-all basis.

I commend the Hon. Member for his stop-gap measure, but we need to look at the whole lake on the other side of the dam rather than just at one crack in the dam.

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, it seems there is general agreement that this is a terribly important matter and needs to be studied. I certainly agree with that. It should be referred to the Standing Committee on Agriculture and looked at in great detail. Hopefully, the committee will then report back to this House on the legislation which might be considered by Parliament. In that spirit of agreement, which I sense among the three Parties—

[*Translation*]

I move:

That the motion be amended by deleting all the words after the word "that" and substituting the following: Bill C-232, an Act respecting parity prices for farm products, be not now read a second time but that the order be discharged, the Bill withdrawn and the subject matter thereof referred to the Standing Committee on Agriculture.

[*English*]

The Acting Speaker (Mr. Guilbault): It has been moved by Mr. Evans, seconded by Mr. Orlikow, that the motion be amended by deleting all the words after the word "that" and substituting the following:

Bill C-232, an Act respecting parity prices for farm products, be not now read a second time but that the order be discharged, the Bill withdrawn and the subject matter thereof referred to the Standing Committee on Agriculture.

Is it the pleasure of the House to adopt the amendment?

Some Hon. Members: Agreed.

Amendment agreed to.

The Acting Speaker (Mr. Guilbault): Is it the pleasure of the House to adopt the motion as amended?

Some Hon. Members: Agreed.

Motion, as amended, agreed to.

The Acting Speaker (Mr. Guilbault): Accordingly, the order is discharged, the Bill is withdrawn and the subject matter thereof is referred to the Standing Committee on Agriculture.

Order discharged and Bill withdrawn.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent to proceed to the adjournment debate at this time?

Some Hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

CANADIAN PACIFIC RAILWAY—PROJECTED REDUCTION OF WORKFORCE. (B) REQUEST THAT MINISTER CONVENE MEETING OF INTERESTED PARTIES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, two days ago I asked the Minister of Transport (Mr. Axworthy) if he was aware of the fact that the CPR had told unions representing its employees that in the next few years the workforce of that company would be reduced by some 4,000 people and, if so, would he at least convene a meeting with the company and the unions concerned to discuss the situation and what might be done to lessen the very serious effects of such massive lay-offs. This is just one of many questions having to do with the railways and their workers, particularly in Winnipeg, which the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie) and I have asked the Minister of Transport.

The Minister's reply two days ago was very like the replies he always gives. That is to say, he is at the very least evasive. There was no commitment to arrange a joint meeting with the employer and the unions. He accused me and the NDP of being "prepared to say that no company at any time should be allowed to look at how it can improve the productivity of its workforce". Nothing could be further from the facts, Mr. Speaker. He ignores, and not by accident, the fact that a reduction of 4,000 employees by the company is a reduction of 10 per cent or more of its entire workforce. Employees with many years of service will get their walking papers.

That is not what we were told when we were debating the Crowsnest freight rate changes. The Minister said that in British Columbia we were talking about direct expenditures by the railways of $5.4 billion which will result in 87,000 person years of work. That will mean $3.1 billion of labour income. Well, Mr. Speaker, what he did not say was that that work would be of a temporary nature. The former Minister of Transport said, in introducing the Bill at a press conference in Winnipeg, that 250,000 jobs would be created.

We fought that Bill because we knew there would not be this tremendous increase in employment. We knew that the result would be major lay-offs rather than increased employment. We knew the farmers cost of shipping grain would increase by 300 per cent to 400 per cent. In a speech I made in June of 1983 I said that we are not opposed to modernizing the system. I said, "We want the railways to get on with the job of upgrading their system in order to move all our goods. We know that our shipments of grain, sulphur, coal and potash will increase greatly in ten years. However, we do not want this to be done at the expense of the farmers or the railway workers. However, Mr. Speaker, that is precisely what is

happening. It is the railway workers and the farmers who are going to pay the bill for the changes which were made."

I look around and see what the Government's priorities really are when it comes to the railways and who benefits, Mr. Speaker. Almost every day I see the former President of the CPR, who in recent years until he retired earned a salary of $500,000 a year or more. I see him almost every day because he got what the Government considered to be his just reward. He was appointed to the Senate. On the other hand we see what the Minister and the Government think is important for the employees of the CPR. Four thousand of them will be looking for other work. The Minister is not even ready to arrange for a joint meeting between himself, the company and the unions.

• (1730)

I urge the Minister to think about the people who are going to lose their jobs. I urge the Minister to take at least the first step and arrange for a meeting between himself, the company, and the unions to discuss what is likely to happen and what can be done to cushion the shock and to protect, at least in part, the workers of the CPR who are going to be laid off, many of whom have worked for that company for many years.

[*Translation*]

Mrs. Éva Côté (Parliamentary Secretary to Minister of Transport): Mr. Speaker, in answer to the question put by my hon. friend from the New Democratic Party, I can say that the CPR, like any other transport company, must remain competitive and offer quality service and competitive prices to Canadian customers. When transport companies modernize their equipment and improve their productivity, both the economy and the Canadian public stand to benefit.

However, the Minister is very concerned about the effects that introducing new technology and modernizing operations will have on hiring procedures and employment levels. It is a subject that is of particular interest to him, and that is why the Minister has already met with union representatives of CPR employees in Winnipeg and is planning to meet them again. He has indicated to this group that he intends to examine the responsibilities of the CPR under the Western Grain Transportation Act, with respect to their hiring programs and policies.

Mr. Speaker, the Minister of Transport (Mr. Axworthy) also intends to meet with CPR management. I earnestly hope that my hon. friend will agree that both the Minister and the CPR are determined to maintain as many jobs as possible, considering these developments.

The Acting Speaker (Mr. Guilbault): It being 5:33 p.m., in accordance with the order adopted on Thursday, May 10, 1984, the House stands adjourned until Monday, June 18, 1984, at eleven o'clock, pursuant to Standing Order 2(1).

The House adjourned at 5.33 p.m.

HOUSE OF COMMONS

Monday, June 18, 1984

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed from Thursday, June 14, consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs; and Motion No. 1 (Mr. Robinson (Burnaby)).

Mr. Speaker: Before hearing procedural arguments regarding Motions No. 89, 93 and 94, I should indicate to the House that, although the Chair gave its reasons for ruling Motion No. 91 out of order last Thursday, through a technical error this motion was not included in the list of motions which were ruled irreceivable. As a result, it was quite properly left on the Order Paper with the other report stage motions. In spite of this technical error, Motion No. 91 is irreceivable and I so rule.

I am now prepared to hear procedural arguments with respect to the admissibility of Motions No. 89, 93, and 94.

Mr. Hnatyshyn: Mr. Speaker, with deference to you and the other Hon. Members of the House, I wonder if we could postpone those arguments. I appreciate the fact that you called for argument with respect to this matter; however, we are not in a position to argue this matter at this point in time. Having returned to Ottawa late last night after vacating the premises for the last few days, I am not in a position to argue at the present time. With the agreement of Hon. Members of the House, I would appreciate very much if we could postpone this to a time convenient to Your Honour.

• (1110)

[*Translation*]

Mr. Pinard: Mr. Speaker, I was very surprised to hear this request. Last week the Chair clearly indicated that it intended to hear arguments on the subject. My hon. friend and his colleagues have had the whole weekend to prepare their arguments, and they know this Bill is urgent. They know the House will soon be adjourning for the summer. The only valid excuse I can think of is that my hon. friend was so absorbed in and by the learned speeches of all the Liberal leadership candidates on the weekend and was so keen on hearing what our new leader, Mr. John Turner, had to say, that it kept him from concentrating on the business of the House. I still do not think his request is very reasonable. However, out of courtesy to the Hon. Member, and I still say I am surprised at this request, we certainly have no objection to his taking forty or fifty minutes to prepare and submit his arguments, which he should be able to do before noon. Not any later, however. I think it would be unreasonable to prevent Parliament from hearing considerations on the admissibility of these amendments, for which notice was given more than a week ago, especially since the Chair indicated last week that it wanted Hon. Members to prepare their arguments for submission to the Chair. I think it would be unreasonable to delay unduly the presentation of these arguments. It is of course up to you, Mr. Speaker, to decide how much time you wish to allow. However, we on this side of the House are surprised that a request should be made at this time, and we do not think any more than three-quarters of an hour or an hour, at most, should be allowed.

[*English*]

Mr. Speaker: If it is agreeable to the House, I will hear argument at Orders of the Day this afternoon.

Mr. Robinson (Burnaby): Mr. Speaker, certainly that is agreeable. We, as well as members of the Official Opposition, observed with joy and pleasure the outcome of the Liberal leadership convention. Certainly we are prepared to defer argument even though we were prepared to proceed at this time.

Mr. Pinard: The Hon. Member of the New Democratic Party has just indicated those Hon. Members are prepared to argue now. If they do argue now, then at three o'clock the Chair will require less time to hear the arguments of the Tory Party.

Mr. Speaker: If the Hon. Member for Burnaby (Mr. Robinson) wishes to be heard now, the Chair would be prepared to hear him and to hear the representatives of the Official Opposition later this day. Is the Hon. Member for Burnaby prepared to argue the point of order at this point?

Mr. Kaplan: He just said he was.

Mr. Speaker: In the absence of a reply debate will take place on Clause 1. We are resuming debate on Motion No. 1

of the Hon. Member for Burnaby, seconded by the hon. Member for Spadina (Mr. Heap), that Clause 1 be deleted. Are Hon. Members seeking to be recognized?

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I have a few words to say at this stage on Bill C-9, which is a very important Bill. It is a Bill which has received considerable comment, I suppose, right around all of our constituencies, but perhaps more so in Saskatchewan than in some others, because Saskatchewan is known as the home of the RCMP, with the training school located, in the city of Regina. A lot of folk have been inquiring what this new security service would mean to the future of the RCMP and what it would mean to the people of the province. They ask why we need this new security service, this new security agency, with its powers, and so on. We have had an awful lot of questions and comments about why we need it, and so on.

I want to spend just a few minutes this morning raising a few concerns at this stage, and to state why I believe we should take another look at this particular Bill. Something which seems to me to be rather interesting is that the provisions of the Bill would give the new security service, as I read it, more powers in many ways than the FBI possesses in the United States. That seems to me a rather strange phenomenon, Mr. Speaker, because political violence in this country is really quite insignificant when compared to violence in the United States throughout the years.

• (1115)

The United States is a much more violent society. Some four Presidents have been assassinated. I am, of course, old enough to remember the assassination of President Kennedy in 1963. Despite that kind of problem, the security agency there, the Federal Bureau of Investigation, does not have some of the powers that this Government wants to give the security service in Canada. There was the attempted assassination of President Reagan about two or three years ago. We have been fortunate here not to have that kind of violence against our political leaders, with the exception of the 1970 FLQ crisis. Therefore I think it is rather strange that we give this kind of sweeping power to the security service. We should take a very careful look at that.

There are also all kinds of organizations extremely concerned about what this might do to our civil liberties and to the freedom of people who launch legitimate protests.

Mr. Speaker: I have a strong concern about the content of the debate at this point. We have a motion to delete the title of the Bill. I am aware that the Hon. Member has some general observations, but report stage amendment is not a repetition of debate in principle, which ordinarily takes place at second reading. The Chair invites the Hon. Member for Yorkton-Melville (Mr. Nystrom), experienced parliamentarian that he is, to address his remarks to the precise amendment before us.

Mr. Nystrom: Mr. Speaker, I perhaps made the mistake of following precedents. I do not think I have been more general than most of my colleagues on this particular amendment. I suppose one can say that the title is very symbolic of the Bill itself, and that is why this amendment was moved by my colleague from Burnaby. The title itself shows that this security agency is going to have powers which are not really needed and which might be an infringement upon the civil liberties of innocent people. That is not a concern just of some Members of this House; it is a concern of a number of organizations around the country, including some of our leading newspapers, churches, peace and labour groups. They are also concerned about the unnecessary powers being given to the new security agency. I do not really think those powers are necessary. The Security Service within the RCMP has adequate powers. It can do the things that have to be done to protect the security of the country.

I, along with a number of other Members, was here in October, 1970, during the FLQ crisis. I saw the sweeping measures brought in under the War Measures Act, and I saw the number of innocent people who were arrested.

The Acting Speaker (Mr. Herbert): Order, please. If the Hon. Member is going to range into that particular subject, will he please let the Chair know how he can relate that to the elimination of the title of the Bill?

Mr. Kaplan: This is the title of the Bill.

Mr. Nystrom: Mr. Speaker, I am concerned about the sweeping powers in the Bill. Of course the title is symbolic of that. It signals the kind of powers which are contained within the Bill. I lived through a period when two sweeping powers were utilized, and a lot of innocent people were injured because of that.

• (1120)

Mr. Kaplan: What has that got to do with the title?

Mr. Nystrom: This is one of the reasons why this—

The Acting Speaker (Mr. Herbert): Order, please. The difficulty of the Chair is this. Presumably the Member is speaking in favour of removing the title from the Bill. There must be some argument presented as to why he wants the title removed from the Bill. I ask the Member, if he would not mind, to continue his remarks referring to the reason he wants the title removed from the Bill.

Mr. Nystrom: Mr. Speaker, I have pretty well summarized it. I will just leave it at that. I think the title is symbolic of the Bill and the concerns contained within it. I will abide by your ruling and participate later on during report stage.

Mr. Hnatyshyn: Mr. Speaker, in order that everything I say within the next 10 minutes will be understood to be germane to this, I support the idea of the motion here with respect to Clause 1, the short title. Clause 1 says that "This Act may be cited as the Canadian Security Intelligence Service Act". That is a misnomer. The title of the Bill does not reflect exactly what the Government has put forward with respect to this legislation. This legislation has many very serious and danger-

ous elements contained within its body. That is not reflected in the title.

When we talk about the Canadian Security Intelligence Service Act we must look at precisely what has happened before and since last Saturday. Now that the Liberal Party has a new Leader, I would like to know where the new Leader stands with respect to the oppressive elements of this legislation. Is the new Leader—

The Acting Speaker (Mr. Herbert): Order. Would the Member please help the Chair by telling the Chair how that particular argument can be related to eliminating the title from the Bill?

Mr. Blenkarn: It does.

Mr. Hnatyshyn: Mr. Speaker, I want to point out that the title is a misnomer because it does not adequately describe the apparatus and mechanism established within this legislation. You can understand that, Mr. Speaker.

I want to know whether the Government's policy with respect to this legislation continues. Are we going to assume that the new Leader of the government Party subscribes to this misnomer, this statement of what this Bill purports to encompass, or does he not? I believe we are entitled to hear from the Government side whether, by way of example, the new Leader of the Liberal Party thinks that this legislation should be amended in a substantial way. According to Mr. John Turner, should the title of this Bill be an RCMP security service or should it be a civilian intelligence agency? That is germane to the title of this legislation. Where does Mr. Turner stand with respect to this very important element?

Mr. Blenkarn: Where does he stand?

The Acting Speaker (Mr. Herbert): Order, please. As the present occupant of the chair I do not consider that we can introduce into debate anything other than the Bill itself. The contents of the Bill are a government matter. I am not prepared to hear any discussion on any changes that may or may not take place on the government side for as long as the Government remains in office.

Mr. Hnatyshyn: Mr. Speaker, I, of course, understand your position as the independent chairman of these proceedings. I will put it in another way. Does the title of this Bill clearly define the legislation we are considering? I think that is germane, and Your Honour clearly can understand that.

• (1125)

Our Party has been vigorous in our opposition with respect to this legislation because we believe that an intelligence service should contain safeguards for the Canadian people. Our critics and spokespersons on this legislation have come forward on a number of occasions and demonstrated the fact that this service that is being established seriously jeopardizes the safeguards of the civil liberties of Canadians.

We believe that this legislation and its title, which represents the intention of the Government, do not meet the expectation of the Canadian public and do not meet the anticipation of those who are concerned about the national security of our country. I simply say that this is a germane provision of the legislation and we wish to demonstrate our concern and opposition with respect to the way in which the Government is operating with this legislation.

A number of people have commented on this agency. We had a long debate with respect to procedural matters before the Speaker, in which I thought I had made it abundantly clear that this Bill is entitled the Canadian Security Intelligence Service Act and does not refer to a civilian security intelligence service. Indeed, our Party put forward a number of proposals, not only at second reading but in the course of committee debate and report stage, urging that the RCMP should be involved in this new security service.

It is clear that the Government's policy has been one of distancing itself from the RCMP and leaving that proud force to hang out to dry. That has been the intention of the Solicitor General (Mr. Kaplan). That is why he is so anxious for this title to go forward. That is why he is anxious to have a civilian service. It is because he knows that the Government has left the RCMP in a very unfortunate position. It has not been supportive of that police force which has the respect of the vast majority of Canadians.

All that I can say is that, as far as we are concerned, we in this Party are proud of the service to Canadians that has been performed by the RCMP. We feel that that force has been severely maligned by the Liberal Government which, during the course of the difficulties of the 1970s, left the RCMP to hang out to dry, hid behind the RCMP, and took no political responsibility.

Now, when it comes to establishing an intelligence service in our country, the Government will in effect say to those proud members of our national police force that they are responsible for everything that has gone wrong in the past and the Government accepts no responsibility. It will not be reminded of its own shortcomings and lack of political accountability.

The Acting Speaker (Mr. Herbert): Order. The Chair is very sorry, but the Chair has reread the title. It is the opinion of the Chair that the title is sufficiently broad that the debate could relate to the title, as to whether the title should or should not be included in the Bill. I do not believe the Member should be broadly ranging in his remarks on a motion which is very specific. The ten minutes accorded to the individual Member should relate to this particular motion.

Mr. Hnatyshyn: Mr. Speaker, thank you for supporting me on the relevance of what I have said. While you understand what I am saying, I will try to make it clear the Members of the government side because they have difficulty understanding basic and fundamental concepts.

I was saying that the title does not adequately and properly reflect the contents of the Bill. It talks about a Canadian Security Intelligence Service but it does not talk about the fact

that this is a civilian service. It does not talk about the fact that the RCMP is being removed from responsibility in terms of security items. That is why this title is inappropriate and why the Government should give serious consideration to renaming the Bill and to being candid about the change. It should be entitled an Act to try to get the Canadian people to forget that the Liberal Government refused to accept responsibility in the past for security services. Taht is what the title should be. The Liberals should not be talking about a brand-new security service because what they are trying to do is to hide their political past. Somehow I think the fact should be reflected in the title of this Bill. They are the ones who left the security service, which is under the aegis of the RCMP, hanging out to dry during the time of the FLQ crisis and the Quebec situation.

• (1130)

I notice, Mr. Speaker, that you are signalling that my time is coming to a close. I hope I have been able to demonstrate and to convince you, at least, that this title is inappropriate. It does not reflect what is happening with respect to this legislation nor does it reflect what has transpired. I know it is difficult for these people in the Government Party to understand, but at some time I would like to find out just where Mr. John Turner stands on this issue.

Mr. Evans: Wait for the next election.

Mr. Bob Ogle (Saskatoon East): Mr. Speaker, I would like to address the debate this morning specifically on the wording of the title. It reads:

An Act to establish the Canadian Security Intelligence Service, to enact An Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto.

I believe it is extremely important to be able to define correctly what is going on, to say a thing clearly so that it relates to an idea which everybody understands. What I talk about is not a new idea.

In the first chapter of the book of Genesis the question of being able to name the creation is how ancient people addressed the very important fact of why human beings differing from other beings in creation are able to explain, to say and to know exactly what an idea is.

In the title before us I feel there are certain words that in no way explain what is meant or understood. The first word is "security". I have already spoken to this idea. I want to say again that I believe the word "security", at least in English, is a word that does not have a clear understanding today. It is a vague word. In fact, it is more than vague; it is a word that to my mind has literally changed its meaning in my lifetime and during the time I have been speaking the English language. When I was a child, as other Members of my age will remember, the word "security" referred to a state of being. It was the kind of thing that happened when you were safe at home. It was the kind of thing that took place when you had enough to eat and you were warm and dry. It is an idea signifying that basically you were in good status.

I believe in our lifetime, and recently more so than ever, the word security has litarelly changed its meaning for many, many people. The word security more frequently now is used, and used very commonly, to refer to the fact that everybody has to be mistrusted. I think the best example I can give in the experience of everyone in this House of Commons and of every Canadian is how a person is treated when going to board an airplane. Not many years ago I could go to an airport and board an airplane with the same facility as I can board a bus or a train. In recent times, because of incidents in international aviation, security clearance has become an accepted pattern in many parts of the world, although in some places security clearance is being overlooked and in some Latin American countries I know now that security is not carried out at the airports. But notice how I use the word "security". Security now refers to an event, a happening or a situation in which everybody is considered a possible criminal. People have to be challenged personally at a particular time to make sure they are not criminals. I believe that is against our tradition. I believe that in the tradition of Canadian life it is important to remember people are not criminals before you address them.

I find it very disconcerting and in a sense dangerous that many people, without thinking, accept the fact that you have to go through security to get on an airplane. I do not feel any more secure getting on an airplane after having gone through the little electronic door than before. I believe anyone who wants to steal an airplane will steal an airplane whether that person goes through the electronic door or not. That does not make me any more secure. But the falseness that anybody can look after your security, that "big brother" somewhere can make you more secure, is what this Bill is basically about.

When I address the title, Mr. Speaker, and that word "security", I feel we are being led down the road. Probably if we want to use the word security, we would be on much safer ground if we started to call the Bill something like a Bill to set up the national security state. The national security state is a reality. I have lived in national security states. A national security state was a movement that took place in the last 20 years. In many of the Third World developing countries, Latin America in particular, a national security state became a dominating philosophy of the people in power. It became the philosophy that those who were against the people in power were subversives. National security police agencies were required and these people would go after the subversives. I speak from conviction and from experience.

That kind of state developed in very democratic countries and it developed in the last few years. Chile is an example. It is a national security state in the new understanding of national security. Chile has a massive police force, an army, not to go against people of other countries but to go against its own people. That situation also took place in Brazil, Bolivia and Uruguay. It still exists in Uruguay. Last week the Leader of the Opposition of the Uruguayan Parliament returned to Uruguay and was immediately imprisoned. Why? Because he had committed a crime? No, because the national security

state said that he did not have a right to be in opposition to those in power.

What about the notion of this Bill and its name? Remember that naming something is extremely important. A dictionary will explain how to name something. It will tell you the genus of what something is basically about, that two things coming together will make it possible for a human being in his or her mind to say that this particular being over here is this and not that. The title of this Bill, at least to my mind, does not tell me it is this and not that. I think Canadians are aware of this. I have been told that a more apt name, if we want to think about another name, would be to call it an Act to suppress the civil liberties of Canadians. That might be closer to the understanding of what the Bill does and it might be easier for Canadians to understand. Mr. Speaker, I believe personally that the present title does not give us a clear understanding of what is going to take place in this Bill. The Bill should be clearly titled and understood before its less important matters are debated. I hope the Minister who has proposed this Bill will hear what is being said and will understand that what is taking place in the naming of the Bill is extremely important. It has not been well done.

The second word in the Bill that I believe should have a much more clear understanding is "intelligence". What does intelligence mean in present day English or present day French? To what does it refer? Whose life does it interfere with? What does it mean in relation to myself or to any other Canadian? Who has the right to look into my life, to find out things about my life, to keep them secret from me and from lots of other people, but which could be used against me whenever those in power decide that I have become a subversive, one who endangers the security, as they would say, of the state?

• (1140)

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I feel quite honoured to have an opportunity to make some comments regarding Bill C-9, especially the very first clause in it, the short title, which reads:

This Act may be cited as the Canadian Security Intelligence Service Act.

When I read that title, I become very concerned. Not long ago I recall that George Orwell's *Nineteen Eighty-Four* publication received a round of support as we entered the year 1984. Canadians reread that piece of work and were reminded of the term "doublespeak" or "newspeak". During 1984, as described by George Orwell, the term was used to describe something that was not what was actually there but was the opposite. For example, when it talked about the department of privacy, it did not mean that there was a department concerned with the privacy of people, but quite the contrary. There was a department concerned with prying, spying and poking into the lives of people in terms of carrying on an intelligence service in the interests of those few people who control the state. When I look closely at the title which we are debating at the moment as part of the report stage amendments, I see terms such as "security". This is a security force, yet when we consider what the Bill will do, we wonder to what extent people will feel that their lives are more secure.

I want to identify for the benefit of Hon. Members the security about which we are talking as part of this new civilian service. It will have the right to open confidential first-class mail. That will be a given right. It will also have the right to open confidential tax files on individuals, so that information presented to tax officials in confidence, in an effort to maintain an open and democratic system, will not be confidential. These tax files will be open to agents of this agency. We all have in our safety deposit boxes confidential legal files with our lawyers, all kinds of confidential papers such as wills, et cetera. They are simply agreements between ourselves and individuals which are not for public consumption or for public eyes. Yet this agency will have the opportunity to access such files, all in the name of security. The notes of journalists and broadcasters will be open to inquiry on behalf of agents. This is what this Bill calls security. Security for whom?

Psychiatric and all kinds of medical records will be open to the security force. All records of government and of all public and private agencies will be open to agents of this organization. Family allowance application forms and various medical files will be open to them. Even when a person goes to confession in a church and speaks with his priest, it will not be in confidence. Those discussions will be open for inquiry through agents of the Canadian Security Intelligence Service.

Let us consider what the term "security" means in the title. It means that there will not be any security, that all areas which are considered to be highly confidential, such as agreements between two parties, individuals and groups, will be open for inquiry, surveillance and examination by this particular agency.

The Hon. Member for Saskatoon East (Mr. Ogle) clearly articulated that it meant in many countries to be secure when the security forces were really oppressive armies with the sole responsibility of providing anything but security. They make every home in the nation tremble with fear at night when there is a knock at the door; they wonder whether the security force is coming to take them away to be shot, imprisoned or tortured. That is what security has come to mean in many countries.

When I hear and read that the security intelligence service will have unlimited freedoms to pry, poke and inquire into all aspects of the lives of Canadian citizens, I become very concerned. Also I become concerned with another part of the Bill which does not use the term "secret". The implication is that somehow this will not be secret, undercover work. The Hon. Member for Burnaby (Mr. Robinson) and other colleagues of mine have called on many occasions for the need for accountability so that these services are not cloak and dagger endeavours but will be accountable to Parliament and to parliamentarians through a special committee or a special system. However, the Government says that it wants to keep it secret, that it does not want to have Parliament and its elected representatives involved in any way at all.

When we consider what might be an appropriate title, perhaps we should consider something like the Canadian suppressive, spying and prying non-accountable service, in an effort to describe more adequately what is going on with Bill C-9. Its particular title does not serve us well. It simply shrouds and clouds what is beneath the legislation and gives one misinformation as to what is actually going on.

Also there is no motion of "civilian" in the title. Government Members have been rising and reminding us as Opposition Members that this is a change from the RCMP, that it will now be a civilian agency. As a western Canadian who grew up studying the history of western Canada and learned from the beginning that security—law and order as we have come to know it—was first introduced in the west through the RCMP, which was then known as the North West Mounted Police, I wonder what is wrong with the work that it has done.

I recognize that there have been problems and that there have been some changes to legislation, but by and large I, like other western Canadians, feel quite strongly about the role it has played in terms of the security of western Canada. We wonder what is behind this move, particularly when we read articles such as the one that appeared in *The Glove and Mail* in February this year. It read: "Kaplan opens doors locked even to the Federal Bureau of Investigation in the United States". It indicated that FBI, operating in a country where security was much more appropriate than here in Canada as it was one of the major powers in the world, does not even begin to have the same powers which will be given to the Canadian Security Intelligence Service. We must ask ourselves as concerned parliamentarians and legislators why we would want extensively more powers for prying, surveillance and undercover work in Canada than is the case in the United States through the FBI.

Those questions have not been answered to date. I become concerned when I am approached by church, labour, business women's and peace groups. I could list a number of groups in my constituency who have asked about the service. For example, a number of groups in the Kamloops-Shuswap area are involved in raising money and helping various relief organizations in certain countries. They look at this particular Bill and ask whether they will now be seeing agents from the Canadian Security Intelligence Service involved, in a sense, in infiltrating these groups to find out to what extent they are supporting groups in countries such as El Salvador through relief organizations. Are they sympathetic with the rebels in El Salvador and therefore opposed to democracy? We have been told that democracy is being introduced in El Salvador but of course no one believes it. That is the myth. By supporting in some way the rebels, are they now opposing the concept of democracy? Are they supporting subversives? These security people could quite easily break into churches, tap their telephones and open their mail. They could have various agents infiltrating church groups because of a fear of subversion. What we have is simply a congregation attempting to raise funds through bazaars, garage sales and the like to assist in relief operations in countries such as El Salvador.

• (1150)

In closing, this title concerns me very much. It does not adequately explain what is involved in Bill C-9. We would like to see this amendment supported and the title removed.

The Acting Speaker (Mr. Herbert): Order. Before recognizing the next speaker, may the Chair again refer to the motion before the House. I personally do not believe that the motion is particularly restrictive, but when addressing their remarks to the House, I want Members to refer specifically to the title and the fashion in which they are bringing their remarks to the motion before the House.

Mr. Sid Parker (Kootenay East-Revelstoke): Mr. Speaker, I am pleased to speak to Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto. Clause 1 of the Bill reads:

> This Act may be cited as the Canadian Security Intelligence Service Act.

With due respect, I say to the Solicitor General (Mr. Kaplan) that the title is very misleading. We very much object to it. It does not identify the seriousness of what the Bill entails. As the Hon. Member for Saskatoon East (Mr. Ogle) stated, the word "security" has many meanings.

When I am in my riding, it is this Bill that is most often referred to. People are concerned. This title in no way expresses the kind of concern they have brought to my attention. They are concerned that there will be someone supposedly in a security role doing things which they suspect will be far beyond what the title suggests. We know the Bill goes far beyond that. For the House to accept this title when the Bill has such far-reaching effects on all Canadians, especially civilians, is wrong. The title is misleading and wrong. The Government should take another look at it. We do not agree with many parts of the Bill. The title does not identify our real concerns.

The Hon. Member for Kamloops-Shuswap (Mr. Riis) identified many of our concerns with regard to the word "Intelligence" and how this will affect people in their normal lives. To say that this Act may be cited as the Canadian Security Intelligence Service Act is totally misleading.

You have asked us, Mr. Speaker, to deal specifically with the title. I will try to do that. However, the title is so far out of context that it is very difficult to deal with it in that manner. Every speaker from this Party has expressed concern about the far-reaching effects of this Bill. I cannot over-emphasize the fact that the Solicitor General is trying to push this Bill through the House in the last few days. The title of this Bill is so misleading and wrong that we cannot accept it.

Who has the right to look into my life or the life of any of my constituents in an intelligence role? Who has the right to suggest what security we need? We have a police force that has been accepted all across Canada. There are other areas of concern. We can identify them. Do we have to set up an Act

that may be cited as the Canadian Security Intelligence Service Act? I think not. The title is wrong.

The Hon. Member for Kamloops-Shuswap identified such areas as tampering with the private lives of people. I want to look at the possibility of this Bill reaching into the workplace in such areas as compensation cases. The intelligence service may look into the background of compensation cases to see whether these people are allowed to work in other areas. That kind of intelligence service is wrong. The average Canadian does not want that. It is wrong for the Government to use this kind of title. The Government knows that this Bill has far-reaching effects, far beyond the title it has put forward.

We have identified this portion of the Bill. As we get into other parts of the Bill, we will identify other areas. This title should be removed. The Member for Saskatoon East suggested that if the Government were truthful in what it is putting forward, we would not even have a democracy in Canada. This kind of title is misleading. It does not tell Canadians what is in the Bill. There are some very serious ramifications. The title does not reflect the ramifications, the secret service and intelligence work that will go on in the back rooms. The Bill does not relate to the suspicions that people will have.

The average Canadian reading this title would wonder what the problem is and why we members in the House are standing up. The short title clause reads:

This Act may be cited as the Canadian Security Intelligence Service Act.

That sounds pretty timid. It sounds as though the Bill has no real significance. The title is misleading. It is wrong. The Solicitor General knows it is wrong. The Government knows it is wrong. They are trying to hide behind a title that is misleading. That is not in the best interest of Canada.

We on this side know what the Government is trying to do. We know they are misleading the Canadian people. They may be able to mislead them in other areas, but they will not mislead those of us on this side of the House. The New Democratic Party feels that this is wrong. The title is wrong, it should be changed. It should be more truthful. The Liberal Government has a policy of hiding behind misdemeanors, hiding behind titles, trying to make them appear less restrictive than they are.

We in the New Democratic Party know what the Government is trying to do. It has been trying to push this Bill through since January. It is again trying to put it through. We object to the title.

Mr. Kaplan: Well, vote against it.

Mr. Parker: We object to the Solicitor General trying to push it through at this time.

Mr. Kaplan: If you don't like it, vote against it. That's your right.

Mr. Parker: The Solicitor General says "vote against it". The Solicitor General should withdraw the Bill and reword it.

Mr. Kaplan: You do not decide what the House does.

Mr. Parker: The Solicitor General says I do not decide. We will have some say about what is going on in this House.

Mr. Kaplan: So will we.

Mr. Parker: The NDP will not allow him to ram it through. We are going to speak out against this clause in particular. It is misleading and wrong. The Solicitor General says vote against it. We will vote against this clause, rest assured about that. It is wrong. The Solicitor General knows it is wrong. We in this Party know it is wrong.

• (1200)

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, I kind of like the name of the Bill as described in Clause 1, the Canadian Security Intelligence Service Act. If the name were reflective of what was in the Bill, it could serve Canadians well, However, I will be voting for the amendment to Clause 1 to delete the short title of the Bill because I do not think it is reflective of what is contained in the Bill. hat is unfortunate because we in the House of Commons have had the opportunity to deal with the concern of Canadians about national security and the opportunity to deal with legislation which would make terrorism, espionage and subversive activity more difficult for those who would participate in such activities. However, the Bill does not do that and is therefore, misnamed.

We are, of course, concerned about subversive activities undertaken by nationals outside of Canada. We would like to have a security service, whether it is an RCMP security service or a civilian security service, which has the power to determine threats to Canadian security. This Party has made amendments to this Bill which would clearly define some of the activities about which we in Canada are concerned. However, the Bill does not simply deal with espionage and subversive activities. The Bill has the power to undermine the civil liberties of many Canadians because of its provisions for wiretapping with the approval of a Federal Court judge, for the opening of first-class mail and for the availability of almost any public or private document to an ill-defined intelligence service.

The title of the Bill does not make it clear whether the intelligence service will be a civilian one or whether it will fall under the aegis of the RCMP as it presently does. The title of the Bill is not reflective of the broad powers the Bill introduces over Canadian civil liberties and the power for the infringement on those civil liberties which Canadians have been so adamant in protecting.

Many of my own constituents believe that this Bill is necessary. However, they are not aware of what the Bill actually provides for in terms of the infringement of the freedoms that they enjoy at the moment. By looking at the title only, I think the general public would feel fairly certain that this Bill in fact provides for an intelligence service similar to the FBI in the United States but are unaware that it provides even broader powers than those given to the FBI, an agency whose powers are looked at with some suspicion by many Canadians.

The intelligence aspect of this Bill deals with developing a secret intelligence among subversive groups within and outside Canada. However, the Bill's definition of subversive groups in Canada is very broad and can include many legitimate groups of dissent of which Canadians are supportive and protective. As well, the intelligence aspect of the Bill only relates to the civilian intelligence agency that will be formed by this Bill. It gives that agency broad powers to look into documentation of a public and private nature.

The Bill really does not deal with what we in the NDP think is very important, and that is the ability of parliamentarians themselves to understand and have access to some of the information that will be gathered by the RCMP agency or the new civilian agency. No parliamentary committee with oversight is proposed in the Bill. The title of the Bill would indicate to Canadians that an agency will be gathering intelligence on foreign nationals and groups that are attempting to overthrow legitimate governments or organizations within Canada. However, that title does not significantly define the flaw in this Bill, which is that parliamentarians will not have access to all of the information to which the intelligence service and the oversight committee have access. That oversight committee would include an Inspector General and three to five review committee members. Parliament will not have access to Cabinet documents and will not have the same kind of access to information that is gathered by the intelligence service as will the overview committee provided for by this Bill. I believe that that is a major flaw in the Bill. We as elected representatives should have a parliamentary committee that will look into this Security Intelligence Service. Such a committee is essential. Because that essential committee is not provided for by the Bill, it makes the title of the Bill invalid.

I would think that the title of the Bill would give Canadians the feeling that the security service will look at foreign nationals and foreign governments and that the intelligence aspect of it will be the gathering of intelligence which would be available to the security agency. I think the Canadian public would feel more secure with the knowledge that Parliament itself was looking at the service provided by the new civilian security service and that Parliament was confident that the civil liberties of Canadians were not being infringed upon in an attempt to gather information on sources within Canada and on Canadian citizens. Canadians would feel more secure if we as parliamentarians knew that any necessary wiretapping was legitimate and that the documents that were being investigated by the civilian service were truly important to its investigations and did not cause an infringement upon the common liberties to which Canadians have become accustomed and are intent upon protecting. Although I would like to see this Bill rightfully entitled the Canadian Security Intelligence Service Act, I do not think that the Bill itself reflects its title and I will certainly be supporting the amendment of my colleague, the Hon. Member for Burnaby (Mr. Robinson).

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Pursuant to Section (11) of Standing Order 79, a recorded division on the proposed motion stands deferred.

Order, please. Motions Nos. 2, 5, 6, 7, 8 and 9 have been grouped for debate. An affirmative vote on Motion No. 2 disposes of Motions Nos. 5, 6, 7, 8 and 9. A negative vote on Motion No. 2 necessitates a vote on Motion No. 5. An affirmative vote on Motion No. 5 disposes of Motions Nos. 6, 7, 8 and 9. A negative vote on Motion No. 5 necessitates a separate vote on Motions Nos. 6, 7, 8 and 9.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 2

That Bill C-9 be amended by deleting Clause 2.

He said: I wonder if I could just seek some clarification, Mr. Speaker. Does the Chair intend to put Motions Nos. 5, 6, 7, 8 and 9 at this time as well?

The Acting Speaker (Mr. Herbert): I will put the other motions. However, the Chair is having some difficulty. Motion No. 5 is in the name of the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand) who is not present in the House. Therefore, I require an Hon. Member to indicate that he is prepared to agree that the motion should go forward in the name of the Hon. Member for Notre-Dame-de-Grâce-Lachine East.

• (1210)

Mr. Fraser: I will be very pleased, Mr. Speaker, to introduce that motion.

Hon. John A. Fraser (for Mr. Allmand) moved:

Motion No. 5

That Bill C-9 be amended in Clause 2 by striking out lines 30 to 46 at page 2 and lines 1 to 10 at page 3 and substituting the following therefor:

"threats to the security of Canada" means

(a) espionage or sabotage directed against Canada,

(b) foreign activities within Canada which are harmful to the vital national interests of Canada,

(c) activities within or relating to Canada involving the threat or use of acts of serious violence against persons or property for the purpose of achieving political objectives within Canada,

(d) activities within Canada directed toward or in support of the threat or use of acts of serious violence against persons or property for the purposes of achieving a political objective in a foreign state where such activities are prejudicial to the safety, defence or foreign policy of Canada, and

(e) covert unlawful acts directed toward the destruction or overthrow by violence of the constitutionally established system of government in Canada, but does not include lawful advocacy, protest or dissent.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 6

That Bill C-9 be amended in Clause 2 by striking out lines 36 to 40 at page 2.

Motion No. 7

That Bill C-9 be amended in Clause 2 by striking out lines 41 to 46 at page 2.

Motion No. 8

That Bill C-9 be amended in Clause 2 by striking out lines 1 to 6 at page 3.

Motion No. 9

That Bill C-9 be amended in Clause 2 by striking out lines 8 to 10 at page 3 and substituting the following therefor:

"or dissent."

The Acting Speaker (Mr. Herbert): For debate, the Hon. Member for Burnaby (Mr. Robinson).

Mr. Robinson (Burnaby): Mr. Speaker, I rise to propose a motion that in the alternative would delete Clause 2, or would amend Clause 2 by deleting a number of the proposed subparagraphs which are contained in that clause. Clause 2 is, in many respects, one of the most important clauses in this legislation. It is the clause which defines the scope of the mandate of the new security service with respect to the targeting of so-called threats to the security of Canada.

I could do no better, in pointing out the very seriously flawed nature of this clause, than to quote from another motion which is before the House at this time, that of the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand). He was a former Solicitor General for a period of four years, and therefore is obviously in a position to be well aware of the nature of the threats which should be pursued by a security service in this country. The Hon. Member for Notre-Dame-de-Grâce-Lachine East said the following:

This is a key clause in the Bill, and on my examination it is an extremely flawed clause. I think it has been greatly improved over Bill C-157, but it is still very seriously flawed.

Those are the words of a former Solicitor General and a member of the Government side of the House.

The definition of "threats to the security of Canada", which is the object of at least part of the motion before the House at this time, is dangerously broad. It would permit the targeting of hundreds of thousands of Canadians who have broken no law whatsoever, but who are engaging in dissent. Historically, we know that one of the great difficulties of the RCMP security service has been distinguishing between subversion and dissent. This Bill would permit the targeting of Canadians who are engaged in dissent.

I have only ten minutes and therefore can give but a few illustrations of the dangerous scope of this particular provision. The legislation refers to threats to the security of Canada. The definition is so broadly worded that Canadians who support liberation movements in Central America, or a church group which would like to support liberation movements in Central America—which is struggling against oppression, violence and brutality—could be targeted. The members of that group could have their telephones bugged, their mail opened, their medical records examined, and made subject to all of the intrusive techniques, which would include the placing of an informer in the group, without any requirement whatsoever for a judicial warrant. The Bill does not even provide for the minimal safeguard of a judicial warrant.

A further example could involve trade unions. If the Canadian Labour Congress decided that it would like to support the African National Congress in its attempt to eliminate the institutionalized, violent system of *apartheid* in South Africa, it could be targeted. How on earth could it be suggested that those kinds of activities should be the legitimate scope of a security service which supposedly is watching over the best interests and security of Canadians?

As well, I would note that the definition of "threats to the security of Canada" includes a very broad reference to so-called domestic subversives. Despite repeated attempts by members of my Party in committee, as well as many witnesses, to seek clarification from the Solicitor General (Mr. Kaplan) as to who these so-called domestic subversives are who are gnawing away, using violent means against the democratic fabric of our society, he was not able to give a single illustration of such a threat to the security of Canada today.

The Solicitor General has said: "What about the future? Should we not have these kinds of powers so that if such a threat does arise in the future, we can deal with it?" My answer to that question is clearly no. If the Government can point to a threat of that nature in the future, then it should come before Parliament and seek the necessary powers. No Parliament will deny the powers which are necessary to deal with a legitimate threat to the security of this country. To suggest, on the basis of some alleged threat, that we should give the security service the powers which are sought by the Solicitor General, I submit is completely without foundation.

Instead of including within the mandate of the security service the power to deal with Canadians who have not broken the law but who are allegedly involved in so-called subversive activities, I suggest that we look very carefully at the American example. Far from enhancing the powers of the security service in the United States to deal with so-called domestic subversion, in the wake of the Watergate revelations they moved in the oppositive direction. The Solicitor General is indicating that we should not use a criminal standard, but that those which we suspect may be involved in so-called domestic subversion could have all of the intrusive techniques used against them. I would say to the Solicitor General that threats south of the border, in the United States, are no less serious and no less significant than threats to the seucrity of Canada.

Yet the United States has not gone anywhere near as far as the legislation which this Solicitor General is proposing. In that case there must be evidence of a breach or a suspected breach of criminal law.

• (1220)

In looking to the future, we must take some cognizance of the past. We have seen all to clearly the abuses of the RCMP's security service under this head of so-called "domestic subversion", the fact that files were opened on over 800,000 Canadians. We still do not know how many have been destroyed. The fact is, Mr. Speaker, that there were Canadians targeted who broke no law whatsoever. What this Bill will do, Mr. Speaker, is institutionalize that mandate.

My ten minutes for debate on report stage is coming to an end, but I would like to note and to draw to the attention of Hon. Member the comments which were made by representatives of citizens' coalitions, the Montreal coalition of citizens against state surveillance, the Vancouver coalition against the security Bill, and so on, which pointed out that in the guise of protecting the security of Canadians, what this Government is doing in fact is fundamentally attacking the security of Canadians. In the guise of enhancing civil liberties, it is attacking civil liberties. If the definition proposed in Clause No. 2 is carried, then, as those coalitions put it, this will impose a chill on democracy in this country and will be the first step down the slippery slope towards a denial of those civil liberties which Canadians have fought long and hard to protect. I urge the adoption of these motions, Mr. Speaker.

Mr. Sid Parker (Kootenay East-Revelstoke): Mr. Speaker, I rise to speak on Clause 2 of Bill C-9. In committee, Mr. Speaker, the Canadian Council of Churches put forward many concerns with regard to Bill C-9 and specifically Clause 2 of the Bill. I would like to quote some of the things it had to say with respect to some of the concerns it has, Mr. Speaker. The Canadian Council of Churches submitted that the definition of "threats to the security of Canada" is vague and uncertain and hence is excessively broad in effect. It is particularly concerned about the effect of broad interpretations of paragraphs (b) and (c) of Clause 2. Its submission is, and I quote:

> —the Canadian security intelligence security could construe lawful church activities, for example in mission work, and-or lawful church and community activities, including development, education, peace advocacy and human rights defence as falling within these lawful activities as threats to the security of Canada.

Clause 2 of Bill C-9 is very broad, Mr. Speaker. It gives the Government and this intelligence service broad, sweeping powers which go far beyond what anyone could imagine. Another area in which the Canadian Council of Churches expressed their concern is with regard to Clause 2(a) and (b) and the vague phrase "the interests of Canada". The Council states,and I quote:

> What are the legitimate "interests of Canada"? Who defines these "interests"? Are the "interests of Canada" distinguishable from the interests of the citizens of Canada? Could there be a legitimate conflict among the citizens of Canada as to just what Canada's "interests" are?

Those are the questions which the Canadian Council of Churches is asking. Further on in its report the Canadian Council of Churches states:

> With regard to paragraph (b) for example: consider that a visiting foreign finance minister from a country where churches have carried on mission work for many years, requests a private meeting with Canadian church officials, in Canada, to discuss Canadian aid and trade policies.
>
> He wishes to decrease his country's dependence on Canadian exports, while maintaining or increasing Canadian aid to his country.

Those are far-reaching concerns, Mr. Speaker, and are concerns which the Solicitor General (Mr. Kaplan) should be considering instead of trying to push through a Bill which gives these broad, sweeping powers.

Mr. Kaplan: You have put your amendments on already.

Mr. Parker: The Solicitor General says to put our amendments on.

Mr. Kaplan: You have already.

Mr. Parker: We have asked for these powers to be deleted.

Mr. Kaplan: Let us vote on your amendments.

Mr. Parker: The powers this Bill gives go beyond what even the McDonald Commission was suggesting. We say it is wrong, wrong, wrong! In a brief submitted by Dr. Philip B. Berger, it is stated:

> Section 2 of the Act is so broad that any Canadian citizen involved in human rights work on behalf of people in any foreign state would be defined as a security threat to Canada. Even with assurances from the current Government that the Act will not be used to stifle the activities of human rights organizations there is no guarantee that future governments will hold the same view. For the Act will remain while governments change.

That should be a concern, Mr. Speaker. Clause 2 is so broad in its scope that it should concern every citizen in Canada, because every citizen in Canada is going to be affected by what is in this piece of legislation. We have seen some of the powers which governments have used. We saw some of those powers when the War Measures Act was brought in in Quebec. Granted, there was a problem; but the civil liberties of people were still suppressed, and this Bill will go a long way in bringing about those kinds of activities.

We in the New Democratic Party do not like to see those broad powers given to an intelligence service in the name of security. We say that Parliament, or some committee of Members of Parliament from all parties, should have some overview of this at least once a year to monitor the kind of things which are going on. Those are some of the suggestions which were put forward.

We believe Clause 2 of Bill C-9, Mr. Speaker, will take away many of the democratic rights which we enjoy in Canada. We have the democratic right to be able to assemble without fear of an intelligence service coming in with these broad powers to oversee and to spy. We believe, as the Hon. Member for Kamloops-Shuswap (Mr. Riis) suggested with regard to the privacy of safety deposit boxes, that wills which have been completed and are contained in them could be

scrutinized. We have seen some of the activities of the Income Tax Department. If this kind of intelligence service was to get into those areas, people in Canada would live in fear of an intelligence service looking over their shoulder at every turn. Clause 2 as proposed by the Liberal Government gives those kinds of broad, sweeping powers to this intelligence service. We say it is wrong for the Solicitor General to be pushing this Bill through at this time, trying to get it through before the House adjourns. We ask him to delete the broad, sweeping powers which Clause 2 puts in to the hands of this intelligence service.

I want to conclude, Mr. Speaker, by saying that I am going to support the amendment calling for the deletion of Clause 2. We would ask that the Government and the Official Opposition as well stand with us and delete these broad powers. We say they are wrong and should not be put forward. The Canadian Council of Churches has identified its concerns. The medical associations have expressed their concerns. As I go through my riding, my constituents have been expressing their concerns. I urge the Government to delete Clause 2.

Mr. Robinson (Burnaby): I have a point of order, Mr. Speaker.

The Acting Speaker (Mr. Herbert): The Hon. Member for Burnaby (Mr. Robinson) on a point of order.

Mr. Robinson (Burnaby): Mr. Speaker, there have been two speakers from the New Democratic Party on this clause and no speakers from the Conservative Party. I do not know whether they have an interest in the Bill or—

Mr. Kaplan: That is not a point of order.

The Acting Speaker (Mr. Herbert): The Chair will recognize an Hon. Member if an Hon. Member wishes to stand.

Mr. Kaplan: You are just wasting time, gentlemen.

• (1230)

Mr. Dan Heap (Spadina): Mr. Speaker, you would think the Solicitor General (Mr. Kaplan) did not understand the law, or at least the rules of Parliament. He keeps trying to interrupt and I would be glad if he would get up and defend some of the points being attacked. But he does not want to do that, he just wants to stay put in his seat and heckle.

The fact is that this clause has been rejected by spokespeople for a great many Canadians; not just the churches or the labour movement, but all kinds of groups across the country, even including the medical profession. The Canadian Association of University Teachers has objected very strongly. If you add these groups together, even allowing for a certain overlap, you find a majority of Canadians, certainly a majority of the articulate Canadians, are against this Bill. There is almost no one speaking out in favour of it except the Solicitor General and his caucus, who are no doubt acting according to some kind of direction which they have not explained to us. This Bill has been condemned again and again by all kinds of Canadians, particularly this clause because it is too vague. The Solicitor General has simply refused to countenance any kind of restriction or sharpening of the meaning of the clause, even when it was moved in committee by a former Solicitor General who has much wider support and respect among the people of Canada than the present Solicitor General has.

The term "sabotage" is undefined, which has given great concern to a number of unions. The Labour Council of Metropolitan Toronto, in a telegram dated June 7, said:

> We wish to advise you that the Labour Council of Metropolitan Toronto is opposed to the passage of C-9 in its current form.

It is signed Wally Majesky, Labour Council of Metropolitan Toronto. This is in keeping with a number of briefs presented to the committee which focused on the vagueness of the terms in Clause 2 under which people can be attacked by this so-called security service. Suppose that unions were engaged in what is basically essential and legitimate activity for a labour union, a withdrawal of labour, namely a strike. Suppose there was a strike by merchant seamen. Would the Minister or some unnamed director of this secret service choose to identify that as sabotage? Would Parliament ever have a chance to review that decision?

Mr. Kaplan: Yes.

Mr. Heap: The answer is that they would make those decisions but Parliament would not have a chance to review it unless the Director of the Service chose to present it in a report to Parliament and raise that question for consideration. That is not very likely to happen. The Director would simply decide that it is a security matter which he would withhold from Parliament.

The same can be said for the railway and trucking unions, or unions in the communications industry. If they carry on their legitimate activities and the government of the day chose to do as this Government has done and rule it illegal, or they change the law as they did against the postal workers a few years ago, then this kind of legislation could be used. Given the past performance of the Solicitor General in condoning, excusing and protecting the crimes of the RCMP, it probably would be used not only to throw some of those trade unionists in jail but also to take further action against them under this Bill and accuse them of some kind of sabotage.

Suppose there were peaceful and non-violent demonstrations against the production of weapons, such as with Litton Systems in Toronto. Again, instead of charges only of trespass, which Canadians have been willing to undertake in order to make their protest, or charges of perhaps obstructing police, which were questionable in that case, the Minister may be providing here that those people could be charged with sabotage or treason or some such undefined term. We have the testimony of a Dr. Berger, later supported by the Canadian Medical Association, pointing out that Canadian doctors have examined people who were tortured in some authoritarian regimes and those examinations have been used by groups in Canada opposed to those regimes. Under the terms of Clause 2 not only those groups but those doctors could be drawn into the net and accused. A phrase like "foreign-influenced activi-

ties", or "activities detrimental to the interests of Canada", could have been applied against the many tens of thousands of Canadians who supported the California grape boycott. Words like "clandestine" and "deceptive" are simply undefined here.

There have been other union boycotts affecting other countries perhaps allied to Canada. The boycott of J. P. Stevens textiles produced in vicious anti-union shops in the southern United States is an example. For all we know, some anonymous or practically unknown director of the security service could decide that was detrimental to the interests of Canada and that therefore the people leading that boycott should be subjected to all the attacks available under this so-called security legislation.

For several years church leaders in Canada conducted an information and criticism campaign against Noranda Mining because of its interest in supporting the fascist dictatorship of Pinochet in Chile. There was money to be made in the copper mines there by using cheap labour. The churches did their best to expose and oppose Noranda's action in this situation, and this could be construed by Noranda as contrary to its interests. They wanted to make more money. People in sympathy with Noranda's desire to make more money, who dominate this present Government and perhaps even the one that wishes to succeed it, people who think money comes first, might well have accused all those church leaders of acting contrary to the interests of Canada.

In the case of the Middle East, whether you were in support of Israel or Lebanon, you could be accused in Canada of supporting someone trying to act against a foreign state. In South Africa the point has already been made. In Namibia the point is even more confused. If someone supported the UN position in Namibia, which is contrary to that of the South African Government, he might be accused under this clause. But if someone supported the position of the South African Government, which is contrary to the United Nations' position, since we are a member of the United Nations he could be accused.

This is not fantasy, Mr. Speaker. A few months ago four men were arrested in Toronto. The main accusation against them was that they were Armenians. They are in fact of Armenian origin. They belong to certain Armenian groups. They were accused, and I was present when the accusation was read in court, of being engaged in certain criminal activities in Canada, such as extortion. They were acquitted. They spent a long time in jail because they were not allowed bail, and the judge said in effect that the only evidence against them was that they belonged to an organization of Armenians campaigning for justice over the Armenian massacre by the Turks many years ago, and campaigning for independence from Turkey. Simply because they belonged to an organization which advocated a change in Turkey, under our present laws those men spent many weeks in jail. Under the law sought by the Solicitor General (Mr. Kaplan), they would probably be locked up for many years to come. That would be wholly unjust according to the present standards of Canadian law. Therefore, Mr. Speaker, I ask—

• (1240)

The Acting Speaker (Mr. Herbert): Order, please. I regret to interrupt the Hon. Member but his time has expired.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I would like to make a few remarks on this clause. I am amazed that the Solicitor General (Mr. Kaplan) would support a clause like this. He and I, as are many other Members of Parliament, are supporters of the State of Israel and the people of Israel. I do not believe that the Solicitor General will be Solicitor General for very long. The security service and another Solicitor General could interpret much of the activity carried on in support of the State of Israel as being subversive. They could therefore begin to interfere, through monitoring, wiretapping and surveillance, with most of the Jewish organizations which support the State of Israel.

I will demonstrate that what I am saying is not far-fetched by quoting a few paragraphs from the brief submitted by the Canadian Council of Churches. Its membership includes virtually all the major churches in Canada, such as the Anglican Church, the Baptist Convention, the Greek Orthodox Church, the Presbyterian Church and the United Church of Canada. About this Bill, and particularly about this clause, they said:

> We submit that the definition of "threats to the security of Canada" is vague and uncertain and hence excessively broad in effect. Our submission is that the Canadian Security Intelligence Service would construe lawful church activities, for example in mission work, and/or lawful church and community activities, including development education, peace advocacy and human rights defence, as falling within these definitions, and hence to determine previously lawful activities as threats to the security of Canada.

What is happening in the Middle East, Mr. Speaker? The Government of the State of Israel has encouraged the settlement of Jewish people on the West Bank. This has created a great deal of hostility on the part of the Arab people. Unfortunately there have been terrorist activities on both sides. As the Canadian Council of Churches has pointed out, there is no doubt that a security service and a different Solicitor General could decide that support for either side in the Middle East may lead to terrorist activities and therefore should be kept under surveillance. The Minister is in fact agreeing to this as it is certainly a possibility when he is gone.

The World Council of Churches was headed for many years by the primate of the Anglican Church of Canada, Archbishop Scott. The Council collected money and transmitted it to the African National Council. Important church leaders in the United States and other countries accused the World Council of Churches of funding organized terrorist activities against the present Government of South Africa. Given the powers that the security service has under this Bill, they could infiltrate affiliates of the World Council of Churches. They could wiretap the telephones, break in and photocopy the mail, or get the membership lists. All of this is permissible under this Bill. That is what this Solicitor General advocates. That is the kind of power he wants to give to the security service.

Until a very short time ago Argentina had a military dictatorship. I am sure that there were refugees from that dictatorship, Argentine citizens and people sympathetic to

democracy who were working against the military regime in Argentina. We know the kind of things which the security has done. We know of the surveillance which they kept on organizations which disagreed with policies of Canadian Governments. We know of the way in which they infiltrated the peace organizations which are opposed to the spead of nuclear arms. We know how they stole the membership lists of the Parti Québécois, which is a legitimate democratic Party. Argentina now has a democratic government but Chile still has a military dictatorship. Can the Minister assure us that if groups contribute money to organizations fighting the present military regime in Chile, the security service will not infiltrate, investigate and harass those organizations? Even if the Minister could give us those assurances, of what worth would they be when we know of the kind of activities the security service carried on in the past?

We have differences of opinion about Nicaragua and El Salvador. I suppose the security service would say that the people opposed to the Nicaraguan regime, which is backed by the CIA, are okay and should not be bothered. I wonder what the security service would say about the opposition to the Nicaraguan regime led by the former leader of the Sandinistas, Mr. Pastora, who recently almost lost his life in an assasination attempt. The assassin was probably someone associated with the CIA. Would our security service believe that he is a subversive because he does not get along with the CIA? If we believe in the right of people who hold minority views to express their opinions about being harassed or investigated by the security service, then we must limit the ability of the security service to do those things.

I will close by saying that I think the Minister owes a responsibility to the Jewish community, among others, to guarantee that they are not going to be investigated. They may not realize the difficulties which they may have. However, I suggest to the Minister that they have no more right to feel that they will not be spied upon than all the other groups who have been spied upon until now. We know how the student groups which expressed early opposition to nuclear arms were investigated. We know how Operation Dismantle has been watched by the security service. We know that those who oppose the Cruise missile have been spied upon by the security service. We do not believe that those are legitimate activities. We do not believe that they are necessary or should take place in a democratic society.

● (1250)

We say that the Government does not really believe in democracy if it condones and legalizes all those activities which the McDonald Commission pointed out so clearly were illegal and improper when they were carried out. The Government will now make these activities permissible by law.

Hon. John A. Fraser (Vancouver South): Mr. Speaker, in the interest of those who are watching or those who may read these debates, it should be recorded that we are presently at report stage of this Bill after a number of weeks of consideration of its clauses in the committee. The motion in the name of the Hon. Member for Burnaby (Mr. Robinson) simply states that Bill C-9 be amended by deleting Clause 2. What is Clause 2?

Mr. Robinson (Burnaby): Mr. Speaker, I rise on a point of order. I know that the Member for Vancouver South (Mr. Fraser) would not want inadvertently to mislead those who are following this debate with care and would want the record to show clearly that we are not just debating Motion No. 2 but that we are debating Motion No. 5, which in fact was moved by the Hon. Member for Vancouver South, as well as Motions Nos. 6 through 9. These are all in addition to Motion No. 2.

The Acting Speaker (Mr. Herbert): I suspect that the Hon. Member for Vancouver South (Mr. Fraser) was posing a rhetorical question.

Mr. Fraser: Mr. Speaker, I appreciate my hon. friend's intervention but I was getting to the point that he was covering. Essentially, the motion in the name of my hon. friend for Burnaby is that Clause 2 of the Bill presently before us be deleted. As my friend pointed out, there are several other motions which would deal with amendments to that clause, but I want to refer specifically to Clause 2 because it is important that the Canadian public know what Clause 2 of the Bill is. The fact is that trying to follow a procedural argument in the House is extremely difficult.

Clause 2 of the Bill defines what are threats to the security of Canada. The definition begins: "threats to the security of Canada mean . . ." and is followed by four extremely important paragraphs, (a), (b), (c) and (d). Those paragraphs are important because they are the trigger mechanism which permits the security service to conduct its investigations and to collect information.

During the weeks of committee hearings witnesses who appeared there stated that these four paragraphs could be better drafted so as to constrain more exactly the appropriate activities of the security service. It is important to realize that despite those suggestions and the amendments which the Progressive Conservative Party put in the House and to the committee to accomplish that, the ruling of the Chair was that those amendments cannot be put at all at report stage. As Your Honour knows, the consequence of that ruling is that some other amendments can be put but none dealing with these four paragraphs that were put by the Conservative Party can be put. Of course, it is not my purpose to reargue why they were ruled out but it is very important that the public know that those amendments to Clause 2 which were moved in my name have in fact been ruled out.

It is also important that the public realize that the majority of witnesses that came to the committee were gravely concerned about these four subparagraphs that define threats to security and trigger what the security service can and cannot do. During second reading debate on this Bill, the Government implied that once the Bill got to committee the Government would listen carefully to any proposals to improve the Bill. The public should know that the Government did not in fact listen,

and with respect to Clause 2 concerning the definition of threats to security of Canada, did not accept any amendments.

The question which this raises is: What does this do to the process? When a government indicates that suggestions to improve the legislation made at committee will be seriously considered, one should be able to accept it at its word. The fact of the matter is that recent events have shown that the Government had no intention of changing one word of any of these definitions despite the fact that eminent lawyers and knowledgeable people in the field of civil rights in Canada came before the committee and made suggestions for change.

Let me address another aspect of this Bill. It is very easy for some Government Members to leave the impression that anyone who criticizes the Bill is in some way against having a security service in this country. That is not so. When questioning the many witnesses who came before the committee, I was very careful to determine whether their criticisms went as far as saying there ought not to be a security service at all. Not once did any of those critics who came before the committee go that far. There has been a security service for many years. The Solicitor General (Mr. Kaplan) agreed in committee that it has been doing its job competently, effectively and in a manner which would meet the proper sensibilities of the Canadian public. The question is not whether there ought to be a security service but whether this legislative mandate which has been presented to the House is as good as it could or should be in terms of putting the appropriate constraints on any security service for which this Bill clearly provides wide power.

I believe it was my obligation earlier today to rise in place of an Hon. Member from the Government side who unfortunately was unable to be in his seat. He is the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand), a former Solicitor General of Canada, who moved Motion No. 5. That motion incorporates some fo the suggestions which were contained in the amendments that the Progressive Conservative Party put forward. What the Member is trying to achieve in that amendment is a more exact definition of threats to the security of Canada. He sets a number of them out. The concerns in this interpretation clause are very real. For instance, the Attorney General of Saskatchewan, at page 3 of the brief, filed by the Attorney General of Saskatchewan before the committee, said this about this definition clause:

● (1300)

> The phrase "detrimental to the interests of Canada" is wide enough to include economic espionage and any other espionage that could be construed as detrimental to our interests and should be limited to the "national security interests of Canada".

That is the essence of my remarks, Mr. Speaker. These definition clauses are vital in the Act and they should be more carefully worked in order to establish more appropriate constraints on the security service.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, this collection of amendments to which we are directing our attention now are, to my way of thinking, the very pith and substance of this Bill. You will pardon the apparent irrelevance, but it is not irrelevant if we look at Clause 12 of the Bill where we find that the duties and functions of the service being proposed are "to collect, investigate, analyse and retain information and intelligence respecting activities that may, on reasonable grounds, be suspected of constituting threats to the security of Canada". This is the duty, the function, and the role of the proposed intelligence service. In order to combat the threats to the security of Canada. Naturally at this stage, that is, in Clause 12, it will not be possible to define what those threats are. Therefore, and as is normal in legislation, the definition clause comes early in the Bill.

We are at the present time looking at the definition of "threats to the security of Canada". We have before us a collection of amendments which are being grouped for debate, the first one being in the name of the Hon. Member for Burnaby (Mr. Robinson) that Clause 2 be eliminated. That is patently nonsense unless he just wants to eviscerate the Bill and eliminate its whole purpose.

There is some cause to examine the existence of the Security Intelligence agency as it is now and to decide whether it is working properly and is being properly administered and responsible to any of the Ministers of Government. That part of it rather suggests to me that Motion No. 2 proposed by the Hon. Member for Burnaby is a bit of a nonsense motion, if I may be allowed to say so, because the Hon. Member eliminates entirely the various definitions so essential to understanding what this Bill is about, in particular the threat to the security of Canada, to which I have referred, which appears later in the Bill in Clause 12. If the Bill is to have any meaning at all, if it is to be accepted at all, it is obvious that there have to be definitions. We have to know the duties the agency is charged to perform. Therefore, this section is essential. Essential is almost too weak a word to emphasize the importance of this clause with regard to threats to the security of Canada.

I have before me Motion No. 5 standing in the name of the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand), proposed by the Hon. Member for Vancouver South (Mr. Fraser) in the absence of the former. I am not entirely in agreement with the suggested amendment even though the proponent of that amendment has been, at a certain stage in his career, the Solicitor General. I cannot, for example, understand why he should abbreviate paragraph (a) of that definition—threats to the security of Canada. I do not think it will be improved by being curtailed. The shorter version which is proposed here is that threat means espionage and sabotage directed against Canada. The original version read:

> (a) espionage or sabotage that is against Canada or is detrimental to the interests of Canada or activities directed toward or in support of such espionage or sabotage,

There are components of that paragraph (a) which I contend deserve a place in any definition of threats to the security of Canada, particularly the latter part, "or activities directed toward or in support of such espionage or sabotage".

In the next amendment, paragraph (b), the Hon. Member proposes the words, "foreign activities within Canada". I do not think the Hon. Member has improved the language, the significance, the meaning of paragraph (b) in the original Bill, that is, "foreign influenced activites." The amendment reads, "foreign activities".

Some of these activities may be foreign, some of them foreign influenced, some of them may be foreign inspired, and some of them may be natively inspired, coming out of the substance of Canadian thoughtfulness but directed toward subversion and harmful to the vital national interests of Canada. I do not think that is an improvement on the paragraph where it reads:

—the interests of Canada and are clandestine or deceptive or involve a threat to any person,

Involving a threat to any person, I suppose, is looking at terrorism, but the whole thing is all mixed up, Mr. Speaker. It is not just activities designed to pull down the institutional structures of Canada. That is one aspect of it. There is another aspect, the terroristic aspect involving persons. What about the pursuit of persons? That is contained somewhat in the original paragraph (b). I believe that the notions there ought to be properly filtered out, clarified and assigned their proper role, not just jumbled together. That is really my criticism of the definitions as they stand in Bill C-9. The motions are jumbled together and are not clearly set out. That will not help—and I am directing my words to the Solicitor General (Mr. Kaplan) who is listening—nor will it assist any security intelligence agency if its functions and the notions that define those functions are jumbled.

I plead with the Minister to accept some redefinition and clarification of the threats to the security of Canada as outlined in the definition clause of the Bill.

I cannot quite understand the technique of the Hon. Member for Burnaby. His Motion No. 2, which is one of those we are talking about, deletes this clause. Then his Motion No. 6 deletes certain sections of the threats to the security of Canada, and his Motion No. 7 deletes certain other sections of the threats to the security of Canada. I think he was attempting to have a number of amendments in his own name by dealing with paragraph after paragraph after paragraph. At the same time he suggested that the whole clause should be deleted. I do not know what he wants to do in proceeding in this manner. I wonder whether he knows. If one clause is eliminated, then it goes. Perhaps he thought half a loaf is better than no loaf at all. However, at the same time I feel that he is suggesting an unusual procedure. First he suggested that we should eliminate the whole thing and, if we could not do that, we should eliminate one portion of it and then another portion of it.

● (1310)

It would have been much better for him to examine the notion of the threats to the security of Canada. He could have clarified them, as he can clarify them; he has a fairly good thinking mind. He should have clarified them, sorted them out and unmuddled them. Then he would have rendered a much greater service to the parliamentary process.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have an opportunity to rise to speak on the motions relating to Bill C-9 which are now before the House, those motions being Nos. 2, 5, 6, 7, 8 and 9 that were grouped for voting. Despite the claptrap which were hear from the government side, it is not the intention of anyone in the House to not have a security service in Canada.

What we are trying to get across to the Canadian public is that the Government is not supported in many of the definitions and clauses in this Bill. To date, either in committee or in the House, either publicly or anywhere else, the Solicitor General (Mr. Kaplan) has not taken the time to put evidence before the people of Canada or before us as to why he is seeking the kind of legislation he is obviously seeking. The Solicitor General has not come forward, nor has any Government Member, with a supporting list of Canadians who would like to see the legislation brought forward, particularly containing Clause 2. That clause goes much further than Canadian tradition or Canadian law would demonstrate is required. Interestingly enough, it is not supportable in terms of the great republic to the south of us and the studies which it has conducted through its general accounting office, Congress and Senate in looking at the operations of the CIA. In fact, they are going in exactly the opposite direction, in terms of definitions and activities, to what the present Solicitor General of Canada is trying to do.

The Solicitor General is trying to bring in a definition of threats to the security of Canada which is so broad that it would include—and I am humble in having to tell you this—yourself, Mr. Speaker. The definition is so broad that certain activities in which you are involved, Mr. Speaker, such as going to church, could perhaps be considered under the very broad rubric of the definition used by the Solicitor General as requiring the security service to have to go out and target.

I was glad to see that some of the Tories were finally rising to speak on Bill C-9. Certainly they have said in British Columbia that they are opposed to this legislation, but they do not demonstrate that very sincerely in the House or in committee. The point which must be made in terms of Clause 2 is the concern of major groups in Canadian society. I am referring to those groups concerned about civil liberties and human rights and about the proper role of dissent in Canadian society. What are they saying, groups such as the Canadian Civil Liberties Association, the Canadian Council of Churches and so on? I will deal with them in a few moments.

I suppose Clause 2 as proposed by the Solicitor General is supported by some Liberals. When they find out what the electorate thinks about it, I am sure they will cut themselves loose of Bill C-9 as fast as they can, particularly this clause. The clause allows for the targeting of responsible groups or individuals who happen to work on issues inside or outside Canada that have political objectives. Unfortunately, the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand) was unable to be here, so the opposition Party had to

put forward his motions. Despite what he would hope to do, it went some distance. As a former Solicitor General of Canada, he is far more widely supported by civil libertarians than the present Solicitor General.

There is a mood among many Canadians involved in church groups which are trying to provide legitimate help and care for refugee groups, particularly political refugees and so on, or even in commercial activities, that the intention of the clause is so broad that the Solicitor General or the Government will be allowed to use it in a very political way. Groups such as the PQ in the Province of Quebec have a legitimate right to be disturbed about this clause. Despite the fact that there was obviously a political hand involved in getting the RCMP security service to steal its membership list and in activities ranging from the burning of barns, to breaking into people's homes, to stealing things, kidnapping, forgery, fraud and assault, there has been no justice.

Where has the justice been in terms of our existing security service? The present Solicitor General has never demonstrated any particular backbone in bringing those criminals within the security service to justice. I think Canadians expect it. If he would have come in with a clean slate and said that he would set right what Mr. Justice David Macdonald felt was wrong in terms of the existing system and situation, then there would have been a greater mood in the Canadian electorate to say that the man and his Party were demonstrating the integrity required to bring in a security service with powers that are really required. Instead, the Solicitor General brought in a truly Draconian Bill, going in exactly the opposite direction to that of the CIA, which has for many years been out of control in the great republic south of us.

Who could be targeted? I pointed out, Mr. Speaker, that you could be. Let us take a look at who else might come under the definitions proposed by the Solicitor General, who, I am quite confident, will not be the Solicitor General at the end of this week.

On page 13 of the brief of the Canadian Council of Churches, paragraph 42 reads:

> We submit that the definition of threats to the security of Canada is vague and uncertain and hence excessively broad in effect.

Why would the Solicitor General not take that advice? Why does he piously sit in the House of Commons and say that the NDP and the Official Opposition are just stalling?

We will do more than stall. We will ensure that the Bill is changed. The Solicitor General might think he will be able to jam it through the House of Commons, but we can put up speakers on every clause and make sure that he will ultimately have to start accepting some changes to the Bill. It will not be passed into law while New Democratic Party members are sitting in the House.

In paragraph 43 it goes on to indicate:

> We are particularly concerned about the effect of broad interpretation of paragraphs (b) and (c) of Section 2. Our submission is that the Canadian Security Intelligence Service could construe lawful church activities, for example in mission work, and/or lawful church and community activities, including development education, peace advocacy and human rights defence as falling within these definitions, and hence to determine previously lawful activities as threats to the security of Canada.

What would happen to these church groups under the "shall" clause which the Minister slipped into Bill C-9? They would have their mail opened and be subject to all kinds of intrusive techniques.

Mr. Speaker: The Chair has a problem. Is the Hon. Member confining his remarks to the particular clauses grouped for debate? He appears to be ranging outside this particular group of clauses.

Mr. Fulton: I am dealing specifically with Motions Nos. 2, 5, 6, 7, 8 and 9. Motion No. 2 seeks to delete Clause 2 and the other motions seek to eliminate parts of the clause. The part proposed on the government side actually amends those clauses. I am sticking to those clauses. However, I want Canadians to know what happens if they are defined or identified under this very broad rubric definition of a security threat to Canada.

● (1320)

What happens under the "shall" clauses of the Bill is that they will have their mail opened, telephones bugged, medical or work records seized and on and on. The Canadian Civil Liberties Association in its brief to the committee on this clause, the delegation at that time being composed of Mr. Borovoy and Mr. Swan, the general counsel and vice-president of the Canadian Civil Liberties Association, took a very close look at this clause and said the following:

> —the Bill would make such intrusive surveillance available for "activities" ... intended ultimately to lead to the destruction or overthrow by violence of the constitutionally established system of government in Canada". When ultimate intentions become the operative threshold, there is a great danger that speculation rather than evidence would be at a premium. What indeed would constitute acceptable evidence of an ultimate intention? Can the word "ultimately" deal with any point between now and the end of time? The more speculative the exercise becomes, the greater the risk of intruding on completely lawful behaviour.

Having come from the court system, having been a probation and parole officer and being the only elected peace officer in this House, I can state what kind of powers the present Solicitor General would be proposing if he were to apply the same principles he wants in Bill C-9 to the Parole Act of this country. We already have the second highest rate of incarceration in the western world. We are already a very punitive society.

What we have within our system of justice in Canada is a balancing act. We have a defence and we have Crown counsel. In Parliament we have the government side and the opposition side. The Minister is proposing a piece of legislation that is so highly politically motivated, so highly open to political manipulation that no one in our society who may simply want to dissent about anything could be certain that Big Brother's eye would not come upon them. If they became a political thorn in the side of the present Solicitor General, you can be darn sure that he or someone of that ilk will invoke some part of Bill C-9 and have them brought under some kind of intrusive techniques. Ultimately, completely honest, open, law-

abiding Canadians would find themselves before the courts and in jail as a result of some activities in which they were legitimately involved, and the harassment potential of Bill C-9 would simply be used to muzzle them. On behalf of all Canadians, I will fight Bill C-9 and this clause until the end of time.

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I am pleased to have the opportunity to rise this afternoon to make some comments on the second motion before the House on Bill C-9. The general thrust of the motion is that Clause 2 be deleted from the Bill. Consider the reasons for that. We are talking about the clause in the Bill that is perhaps the most important of all. It attempts to identify all the interpretations of the very critical terms included in various parts of the Bill.

When you look at what this means, I am afraid that our Solicitor General (Mr. Kaplan) begins to make Ronald Reagan look like some kind of a bleeding heart. For example, Clause 2 talks about foreign influenced activities. Numerous church groups, priests and ministers from a variety of churches throughout my constituency have studied this Bill and the implications thereof. Like many other Canadian humanitarian organizations, churches maintain a variety of very direct links with colleague agencies in other countries through development assistance grants of one kind or another, through church and seminary support organizations, through various human rights documentation and advocacy groups, through ecumenical exchange of personnel from one part of the world to another, and through assistance to general refugee groups and various relief organizations and activities around the world.

Furthermore, the graduates of mission-related schools, associate and partner churches and agencies, may rise quite conceivably to positions in the political or economic life of a variety of these countries. In the world-wide church family, there is a great deal of exchange and collaboration, hence a good portion of the day-to-day life and work of Canadian churches and church organizations and agencies could be held to be foreign influenced. Of course, that relates directly to Clause 3(b) referring to foreign-influenced activities.

The point is that when talking about foreign-influenced activities, we include the groups that are indeed engaging in some type of dissent. Now this dissenting group could be called a group of subversives. It could be identified as a group carrying out some kind of subversion. We in the New Democratic Party have had some real concerns expressed to us by church and religious groups, peace groups, trade unions and various community organizations. They feel that mission work abroad, development education and the various peace advocacy groups could all be determined to be some kind of subversive activity led by a subversive group. This causes us concern. When the Solicitor General hears of all of these concerns, I really wonder why he does not stand in his place and react to them.

Mr. Kaplan: Why did you not bother to come to committee?

Mr. Riis: I wonder why he does not comment on them. After all, report stage is the point for us to raise concerns and perhaps hear some explanations from the government side. The government benches are mute on these concerns. I hope that eventually the Solicitor General and some of his colleagues will rise in their places and comment.

I am concerned about the need to incorporate in Clause 2 the terms "espionage" and "sabotage". Espionage is already defined in Section 46(2)(b) of the Criminal Code. It is an offence in criminal law today. Why does it have to be in this Bill along with the word "sabotage" which is defined in Section 52 of the Criminal Code and can be dealt with adequately in that area? A whole list of these various terms are involved. Their purpose is anything but clear.

I now move away from the concerns I have for the terms espionage and sabotage to the next subclause, which is again much too wide. It is very open and vague. Let me give an example of how this is a concern to me. It reads:

(b) foreign influenced activities within or relating to Canada that are detrimental to the interests of Canada and are clandestine or deceptive or involve a threat to any person,

I want to refer to the Crown corporation Petro-Canada. Frequently parliamentarians rise to condemn Petro-Canada as some kind of subversive corporation. They say it was introduced by the Government not in the best interest of Canada, not in the best interests of energy security or developing self-sufficiency in a very critical resource called petroleum. Are we not hearing Members of Parliament in a sense carrying on subversive activities that incite people to move against the decision of the Government? Oil company presidents, vice-presidents and chief executive officers condemn Petro-Canada as something that is working against the national interest, whose mandate is against the best interest of Canada. By this Bill, these executive officers and other executive members of Canadian and foreign-owned companies could be identified as urging activities that are detrimental to the interests of Canada and could be defined as being clandestine, deceptive or involving a threat to the country or to Canadian persons. Basically what this Bill is saying is that those kinds of individuals including parliamentarians could be identified as carrying on foreign-influenced activities within and relating to Canada.

● (1330)

I would like to raise a concern that was brought to the attention of the committee by a group of Canadian physicians who found themselves involved in examining patients whose injuries were the results of torture in their home countries. These patients were seeking refugee status in Canada and had gone to members of the medical profession to have evidence of their torture verified and documented in order to make the case that to send them back to Chile or whatever country was involved would certainly not be in their best interests because, upon returning home, they would likely be imprisoned, shot or tortured further.

The doctors involved have now become concerned because the results of these examinations have been used within Canada by Canadians opposed to foreign Governments and by groups that are perceived by some to advocate the threat or the use of acts of violence for the purpose of achieving a political objective within some foreign country. Indeed, some of these physicians are actual members of organizations that donate funds and goods to opposition groups in foreign states that defend themselves in violent confrontations with governments in the pursuit of democracy and freedom. In their own words, the activities of these physicians are certainly directed toward opposition groups which are trying to obtain and achieve a political objective in foreign countries. These physicians would fall squarely under the definition of "threats to the security of Canada".

One could list a whole number of groups and individuals who are genuinely concerned about the pursuit of democracy in other countries and who are genuinely concerned about assisting the various groups that are attempting to achieve open and free countries. By the definitions we see before us in Clause 2 of Bill C-9, these people could then be identified as individuals who must be spied upon, whose telephones must be tapped, whose offices must be broken into and whose files, both public and private, must be opened up to ensure that they are operating in the best interests of Canada.

In rather simplistic words, that is why we feel that this clause must be deleted in its entirety and why we feel that it is important that the Government take action and delete this clause. I would encourage the Solicitor General to explain at least why the Government is ignoring the various concerns that Hon. Members have put before it and why it wants to proceed with the Bill with Clause 2 in its present form.

Mr. Joe Reid (St. Catharines): Mr. Speaker, the motion put forward by the Hon. Member for Burnaby (Mr. Robinson) might be considered frivolous by some. May I ask, Mr. Speaker, what alternatives exist for an Opposition which has had its amendments dealing with this very important Clause 2 and related clauses struck out? What alternatives are available to an Opposition that wants to see an intelligence service well established with reasonable, well defined and responsible terms of power and authority? The situation before us then is an extreme situation. It must be so because there are no alternatives for an Opposition in the House today.

Bill C-9 offers the intelligence service powers and guidelines which are far too broad and far too vague. Many witnesses who appeared before the Justice and Legal Affairs Committee were quick to point this out. In response, the Government said that we must trust it. We must trust this Government after experiencing its 16 years of abuse? Perhaps the Government was not prepared to listen to the testimony of those witnesses who appeared before the committee. However, we on the opposition side were required to listen to those witnesses and were required to go home and speak to our constituents. We are well aware of how the Canadian public feels about Bill C-9. The thrust of that Bill is clearly wrong.

We on this side of the House recognize the seriousness of the amendment that has been put forward by the Hon. Member for Burnaby. Clause 2 goes to the very heart of the Bill. It is the definition clause and relates to several other matters as well. Within the definition clause is the definition which concerned practically all of the people of Canada, and that is, the definition of what in fact does constitute a threat to the security of Canada. When a Party puts forward an amendment seeking to narrow and to define that definition more clearly and that amendment is rejected, then we must take this extreme measure which I now support and approve.

Canadians have a good idea about what is meant by subversion. Our idea may be shaped by a cloak and dagger film shot against a background of foggy darkness. However, we know subversion when we see it and we know subversion when we hear of it. Subversion consists of more than an academic discussion which may take place around a kitchen table or in a church basement, whether it deals with the Cruise missile or any other matters of concern and interest to Canadians generally.

The view of subversion in this legislation is that subversion could be just about anything including those discussions to which I have already referred. Threats to our security are whatever the civilian Security Intelligence Service decides are threats. For example, part of Clause 2 reads:

> —"threats to the security of Canada" means . . .
>
> (c) activities within or relating to Canada directed toward or in support of the threat or use of acts of serious violence against persons or property for the purpose of achieving a political objective within Canada or a foreign state,—

That is a pretty broad definition, Mr. Speaker. The definition does carry on to exclude lawful advocacy, protest or dissent unless that lawful advocacy, protest or dissent is carried on in conjunction with the wrong activities referred to earlier. At first glance, one might conclude that the exclusion of lawful advocacy, protest or dissent resolves the matter. However, the real key question is who will determine what is meant by the words "in conjunction with".

Who is to say that the activities of a group of people in my church basement who are discussing the testing of the Cruise missile consist of no more than an intelligent and constructive conservation or that it is something more than that? What would happen then? An informer would be placed in their midst or some electronic means of bugging would be established or the telephones of those persons who took part in that discussion would be tapped. There is clearly no doubt that an academic discussion would not be in breach of the Act, but the fact that it was only an academic discussion would only be determined after a good deal of surveillance and supervision. That amounts to a testing of the credibility of the Canadian people before they are finally acquitted for having had those peaceful academic discussions. It is quite another question to make a judgment call as to whether or not such a discussion could be linked with something more serious.

The Government still argues that we should trust it. The Government argues that we need not fear the occurrence of fishing expeditions. It says that it is above that. I would argue

that fishing expeditions will be inevitable if the definition clause of this Bill is allowed to pass. It is the opinion of the Government that undoubtedly it will pass. However, we cannot forget that Clause 2 relates as well, to efforts within Canada to achieve political objectives in foreign states.

• (1340)

Every night on the news we watch acts of violence in other lands. Does support in Canada for the Solidarity movement, the Sandinistas, the Israelis, the Palestinians, or any of the dozens of trouble spots, or for the Canadians involved in those trouble spots around the world, make that people subject to surveillance by the intelligence service or a threat to the security of Canada? According to Clause 2, it will. There is no denying the acts of serious violence which are taking place in the far corners of the world. I regret that. I also regret the fact that the Bill which is before us does not make clear when I as a Canadian will be involved in that threat and how far I would have to be involved in support of another faction before I am subject to this Bill.

I regret that my time is drawing nigh to the end of the ten minute comment. Clause 2 is one of the most important clauses in the entire Bill. It is the heart, the crux, the definition clause. It will be the clause referred to when the civilian Security Intelligence Service is attempting to decide whether or not a Canadian has infringed or will infringe upon the civil liberties of Canadians. For this reason, the sloppy workmanship in the drafting of the Bill, it should be subject to repeal and redrafting. In lieu of that, it should be disposed of by the approval of this motion.

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, I think that "pleased" is the wrong word to use when one addresses his or her feelings with respect to participating in a debate on a subject such as the one which is before us today. However, I am pleased to support the amendments to Clause 2 which were proposed by the Hon. Member for Burnaby (Mr. Robinson). In addressing Clause 2 there are a few things which I would like to say in the few moments which are available to me.

In reading Clause 2 of Bill C-9, I must again draw attention to some of the verbiage within the existing clause which deals with definitions it reads as follows:

"threats to the security of Canada" means

(a) espionage or sabotage that is against Canada or is detrimental to the interests of Canada or activities directed toward or in support of such espionage or sabotage,

The phrase "detrimental to the interests of Canada", in its various contexts, as it appears within the clause, is so wide that it has brought forth a number of vigorous objections from groups as varied as the Canadian Civil Liberties Association and the Canadian Council of Churches.

Subclause (b) reads:

—foreign influenced activities within or relating to Canada that are detrimental to the interests of Canada and are clandestine or deceptive or involve a threat to any person,

There are so many "ors" in that subclause that each could be taken independently. It is not "and". It does not have to be a definition pursued by the new Canadian Security Intelligence Service that includes all of those things within any one of those clauses. Any one of the "ors" will do.

Finally, subclause (c) reads as follows:

—activities within or relating to Canada directed toward or in support of the threat or use of acts of violence against persons or property for the purpose of achieving a political objective within Canada or a foreign state,

If we delete some of the "ors" we can have the clause read: "(c) activities within Canada in support of a threat of violence against property for the purpose of achieving a political objective within a foreign state". It is when we reach the kind of meaning which is implicit in that clause that we begin to get more than a little concerned. The power to define threats to national security is so broad that it is incumbent upon us to consider the mind of the Government and the mind of the security service which it will set up.

We are not considering previous faults. The RCMP has many good points, but it also has faults. This Bill, in part, has arisen out of concern regarding those faults, particularly the faults which were evident in the early 1970s. We must be concerned with the state of mind of the Government and of an agency which will be empowered, at least in the initial stage, to make definitions and to carry out various surreptitious and clandestine activities.

I find it more than a little disturbing that the report of the Solicitor General (Mr. Kaplan), which covered the activities of the last year, indicated that some 545 electronic surveillance warrants for national security purposes were issued within Canada. I am particularly concerned that there were only 699 other applications for authorization to wiretap by the RCMP for all other purposes. Some 44 per cent of wiretap authorizations in Canada last year were for "national security reasons". I do not mean to downgrade the importance of this nation, but when 44 per cent of authorized wiretaps are for national security reasons—even within a subagency of the Royal Canadian Mounted Police, which has more important things to do as far as the public is concerned—what are we likely to see in terms of intelligence activity, wiretaps, surveillance and opening of mail once the bureaucratic imperative comes into play and we have an agency whose sole *raison d'être* is security and intelligence? At least 90 per cent of the Canadians whom I am acquainted with have not placed those kinds of issues at the top of their agenda. To have a separate agency which has as its sole reason national security and intelligence, and given the record when it is a minor department of a larger agency, I really fear the direction in which we are going.

I have a number of signatures on petitions from my constituents which relate exactly to those concerns which my colleagues and I have been discussing today and to concerns which have been discussed earlier with respect to this Bill. My constituents are very worried about the grave possibility which I have indicated. As I said, we must address the state of mind of the Government.

One of the things which we must consider is the extraordinary ruling by the chairman of the committee. He indicated that he would resign, following the process which was undertaken in relation to Bill C-9, in order to avoid the future work of that committee being tainted by the processes which were undertaken by himself and by the Government. Why the unseemly haste? They are willing to throw all traditions and all regular workings aside. They admit themselves that what they are undertaking with this Bill has very serious implications. They are using a ramrod and a railroad in attempting to push the legislation through committee and through the House more than is normal for many of the pieces of legislation which have a much higher priority rating with the people of Canada.

This is essentially the same Government that in 1970 thought that four kids with guns who ran around in a car meant a state of apprehended insurrection. Someone was murdered, but murders are committed every month in this country. However, when four kids with guns ran around in a car it was considered to be a state of revolution and enough to suspend civil liberties for hundreds, thousands and millions of Canadians. What kind of confidence does that give us in the way the Government will interpret its enforcement, and its agencies' enforcement of this Act? Perhaps we should be asking, Mr. Speaker, what the state of mind is of its new Prime Minister designate? Does John Turner agree with those people across the way who are setting up a separate spy agency, a separate security intelligence agency in Bill C-9, which has a greater priority than the passage, for instance, of Bill C-34, which could help to protect the lives and livelihoods of hundreds of thousands of working Canadians? What is his priority? Is spying more important than workers' lives? Is that the priority of the new Prime Minister designate? We ought to ask him that question and let him make the choice. These people, that Minister and other Ministers, may not be around very long for one reason or another, and before we are asked to do something as extraordinary as pursuing this kind of agency, particularly with the very broad and dangerous generalizations which are included in this particular clause, we ought to ask ourselves what the priority is of this government and what is its state of mind. Is justice more important than spying on fellow Canadians? Just where does the Government stand? I hope that one of those Hon. Members, Mr. Speaker, will answer.

● (1350)

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, I welcome this opportunity to speak on Motion No. 2 which moves to delete Clause 2 of this Bill. In this connection, I would like to say a word of appreciation to the Hon. Member for Burnaby (Mr. Robinson) for his effort. All the members of our caucus have greatly appreciated the hard and dedicated work which has been done. We appreciate the plaudit of the justice critic of the Tory Party. If he had been a little more active, we would perhaps have seen some more changes brought in which are necessary. However, we do appreciate the work of the Hon. Member for Burnaby.

In moving to delete Clause 2 we are especially concerned about the definition of "threats to the security of Canada". As had been remarked, not only by different Hon. Members speaking in this Chamber but by many of the witnesses who have appeared before the committee, these definitions are much too broad and loose. That broadness and looseness constitutes a very real danger to the civil liberties of the people of Canada. That is why we are opposed to this Bill. Really, when one looks at these definitions, one sees the way in which this Bill opens up to abuse by the proposed civilian security service the basic rights and freedoms which Canadians had taken for granted until the 1970s when the extent to which these rights had been subverted by members of the security service of the Royal Canadian Mounted Police were revealed. When we look at the definition of "threats to the security of Canada", we should pay special attention to the definition in paragraph (b) which states:

> . . . foreign influenced activities within or relating to Canada that are detrimental to the interests of Canada and are clandestine or deceptive or involve a threat to any person, . . .

The phrase, Mr. Speaker, " . . . detrimental to the interests of Canada . . ." is a very vague phrase. We would be interested in knowing just precisely what the Government means by it. Does it mean, for example, someone who opposes the sale of Candu nuclear reactors to other countries? Certainly this Government has planned a fair amount of its economic program on the sale of those reactors. Because it has been such a flop, this Government has suffered. Would opposition to the sale of those reactors be detrimental to the interests of Canada? In my previous work, Mr. Speaker, as clergyman with the United Church of Canada, I was very active in such movements as "Ten Days for World Development", which was concerned with the needs of people in Third World countries and the kinds of oppression which are faced by many of those people. There is concern expressed by the Canadian Council of Churches about the way in which this proposed definition can affect that kind of work within my church and within other churches. In the brief submitted by the Canadian Council of Churches, it is stated:

> With regard to section 2(a) and (b) we are concerned with the vague phrase "the interests of Canada". What are the legitimate "interests of Canada"? Who defines these "interests"? Are the "interests of Canada" distinguishable from the interests of the citizens of Canada? Could there be a legitimate conflict among the citizens of Canada as to just what Canada's "interests" are?
>
> With regard to paragraph (b) for example: consider that a visiting foreign finance minister, from a country where churches have carried on mission work for many years, requests a private meeting with Canadian church officials, in Canada, to discuss Canadian aid and trade policies. He wishes to decrease his country's dependence on Canadian exports, while maintaining or increasing Canadian aid to his country. He enlists the assistance and advice of his Canadian friends. This meeting could be construed as "foreign-influenced", given long relations between his government and church agencies in his country and with Canadian churches. It may be "detrimental to the interests of Canada" if its objective is decreasing Canadian sales in his country. Because the meeting is private and confidential it could fall within the definition of "clandestine", there being no definition of that term within Bill C-9 itself. Presumably the meeting might also be "deceptive", for instance if the visitor had told Canadian state officials that he wished to meet with the churches to discuss the construction of a church-sponsored hospital. The activity is clearly "within Canada". Even though we would understand this meeting to be a lawful activity, the participants are potentially targets for surveillance by the Security Service.

It is that kind of concern, Mr. Speaker, that the Canadian Council of Churches has. It is that kind of concern which is held by our Party and by many other groups which came before the committee. The definition of "threats to the security of Canada" is much too broad. Who decides what the legitimate interests of Canada are? It is not even going to be the Liberal majority in the House of Commons which decides, because it does not have to come before it for that kind of definition. Perhaps it could be some member of Cabinet or perhaps some overzealous member of the proposed security service itself who decides. It is worthwhile noting that in testimony, the Minister admitted that the great majority of the proposed members of the security service would come from the secret service of the RCMP, the very people who were involved, along with Hon. Members of the Government, in the kind of illegal activity which took place in the late 1960s and early 1970s, for which justice has not yet been done. The Canadian people want to see some action taken to assure them that their civil liberties and their human rights will take a higher place in courts of law than the Government's priorities, whatever they might be. We are concerned that the vague definitions in this Bill can target peace activists and people who are concerned about Central America or South Africa. They can be targeted with all the kinds of intrusive devices which this Bill is offering. We are concerned that this Bill and this clause open very wide the door to very great government intrusion into the lives and activities of ordinary Canadians and respectable Canadian organizations. We do not have the kind of checks and balances in this legislation which we would have liked to have seen.

For that reason, Mr. Speaker, I am happy to support the motion of the Hon. Member for Burnaby to delete Clause 2. I hope that all Hon. Members on both sides of the House will recognize the wisdom of what we are saying and move with us to delete this clause.

• (1400)

The Acting Speaker (Mr. Herbert): It being two o'clock, the House will now proceed to Statements by Members.

STATEMENTS PURSUANT TO S.O. 21

[*English*]

CANADIAN HERITAGE

BICENTENNIAL OF NEW BRUNSWICK

Hon. J. Robert Howie (York-Sunbury): Mr. Speaker, today marks the bicentennial anniversary of the Province of New Brunswick. In 1784 the British Government divided Nova Scotia, as it then was, and created a separate Province of New Brunswick. In 1867 New Brunswick became a founding province of Canada. Today the province stands as a memorial to all the people who contributed to its development. New Brunswick has a multicultural heritage enriched by our native people, Empire Loyalists, Acadians, people from the British Isles, Europe, Asia, Africa, the United States of America, indeed, from all parts of the world.

Today a special stamp will commemorate the occasion. It will be unveiled in the Legislative Assembly of New Brunswick. All year, and every year, Canada's picture province will welcome our fellow Canadians and visitors from around the world to share in our hospitality and the warm New Brunswick welcome that awaits them.

* * *

FINANCE

PRINCE EDWARD ISLAND WOMEN'S POSITION ON CHILD CARE EXPENSE TAX DEDUCTIONS

Mr. Mel Gass (Malpeque): Mr. Speaker, I would like to read the following letter which I recently received from the P.E.I. Women in Support of Agriculture:

Dear Sir:

At the annual meeting of the P.E.I. Women in Support of Agriculture, a resolution was submitted and passed by which we agreed to make our views known to our Members of Parliament on the following subject.

Accordingly we are writing with regard to, and in criticism of the recent changes in the Income Tax Act dealing with child care expenses. More specifically, we take exception to the change which dictates, with few exceptions, that "whichever of you has the lower net income must claim the child care expenses".

Although this discriminates against any working mother, it tends to affect farm families to a greater extent. This is largely true since the farming spouse does quite often have a low net income for several reasons, and therefore must claim the child care expenses yet derive little benefit from this deduction in comparison to the working mother who actually pays the child care expenses.

In conclusion, it is our opinion that the benefits derived from increasing the allowable deduction for child care expenses to $2,000 per child were largely offset by the addition of the "supporting person" concept to the Act, especially as it applies to the agricultural sector.

Trusting that you will give this matter your consideration and take some positive action with regard to the situation.

Yours sincerely,

Mrs. Wanda MacMurdo
President of the Provincial Women
in Support of Agriculture
Mrs. Rena Thompson
President of the Charlottetown Area Women
in Support of Agriculture

I support their stand, and I urge the Minister to take positive action and change the clause dealing with child care expenses, which discriminate against women, especially women in agriculture.

Mr. Speaker: By agreement, the Chair would like to recognize the Deputy Prime Minister and Secretary of State for External Affairs (Mr. MacEachen), followed by the Leader of the Opposition (Mr. Mulroney), and a spokesman from the New Democratic Party.

Presence in Gallery

HOUSE OF COMMONS

PRESENCE IN GALLERY OF HON. JOHN NAPIER TURNER, LEADER OF LIBERAL PARTY OF CANADA

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, I am very pleased to draw to the attention of the House the presence in the gallery of the Hon. John Turner. As you know, over the weekend, in an open and democratic convention, Mr. Turner won the support of the Liberal Party of Canada.

Some Hon. Members: Hear, hear!

Mr. MacEachen: Mr. Speaker, it is obvious that we on this side of the House extend to him our congratulations and our loyalty.

There were six other candidates in the race also, and we extend to them our admiration for well organized campaigns, and for conducting themselves with dedication and dignity.

Some Hon. Members: Hear, hear!

Mr. MacEachen: Our choice was endorsed by all of the delegates at the convention as a result of the usual and characteristically generous action taken by the Minister of Energy, Mines and Resources (Mr. Chrétien) in moving a motion of unanimity at the end of the deliberations.

Some Hon. Members: Hear, hear!

Mr. MacEachen: May I say that Mr. Turner will be no stranger to the House of Commons. During his 14 years in this Chamber he established a solid reputation as a parliamentarian. He has deep respect for the traditions of Parliament, and he is at home in the House of Commons. We look forward to welcoming him back as Prime Minister after the next federal election.

Some Hon. Members: Hear, hear!

Mr. MacEachen: Mr. Speaker, I want to tell you that we on this side are ready to go the moment our Leader gives us the word.

Some Hon. Members: Hear, hear!

Hon. Brian Mulroney (Leader of the Opposition): Mr. Speaker, on behalf of my colleagues I am honoured to rise today to convey our warm congratulations to the Hon. John Turner on his very impressive victory on Saturday.

Some Hon. Members: Hear, hear!

Mr. Mulroney: I had the opportunity of doing so in a personal way late Saturday, and I am pleased to do so today, and to convey, having been in that position in another circumstance, a tribute to those who were not successful. It occurred to me, and I know to my colleagues, that losing in those circumstances is never easy. I thought all of the contestants conducted themselves with dignity. I commend all of them on a fine fight.

• (1410)

Some Hon. Members: Hear, hear!

[*Translation*]

Mr. Mulroney: Mr. Speaker, I especially wish to congratulate the Hon. Jean Chrétien on the dignity and courage he showed throughout his campaign.

[*English*]

I noted with interest the statement of the Deputy Prime Minister (Mr. MacEachen). I suppose he was being as consistent today as he was on Saturday. If that were the case, I want to assure my hon. friend that we too are ready, willing, and more than able, to deal with the writ.

I can tell you something extra. Early this morning, with the permission of the Chair, I had the carpenters down here fixing the seat of the Leader of the Opposition for Mr. Turner, because I know he is going to be sitting here for a long time, and I want him to be comfortable.

To Mr. Turner, to Geills, and to the children, we extend our best wishes for health and happiness in the future.

Some Hon. Members: Hear, hear!

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I want to join with the Deputy Prime Minister (Mr. MacEachen) and the Leader of the Official Opposition (Mr. Mulroney), and speak on behalf of my Leader who is unavoidably absent this afternoon, and my caucus, in welcoming Mr. Turner to the leaderhips of the Liberal Party, and presumably to the post of Prime Minister in the not too distant future.

Some Hon. Members: Hear, hear!

Mr. Deans: However, having seen the behaviour here this afternoon, I want to ask him whether he is sure he really wants it.

I would like to say to those who were not successful that I have some knowledge of how it fells. You heal. It takes time. Each of you conducted magnificent campaigns.

I watched with great interest from an unusual vantage point. Having been a politician for most of my adult life, I had always thought that only those of us in political life had to find things to say when there was little left to say, for long periods of time at a stretch. However, I sat among the press over the course of Friday night and Saturday. There were long stretches when little was happening that could usefully be commented upon, except to say that the end result appeared to be inevitable.

I would like to say to Jean Chrétien in particular, who is not here, that his campaign carried with it a great deal of emotion which I think many people in the country felt throughout the campaign. His campaign served him well, and will make him a politician in the hearts of Canadians for a long time to come.

Some Hon. Members: Hear, hear!

Mr. Deans: It will not surprise Mr. Turner to hear me say—and this, of course, is a secret not to be repeated anywhere else—that there were those in the NDP who, in their own self interest were hoping he would win.

Mr. Hnatyshyn: It is too late, Ian.

Mr. Deans: The Deputy Prime Minister says that they are ready to go, and there are those of us who, for the last three years, have been wishing they would. I hope that when Mr. Turner assumes the post of Prime Minister he will move quickly to have the writs issued in order that the question of who should govern Canada may be cleared up once and for all. I will look forward after that to welcoming him into the House of Commons.

Some Hon. Members: Hear, hear!

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

REQUEST THAT GOVERNMENT CHANGE POLICIES TO ASSIST YOUNG PEOPLE

Mr. Jim Hawkes (Calgary West): Mr. Speaker, my question is for the Minister of Finance. We want to welcome him from the backrooms of the Liberal Party convention where it was rumoured that he was available if necessary, but not necessarily available. In the Province of Alberta the Minister has a reputation as a job destroyer because of his Budgets and his energy program.

On the weekend a consultant of the Department of Manpower and Immigration attended a Canadian Mental Health Association conference. She made some very strong statements about the pathetic plight of young people in the Province of Alberta. There were other consultants from the United States who indicated that, because of the 12 per cent increase in unemployment rates among young people in Alberta, we could expect increased assaults, vandalism, about a 60 per cent increase in suicides, and a 75 per cent increase in mental health breakdowns requiring hospitalization.

In the last two weeks of this Parliament are we going to have action to change the energy program and the transportation program, or are we simply going to have election campaign talk while these young people experience depression, suicide, and all of those things?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I would first like to say that I spent the last several days meeting a large number of people from Alberta, including a large number of young Albertans. Far from being pessimistic, they were very optimistic, very sure of themselves, and very confident about the future of the country. They were eager and ready to contribute fully to our country. They were confident that their province would indeed again experience excellent days. Obviously these were not young Conservative people who had their noses to the wall and were following the example of their elders as the national complainers and negativists. They were young Liberal people who had confidence in themselves and in the country.

If my friend checks the record he will find that the period in which the city of Calgary had the largest increase in terms of violence and local crime was when the city was at the height of its growth, several years ago. There was a large influx of people into Calgary at that time. That led to very serious local problems. As a matter of fact, while I did not subscribe to this utterance and found it very shocking, I remember a Mayor of Calgary complaining about everyone in Canada being attracted to that city, and complaining about the problems. He must have been a Conservative too.

Mr. Hawkes: Mr. Speaker, the Minister of Finance indicates to us that we can solve the crime problem in the country through unemployment. I think that is a rather bizarre statement. However, it is in accord with his view that when you throw people out of work they do not use as much oil and gas, and therefore you can have security of supply and a balanced self-sufficiency picture.

VIEWS ADVANCED BY LEADER OF THE OPPOSITION

Mr. Jim Hawkes (Calgary West): Mr. Speaker, has the Minister of Finance read the speeches by the Leader of the Opposition? Does he agree with the Leader of the Opposition that, to help individuals secure more training, we should have a registered training account, an expanded loan program, and better tax deductions to allow people to contribute more money to their own training? Does the Minister of Finance agree that the country needs those kinds of stimuli to help young people in particular to continue their training?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I have imposed upon myself the difficult task of reading most of the speeches of the Leader of the Opposition. Up to now I have found nothing but rhetoric and generalities in them.

I am glad that the Hon. Member asked what we have done. I remind him of the several hundreds of millions of dollars which we have brought to the Province of Alberta in the last several months in terms of the developments taking place in Cold Lake and Wolf Lake, and the developments which will benefit Saskatchewan and Alberta at Lloydminster, with the heavy oil upgrader. We are putting hundreds of millions of dollars into Alberta and British Columbia through the expansion of the rail transportation system, thanks to the amendments which have been passed through the House, against Tory opposition, in order to change the Crow rate situation. These are things that we have done, rather than the empty rhetoric coming from the other side.

• (1420)

Mr. Hawkes: I do not know who on the Minister's staff is giving him the speeches made by the Leader of the Opposition, but ten days ago in Thunder Bay the Leader of the Opposition laid out a program, with six principles and 16 specifics, that deals totally, absolutely, and entirely with the issue of training and what the country needs to do about it. It is now ten days later. If the Minister is reading those speeches, why has he not read that speech, and why does he not have an answer for us about that?

NEEDS OF WESTERN CANADIANS

Mr. Jim Hawkes (Calgary West): Mr. Speaker, as a Member from Outremont, which is a high income area, does the Minister believe that he understands what western Canadians need, better than the members of the Conservative Party and the New Democratic Party who have been sent to this Chamber by the people who live in that region? We say to him that he has been wrong about energy, and wrong about transportation. We want a change, and we want it in the next ten days. Will your new Leader help us get that change within ten days?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, we have just heard the best example of the empty rhetoric that I referred to in my previous answers. I am glad that the Hon. Member is confirming my statement in that regard.

I must tell him that, as Minister of Finance, I am Minister for all Canadians, not any particular region or any particular constituents. I have been in the House for 12 years serving all Canadians, not any particular region or any particular constituency.

I must tell my hon. friend again that, rather than resorting to the empty words of the Leader of the Opposition, we have resorted to action. We passed in this Parliament—again against the footdragging and opposition of the Conservative Opposition—a new National Training Act which has had the support of the provinces and which is the most modern piece of legislation in that area. We have allocated over a billion dollars a year to that, which is by far the largest amount that has ever been allocated in this country for the training of young people and adults, and the retraining of workers.

In addition, we are now providing $6 billion or $7 billion a year to the provinces for post-secondary education, which is more than has ever been spent in this country by the federal Government in the area of post-secondary education. These are firm commitments by this Government to help the young people of the country to be ready to face the rest of this century, and the twenty-first century, well equipped.

REQUEST THAT GOVERNMENT TAKE ACTION

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my question is directed to the Minister of Finance. First, I want to commiserate with Mr. Pierre Elliot Turner and the albatrosses he is discovering that he will have around his neck, as he sits here today in this Chamber. By the way, I congratulate the Minister of Finance for not emulating the Deputy Prime Minister and scuttling across the convention floor like an anxious crab to a dead herring, as the Deputy Minister did.

Mr. Rossi: What happened to you?

Mr. Crosbie: There is no good in asking me to come with you; I won't do it.

It has been four months since the Minister's feeble Budget of February 15. The latest Statistics Canada figures on the use of industrial capacity show that we are stalled at about 71.7 per cent use of our industrial capacity, 10 per cent under what it was before the recession. Of course this means that jobs are not being created. There are 120,000 fewer jobs than in mid 1981. Does the Government plan any action now, or do we have to wait even longer than we have waited during this tiresome, preordained convention, for some action? Will something be done to get a grasp on this and begin an economic recovery in Canada?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, no doubt Canadians have heard the best news today. It is that the Hon. Member for St. John's West will not rejoin the Liberal Party that he left several years ago.

Some Hon. Members: Hear, hear!

Mr. Nielsen: Where did you begin, Marc?

Mr. Lalonde: He need fear nothing. We would not welcome him either, so he is all right over there.

I would suggest to my hon. friend that, indeed, we may do something today that would mean action immediately and would help the economy of the country. In approximately 35 minutes, my colleague, the Minister of State for Finance, is due to introduce a Ways and Means motion, to introduce all of the amendments to the Income Tax Act that have been considered already by the parliamentary committee and which will mean a very significant reduction in the burden on small business and medium-size business. I invite the Opposition to pass this Bill immediately. It would show a spirit of co-operation in terms of helping the unemployed and in terms of giving a good spur to the economy.

Mr. Crosbie: First, of course, I was ahead of my time. Hundreds of thousands will desert the Liberal Party in the next few weeks.

REQUEST FOR MINISTERIAL ACTION TO HELP UNEMPLOYED

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my supplementary question is for the Fulton musketeer, the old Tory. The Minister was an old Tory back in the days when he thought it was advantageous for him to be a Tory.

New investment in factories, offices, and homes is declining. Capital spending is down for the third year in a row. Housing starts are fading. The leading indicators of the Canadian

Imperial Bank of Commerce have dropped for two months in a row. The last time that this happened was just before the recession in 1981-82.

In view of these forlorn signals, in the last few days he has as Minister of Finance will he take any steps at all to help the unemployed? His Budget of February 15 did nothing for them. Every indicator that has come out since shows how flat the economy is, and the lack of growth in jobs. Will he attempt to do anything before he is bounced by the next Prime Minister, who will bounce him if he wants to have any chance of success at all?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I thought the repartee of the Hon. Member was rather flat, compared to his usual style, until I noticed that it came from the Leader of the Opposition. I suggest to him that he should find a better source of inspiration the next time, or rely on his own wit. He is better when he is at it himself.

I invite my friend to examine the investment forecast that will come out in a few days, I am told. I believe he will find that the plans of the private sector are certainly encouraging and that there is an indication that we will have growth in investment in real terms in the next few quarters.

* * *

TRADE

CANADA-UNITED STATES TRADING RELATIONSHIPS—REQUEST FOR MORATORIUM ON FREE TRADE DISCUSSIONS

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my question is directed to the Deputy Prime Minister. He will know that there were statements made in Washington last week that Canada and the United States were in the process of reaching an agreement on free trade in one sector. At the same time there were statements out of Washington that the U.S. Government is moving, not very cautiously, toward imposing rather severe restrictions on the importation of basic steel into the United States. It is pretty clear that there is a conflict some place.

Has the Government of Canada made representations to the Government of the United States that there will be no further discussions of any kind relating to a freeing up of trade arrangements until such time as the United States Government comes to grips with the problems that it will inevitably create if it moves to restrict Canadian steel access to the United States?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, the Hon. Member certainly raises a subject that is of keen concern to the Government. However, he shows small understanding of the process involved in international trade policy and trade rules under the GATT.

What is involved in the Hon. Member's question is, first, the discussions between Canada and the United States about the possible liberalization of trade in particular sectors, to the mutual benefit of consumers and workers in both our countries. In order to be more competitive in the world as a whole, there might well be advantages in taking such a course of action. That course of action in relation to specific sectors is being investigated by our two countries in those discussions. Negotiations, as such, have not been undertaken as yet and will only take place if it is found there is such a mutual advantage in various sectors.

• (1430)

One of the reasons Canada is particularly interested in those sorts of discussions is the fact that the United States, faced with an incredible trade world-wide that may this year reach $120 billion—

Mr. Hnatyshyn: The teacher says 52 per cent. Sit down.

Mr. Regan: —is finding that its Congress and its industry are utilizing either new legislation proposals or existing legal mechanisms for the examination of the provision of safeguard actions on the limitation of imports. Unfortunately, if they take those actions in various products, and I refer particularly to steel, which is the centre of attention at the present moment, and since they apply them on a multilateral basis under Article 19—

Mr. Nickerson: Order.

Mr. Regan: —even though Canada may not be the target for the problem, Canada can be severely affected. As a consequence, I have made representations to Mr. Brock, and the Deputy Prime Minister has made representations to Mr. Shultz about the strength of Canadian views on this subject, that any actions the United States takes must be taken in a way so as not to impact on the important two-way trade that exists in steel between our countries.

Some Hon. Members: Order.

Mr. Regan: I want to assure the Hon. Member that the course we followed was successful when our lumber exports of over $2 billion a year to the United States were threatened by countervail, and we won that battle. We won the battle when there was the threat against potatoes, and we are following with the same zeal—

An Hon. Member: That's enough, Gerry.

Mr. Regan: —in relation to the question of steel our efforts to protect the jobs of the Canadian steel industry and its important American market.

Mr. Deans: It is clear one of us does not understand, Mr. Speaker.

POSSIBLE UNITED STATES RESTRICTIONS ON IMPORTATION OF CANADIAN STEEL

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, would the Government be prepared to sign into law an arrangement with the United States freeing up trade between Canada and

the United States in one sector of the economy—choose whichever one you will—while at the same time sitting by and allowing the U.S. to impose restriction in an area which will be vitally important to tens of thousands of Canadians' jobs both now and in the future? Is the Government simply going to sit idly by, as is now the case, and allow the U.S. to move almost inextricably toward the imposition of restrictions on basic steel, while at the same time continuing discussions on the freeing of trade in other areas?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, Hon. Members—

Some Hon. Members: Oh, oh!

Mr. Mulroney: Ladies and gentlemen, brothers and sisters.

Some Hon. Members: Hear, hear!

Mr. Regan: The truest words that I have heard in here—

Mr. Mulroney: John is impressed.

Mr. Regan: —in a long while were when the Hon. Member said that one of us does not understand the situation, and it is he, I can assure you without any question of doubt, Mr. Speaker.

Mr. Hnatyshyn: You are Okay, Gerry.

Mr. Regan: Let us consider what the Hon. Member is saying. He is saying that if there is some advantage to Canada and to Canadian workers in achieving a sectoral free trade in one product, even if that is going to protect Canadian products and jobs, let us not talk to the Americans about that possibility if they are taking protective action in relation to any other product. If that is not NDP confused thinking, then I have never heard it. I am saying steel, carbon steel, is one of the subjects where we are discussing the possibility of free trade with the Americans right now because we saw, while the Member was still daydreaming, the threat that exists in the protective action that has resulted in the fact that the American steel industry is only operating at 50 per cent. We are trying to combat that in the same way that we combated the threat to lumber, while the NDP continues to daydream.

Mr. Deans: Mr. Speaker, I want to say that volume and verbosity will not take the place of brain.

Mr. Pinard: Louder.

GOVERNMENT POSITION

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, let me ask the Minister for the last time is it the intention of the Government to continue negotiations in areas other than basic steel, which are presently going on, and he knows it, to establish a free trade agreement with the United States in computerization and in other similar fields, and at the same time allow the U.S. Government to impose restrictions which will cost tens of thousands of Canadian jobs?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, with due respect to the Hon. Member, I suggest to him that I am in a better position to decide how we can best protect those jobs in negotiations with the Americans than the Hon. Member, who has shown no previous interest in the subject.

Some Hon. Members: Oh, oh!

Mr. Deans: Come on, Gerry.

Mr. Regan: The question of what negotiations we will carry on in negotiations with other sectors will depend upon the interest of Canadian workers in those other sectors. At the same time we will continue to give the strenuous protection to the steel workers in this country that we gave to those who worked in the lumber industry.

* * *

CROWN CORPORATIONS

DE HAVILLAND—SALE OF AIRCRAFT TO CANADIAN COMPANIES

Mr. Bill Domm (Peterborough): Mr. Speaker, there is a great deal of concern in parts of the country over the possible lost sale of $100 million worth of aircraft from de Havilland to air companies here in Canada. My question is for the Minister of Finance in light of his statement in the House that the federal Government cannot give subsidies to Canadian companies wishing to buy aircraft from de Havilland. Would the Minister of Finance explain to the House how he justifies the financial assistance package to de Havilland of $20 million to sell aircraft to Indonesia, while we lose jobs at de Havilland, and while 10,000 other jobs are in jeopardy in the industrial sectors of the nation?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, if the Hon. Member looks at the support the Government gives to de Havilland, he will see that, contrary to the negativist attitude of the Conservatives, the Government has been very strongly behind the aviation industry. I remember when the Opposition was attacking us for giving aid and support to Canadair, and when the Opposition was attacking us for giving aid and support to de Havilland. We have been committing support by investing hundreds of millions of dollars, as a matter of fact, in equity in these corporations. In addition, we are encouraging them to make use of all the various government programs that are available to industry generally in order to expand exports of Canadian goods abroad and also to meet competition. The more support we give to de Havilland generally is going to show in the total price at which it will be able to sell its product, whether in Canada or abroad.

The Hon. Member knows, however, that under the Export Development Corporation there is a program available to all corporations in Canada in order to favour exports and allow us to meet competition abroad. De Havilland is in the same situation in that regard.

Mr. Domm: Mr. Speaker, the Finance Minister fails to recognize that people who are put out of work in Toronto and area, because those aircraft in which we have invested $500 million to manufacture cannot even be sold in Canada, are the ones adversely affected.

REPORTED OFFER OF ASSISTANCE PACKAGE

Mr. Bill Domm (Peterborough): Mr. Speaker, my supplementary question is for the Minister of Finance. How could the Minister advise this House on April 17 that there are no subsidies to give to this company to sell these aircraft in Canada, while Parliamentary Secretaries debating in this House say there is an assistance package being offered to Canadian companies, yet as of today all three of them, out west and in Ontario know nothing about this assistance package? Could the Minister of Finance or the Minister responsible for de Havilland rise in his place and answer? Is the Government going to protect these jobs by offering interest assistance to de Havilland, or will the Government let $100 million worth of aircraft from offshore be sold here in Canada?

• (1440)

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, once more I am happy about the latter day conversion of the Conservatives to support of the Canadian aviation industry. I can tell my hon. friend that the Minister of Regional Industrial Expansion, the Minister of Transport, the Minister responsible for CDIC, and myself, have been very actively at work trying to find ways and means of ensuring that de Havilland will indeed be a very thriving company and that it will be able to market its products, both in Canada and abroad, on a competitive basis. That work has been progressing significantly, and when the announcement is ready the Ministers responsible will make it.

* * *

INDUSTRY

MOBILE ARCTIC ISLAND ENGINEERING CONCEPT

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, my question is directed to the Minister of Finance who crows about being the Minister of all Canadians, even though his policies have led to the unemployment of hundreds of thousands of them. Another study has just been released proving the viability of small-scale oil production in the Beaufort Sea through the use of the mobile Arctic Island concept. The Canadian consortium promoting this project includes a firm in my constituency. It has been trying to gain the support of the Minister for this unique Canadian concept for over two years. When will the Minister of Finance pledge his personal support for this project so that it may soon come to fruition, creating hundreds and hundreds of jobs, particularly in western Canada?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, perhaps I could answer the Hon. Member's question. There is no one individual in the House who has been a stronger advocate of the development of energy in this country than the present Minister of Finance, both in his present portfolio and in his previous one.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

Mr. Lumley: Also I can advise the Hon. Member that the Minister of Energy, Mines and Resources and I have met with the various principals of this project on two or three occasions and that analysis is going on right now with respect to the potential development benefits for Canada of the project.

Mr. Siddon: It is interesting that the Minister of Finance hedged on that question. As witnesses have told the Senate hearings on the National Energy Program, the NEP only allows for large scale oil development. That is the way in which the incentive system was structured. Therefore the Minister of Finance would have to admit the failure of the NEP if, indeed, he recognizes the viability of this small-scale Arctic Island project.

PROPOSED DRYDOCK FACILITY AT NANAIMO, B.C.

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, my supplementary question is directed to the Minister of Regional Industrial Expansion. Will he pledge today to announce funding for a major drydock facility in Nanaimo, British Columbia? The proposal has been on his desk for many months. This drydock facility would allow the construction of the unique mobile Arctic Island Canadian concept, thereby putting hundreds of British Columbians back to work.

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, I do not know where the Hon. Member has been all this time. The Government has supported a substantial number of new ideas with respect to exploration. We welcome his sudden and latest advice with respect to this particular project.

Mr. Lalonde: Your Leader is against Arctic development.

Mr. Hnatyshyn: What about your Leader?

Mr. Lumley: Also I want to indicate to the Hon. Member that there is more exploration going on in Canada right now than at any particular time in any other country of the world. The Hon. Member is totally wrong and totally incorrect in his preamble. With respect to the particular project, we will give it our usual analysis and thrust if we think it is important for Canadians.

Oral Questions

ENVIRONMENTAL AFFAIRS

ACID RAIN—EFFORT TO INITIATE JOINT CANADA-UNITED STATES LEGAL ACTION

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. I am sure he is aware that Vermont Governor Richard Snelling is meeting this afternoon with five Canadian Premiers, along with the six New England Governors. He will be asking them to join in a $100 billion lawsuit against acid rain producing utilities in North America.

Since political action has stalled and to date failed dismally to produce any serious action on the reduction of acid rain, and with 14,000 lakes in Canada dead and 50,000 dying, will the Minister comment upon the meeting which is going on in Vermont? Would he also agree to commit the very substantial scientific and legal resources of Canada to this very important and vital environmental legal challenge which may well take place in the courts of the United States in the near future?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, we have made the question of acid rain one of the major issues in our discussions with United States authorities. The Minister of the Environment and myself have been ceaseless in our efforts to try to convince authorities in the United States to join with us in an abatement program which would apply in North America. Up to the present time that has not succeeded. However, it is a fact that the Government of Canada and the provinces have entered into agreements with respect to abatement programs in Canada, and that recently Canada and a number of European countries have done the same. What is required, of course, is a decision by United States authorities. I do not foresee a decision this year on the part of the administration. Earlier I have said so publicly, that it is not likely they will change their view, which is at the moment that more research is required.

Mr. Fulton: That is precisely my point. The political actions which have been attempted in both Canada and the United States have been unsuccessful. There have been no major reductions in acid rain in Canada or in the United States.

IMPACT OF ACID RAIN ON BRITISH COLUMBIA ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, my supplementary question is directed to the same Minister. Since his colleague, the Minister of the Environment, is in Europe until July, and since reports over the weekend in British Columbia indicate that there has been an alarming increase in the amount of acid rain on the southwest coast of British Columbia, particularly coming from the Puget Sound area around Seattle, my question to the Minister is exactly the same. Does he have anything planned? Will he be talking with George Shultz? Will he be talking with any of the Socreds who were here as delegates over the weekend? Will anything be done for British Columbia, either to reduce the production of acid rain in B.C. or to deal with the production in Puget Sound? Will he do anything? Will he allow it to go to the courts? Will he support the court action? That is really the crucial question.

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, in my view the solution has to be a political one reached with the administration of the United States. We have to continue our efforts to persuade United States authorities to come to terms with this question. They have not yet done so. We have met similar situations in the past where we have taken some time in order to reach conclusions with the United States. That does not argue for giving up. We do not intend to give up.

The Hon. Member talked about legal action. Let the Governors produce their grounds for legal action and take it, if they wish, in the American courts. Let them pursue their own objectives in the United States. We have to pursue our objectives in Canada and with the administration in the United States, which we are doing. I expect that we will succeed. I hope urgently that we will succeed.

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EXTERNAL AFFAIRS

POLAND—GRANTING OF EXIT VISAS TO FAMILIES OF HUNGER STRIKERS

Miss Aideen Nicholson (Trinity): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. In view of the fact that the Polish Government is now prepared to grant exit permits to the family of one of the three people in Toronto who have been on hunger strike for the past 28 days, will the Minister press Polish authorities to extend similar humanitarian and compassionate concern so that the other two families can be reunited?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Yes, Mr. Speaker, we certainly will do that. We have been doing it up to the present time in cases where family reunification is held up because Polish authorities have refused to grant exit permits. Of course that is the problem. We have received indication from the Polish Embassy in Ottawa that Mr. Augustyniak's family had been approved for passports but that they will not be issued until the hunger strike has ceased.

Also I want to advise the House we have been told that of the 16 cases, which include those of the hunger strikers on whose behalf representations have been made to the Polish Consulate in Toronto in early April, 13 have now been promised passports. We are making some progress. As the Hon. Member suggested, we will continue to press Polish authorities until we have succeeded in all the cases which require attention to bring about family reunification.

● (1450)

FINANCE

SCHEDULED INCREASE IN SALES TAX

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, my question is directed to the Minister of Finance. Part of the Minister's recovery program that reduced unemployment from 12.3 per cent to 11.7 per cent over a year was a new tax to increase the sales tax, and tax telecommunications. Does the Minister really intend to proceed with that tax in view of the fact that fewer people are working today than were working before the recession began?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I have answered the same question on several occasions, and I have nothing to add to my previous answers.

[*English*]

APPROVAL OF EXCISE TAX LEGISLATION

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, if that is the case, and bearing in mind that companies that are collecting sales tax have to program their computers—there is a great deal of work that companies must do—is it the intention of the Minister of Finance to press Bill C-15 through this House before we adjourn on June 29? If it is not passed by then it will be literally impossible for companies to change the organization of the collection of sales tax for October 1 as set out in the Bill, unless there is a special recall of this House. Does the Minister really intend to do that, or is he just fooling us?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, this is of course a matter the Parliamentary House Leaders will have to discuss. The House is not going to be forced to do anything. The Hon. Member knows perfectly well that any measure adopted by the House requires the co-operation of the Parties. Thus, the matter is in the hands of the Parliamentary House Leaders.

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[*English*]

NATIVE ECONOMIC DEVELOPMENT PROGRAM

APPROVAL OF PROJECTS

Mr. Jack Shields (Athabasca): Mr. Speaker, my question is directed to the Minister of State for Small Business. How many projects have been approved under the Western Economic Development Fund of the Native Economic Development Fund, the $345 million which was approved over a year ago?

Hon. David Smith (Minister of State (Small Businesses and Tourism)): Mr. Speaker, after that fund was established we set up an advisory board. We wanted to consult with them in good faith. They established the criteria, reviewed the applications, and have now recommended, I believe, six for approval. I might add that most of those are in the Province of Alberta. They are in the final stages of negotiation. Once agreements have been reached, we hope to announce them very shortly.

TIMING OF APPROVAL

Mr. Jack Shields (Athabasca): Mr. Speaker, for other Members of the House, that translates into none. That program was established over a year and a half ago, with $345 million in funds. By the Liberal smoke and mirrors, native people across the country have been encouraged to put in thousands and thousands of applications to gain access to that fund. Not one project has been approved to date. That is deplorable. The Minister said there were six awaiting approval. When will those projects be approved?

Hon. David Smith (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the proposals are in the form of agreements. We have to negotiate those agreements with the various groups.

Mr. Shields: When?

Mr. Smith: When they sign.

Mr. Shields: When are you going to sign them?

Mr. Smith: I have already signed them.

* * *

RAILWAYS

PROPOSAL TO DISCONTINUE USE OF CABOOSES

Hon. Bud Cullen (Sarnia-Lambton): Mr. Speaker, I have a question for the Minister of Transport. Concern is emanating, not only from the United Transportation Union but from several municipalities, about the intention of CN and CP Rail to discontinue the use of cabooses. When dangerous goods are being transported through communities, this demands every safety precaution. Will the Minister intervene in the CTC hearing, or indicate to the CTC that it will not be acceptable to permit CN and CP to discontinue the use of the caboose?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, it is my understanding that the railways have not made any specific proposal other than to raise the question that, in the United States, a number of railway operations there have replaced the old caboose system with more sophisticated technology for the detection of safety problems. From discussion with the railways, I thought their intention was to raise the issue simply as a matter of negotiation with the unions during the bargaining sessions, and then they will have to determine what the acceptability would be under those conditions, leaving that kind of determination up to the collective bargaining system. At this time that kind of examination is best left to

those kinds of examinations between the two. If there were any problem related to actual safety we would, of course, take action.

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LABOUR CONDITIONS

UNEMPLOYMENT—DEPUTY PRIME MINISTER'S ADVICE

Mr. Bob Ogle (Saskatoon East): Mr. Speaker, my question is for the Deputy Prime Minister. I am one of the millions of Canadians who took an interest in and watched the Liberal leadership convention this past weekend. Without doubt it was a time of emotion, elation, and foofaraw. If I could say a little bit, Mr. Deputy Prime Minister, today it is coming down from the mountain into the valley of darkness, to the reality of what is going on.

At the very same time that the convention was going on, the Community Information Centre in Toronto was receiving more calls than ever from people who have no jobs and no finances. At the same time 1,460,000 Canadians are without a job. I do not believe any of them were at the convention. What is the Deputy Prime Minister going to advise the new Liberal leader on how to solve that problem?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, the Hon. Member has asked a question that has more to do with the internal operations of the Liberal Party than it has to do with what ought to be asked in Question Period. Because he does raise a very important matter, namely, unemployment, I would refer him to the numerous answers which have been given by the Minister of Finance on this question, not only today but in previous Question Periods, in which he has laid out policies which he has been following in attempting to reduce unemployment.

Mr. Speaker: Could the Hon. Member's supplementary be of a more precise nature?

LEVEL OF UNEMPLOYMENT IN SASKATCHEWAN

Mr. Bob Ogle (Saskatoon East): Mr. Speaker, the reality of Canadian life is that there are 1.5 million unemployed people. What went on last weekend did not address that question. I would like to ask what the Government plans to do to address that question. In Saskatoon this week—

Mr. Speaker: With all due respect to the Hon. Member, questions in Question Period should be such that they can be answered in the relatively brief time constraints available. The Chair has difficulty. When a question like that is answered, how does one allocate time to the reply? It is very difficult for the Chair to be fair and reasonable under such circumstances. Will the Hon. Member please ask a more specific question?

Mr. Ogle: Mr. Speaker, there was a 70 per cent increase in the number of unemployed in Saskatchewan from April, 1982, to May, 1984. What is the Government of Canada going to do to address that question?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I am surprised that a Member from Saskatchewan would not be aware of what the Government has done. He will realize that the Province of Saskatchewan had the lowest level of unemployment and suffered the least from the recession in 1981 and 1982. I remind my hon. friend that as recently as a couple of weeks ago we announced an agreement in principle to construct an upgrader for heavy oil in Saskatchewan that will involve an investment of some $3.2 billion, one of the largest single investments ever made in Saskatchewan. This was done thanks to the co-operation of the private sector, provincial Governments, and the federal Government. These are things that the federal Government has done. Since the Hon. Member is so interested in the Liberal Party I will add that we have elected, from Saskatchewan, an outstanding Indian representative who, I am sure, will bring to the attention of the Party and the Government the concerns of the people of Saskatchewan just as well as the Hon. Member.

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NATIVE ECONOMIC DEVELOPMENT PROGRAM

PROPOSAL TO ESTABLISH NATIVE DEVELOPMENT BANK

Mr. Keith Penner (Cochrane-Superior): Mr. Speaker, I have a question for the Minister of State for Small Business. It is supplementary to the question of the Hon. Member for Athabasca concerning the Native Economic Development Fund. As the Minister knows, he instructed the board of directors of the Native Economic Development Fund to study the possibility and feasibility of using the $345 million, or what remains of it, as the capitalization for a native economic development bank. That was in keeping with one of the recommendations of the special committee on Indian self-government. Will the Minister tell the House when we can expect a report from the board of directors on the feasibility of using this money in such a fashion, rather than in the way in which it is being used at the present time?

• (1500)

Hon. David Smith (Minister of State (Small Businesses and Tourism)): Mr. Speaker, shortly after the board drew up its criteria for financing various proposals that would come to it, it established a subcommittee to look into that very point. I might say that the work done by the committee that the Hon. Member chaired has been very helpful in that regard. I understand that that subcommittee has more or less completed its report. I have not yet received it, but I expect to receive it shortly.

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Thursday, June 14, 1984, meet the requirements of the Standing Orders as to form.

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BUSINESS OF THE HOUSE

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. I know it is not Thursday but certain events have taken place in terms of the leadership of the Liberal Party. In fact, a new leader has been selected. As a result, I thought it appropriate at this time to ask the Government House Leader a question.

I assume that the legislative agenda of the Government will remain the same as has been stated by the Government House Leader. If not, will there be a change in the agenda since there has been a change in the leadership of the Liberal Party which has selected Mr. Turner as the ostensible Prime Minister designate? In short, I would like to ask the Government House Leader whether or not the legislative agenda and the priorities stated by the Government House Leader before the convention remain the legislative agenda and the priorities until the end of this trimester.

Mr. Pinard: Mr. Speaker, even without a leadership convention, the order of business is always subject to change. Until I notify my hon. colleague of any change, nothing has changed.

ROUTINE PROCEEDINGS

[*English*]

WAYS AND MEANS

TABLING OF NOTICE OF MOTION

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, in accordance with Standing Order 64(1), I wish to table in both official languages a notice of Ways and Means motion to amend the Income Tax Act and related statutes. In accordance with Standing Order 64(2), I also ask you to designate the Order of the Day necessary for the consideration of this Ways and Means motion.

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PETITIONS

MR. RIIS—VIOLENCE IN AMRITSAR, INDIA

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, it is my pleasure to present on behalf of the majority of Sikh constituents in the constituency of Kamloops-Shuswap a petition bringing to the attention of the House of Commons the profound tragedy that has been inflicted upon a small minority of the people of India. The petition wishes to draw to the attention of Members of the House of Commons the brutality and violence which has been perpetrated against the holy Temple Amritsar which is presently lying in ruins. They ask for a stay of deportation proceedings for the Sikhs presently within Canada and urge that the International Committee of the Red Cross be given all the necessary support by the Government of Canada to bring aid and relief to those suffering as a result of the violence in the Punjab.

MR. KRISTIANSEN—CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, it is my privilege to present a petition signed by a number of constituents from Nelson, British Columbia, to the honourable the House of Commons in Parliament assembled. The petition of the undersigned citizens, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide a remedy, humbly sheweth that, in the opinion of your petitioners, the Liberal Government is attempting to unreasonably stifle debate by using closure at second reading and committee stage on the proposed Bill to establish a civilian security service, that the Government has refused to allow for broad public input into this process by denying cross-country hearings and that the proposed Bill poses a profound threat to the civil liberties and privacy of all Canadians in that (*a*) despite the fact that the security service opened files on almost one million Canadians—

Mr. Speaker: May I call to the attention of the Hon. member that he should give a simple summary of the contents and purpose of the petition.

Mr. Kristiansen: Mr. Speaker, in summary, the petition indicates that the Government has its priorities totally backwards and that the jobs and lives of working Canadians are more important than the creation of a new spy agency.

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Mr. Speaker: The Parliamentary Secretary to the Minister of Fisheries and Oceans (Mr. Harquail) would like to revert to Tabling of Documents for the purpose of tabling a document. Is there consent?

Some Hon. Members: Agreed.

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FISHERIES

TABLING OF GOVERNMENT PROPOSALS

Mr. Maurice Harquail (Parliamentary Secretary to Minister of Fisheries and Oceans): Thank you, Mr. Speaker. On

behalf of the Minister of Fisheries and Oceans (Mr. De Bané), I am pleased to table, in both official languages, copies of the Government's proposals to authorize investment in the Pacific fisheries for the purpose of conserving, protecting and developing the fish and improving their management and utilization and to amend the Fisheries Act.

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CRIMINAL CODE

AMENDMENT TO REINTRODUCE CAPITAL PUNISHMENT

Mr. Gerry St. Germain (Mission-Port Moody) moved for leave to introduce Bill C-249, an Act to amend the Criminal Code (capital punishment).

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. St. Germain: Mr. Speaker, the intention of this Bill is to provide protection for the innocent by amending the Criminal Code to reintroduce capital punishment for premeditated murder. This will coincide with the opinions and the desires of well over 70 per cent of the people in Canada.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

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INDIAN ACT

AMENDMENTS RESPECTING BIRTH OF CHILDREN

Hon. Serge Joyal (for the Minister of Indian Affairs and Northern Development) moved for leave to introduce Bill C-47, an Act to amend the Indian Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time, and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

BUSINESS OF THE HOUSE

NOTICE OF ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-9

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I wish to inform the House that there have been consultations among the representatives of the Parties and that it has not been possible to reach an agreement pursuant to Standing Order 80 or 81 which regard to the allocation of time to the report stage and third reading of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain securities and related offences and to amend certain Acts in consequence thereof or in relation thereto, and that therefore at the next sitting of the House I shall propose a motion pursuant to Standing Order 82 to allocate one sitting day to each of the said stages of the said Bill.

Some Hon. Members: Closure!

Mr. Deans: Mr. Speaker, I rise on a point of order. It is my understanding that there are still some procedural rulings to come from the Chair. How can we possibly end the debate on a motion that is without procedural rulings?

Mr. Speaker: Order. The House has commenced debate. The fact that there are possible points of order raised in the course of the debate will not affect the validity of the motion put by the Hon. Minister.

Mr. Robinson (Burnaby): Mr. Speaker, in giving notice, the Solicitor General (Mr. Kaplan) is attempting to shut down debate on one of the most important—

Mr. Speaker: The Hon. Member is not speaking to a point of order.

* * *

• (1510)

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following question will be answered today: No. 503.

[*Text*]

CBC—LOANS MADE TO EMPLOYEES

Question No. 503—**Mr. Howie:**

Since March 1, 1983, did the Canadian Broadcasting Corporation or its subsidiaries make any loans to its employees and, if so, in each case (a) on what date was the loan (i) made (ii) due (b) what was the (i) amount of the loan (ii) interest rate charged (iii) purpose of the loan?

Hon. Francis Fox (Minister of Communications): I am informed by the Canadian Broadcasting Corporation as follows:

Yes, in the period March 1, 1983 to January 31, 1984 loans, as detailed below, were made by the CBC—the CBC has no subsidiaries—to its employees:

(a)	(i) Date Loan Made	(ii) Date Loan Due	(b)	(i) Amount of Loan	(ii) Interest Rate	(iii) Purpose
				$		
	Apr. 01/83	Apr. 01/88		12,750	Nil	Relocation—Housing[1]
	June 20/83	June 16/88		12,500	Nil	Relocation—Housing
	Sept. 15/83	Sept. 15/88		21,400	Nil	Relocation—Housing
	Sept. 15/83	Sept. 15/88		21,000	Nil	Relocation—Housing
	Oct. 18/83	Oct. 18/88		6,500	Nil	Relocation—Housing
	Nov. 28/83	Nov. 28/88		8,500	Nil	Relocation—Housing
	Dec. 15/83	Dec. 15/88		14,000	Nil	Relocation—Housing
	Dec. 15/83	Dec. 15/88		17,500	Nil	Relocation—Housing
	Dec. 20/83	Dec. 20/88		8,700	Nil	Relocation—Housing
	Jan. 04/84	Jan. 04/89		9,250	Nil	Relocation—Housing
	Jan. 04/84	Jan. 04/89		4,125	Nil	Relocation—Housing
	Jan. 10/84	Jan. 10/89		26,000	Nil	Relocation—Housing
	Jan. 23/84	Jan. 23/89		8,000	Nil	Relocation—Housing
	Aug. 02/83	Feb. 29/84		7,000	10%	Foreign Posting[2]
	Aug. 16/83	Aug. 16/86		15,000	10%	Foreign Posting

[1] Where the Corporation requires an employee to relocate to an area where the cost of housing of comparable standard is significantly higher,, assistance in meeting this additional cost may be provided in the form of an interest-free loan for a limited period of time. The CBC policy in this regard is in line with that of other large Canadian corporations and government departments.

[2] Where the Corporation assigns an employee to a foreign location, a posting loan may be made to aid in the transition from Canada to the foreign country. The Foreign Service Directives of the Government of Canada apply to all such loans.

[*English*]

Mr. Speaker: The questions as enumerated by the Parliamentary Secretary have been answered.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 687 could be made an order for return, this return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that question No. 687 be made an order for return?

Some Hon. Members: Agreed.

[*Text*]

IMMEDIATE EMPLOYMENT STIMULATION PROGRAM

Question No. 687—**Mr. Nystrom:**

Since January 1, 1983 were any projects funded in Saskatchewan under the Immediate Employment Stimulation Program and, if so, what (a) are the names of the groups funded and the amounts in which they were funded and to what purpose(s) (b) criteria were used in assessing the validity of projects?

Return tabled.

[*English*]

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

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs; and Motion No. 2 (Mr. Robinson (Burnaby)), Motion No. 5 (Mr. Allmand), and Motions Nos. 6, 7, 8 and 9 (Mr. Robinson (Burnaby)).

Mr. Speaker: The Chair indicated previously that at this point it would hear arguments relating to the matters to which the Chair referred in its decision of Thursday last. The Hon. Member for Saskatoon West (Mr. Hnatyshyn).

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I would like to make a few short observations. I apologize for what happened in the proceedings first thing this morning. However, I was not aware of the fact that the discussion would be taking place at that point in time and my notes were in my office. As you know, Mr. Speaker, I like to extemporise as much as possible but I want to be precise in order that you could get the full thrust of my legitimate intervention on this point of order.

As the House has just witnessed, closure through time allocation has now been moved. In terms of the admissibility of proposed motions for amendments at report stage, Your Honour, whom we acknowledge must look at the procedural rules but also has a certain capacity for discretion with respect to these matters, should in each instance, especially when there will be a severe limitation imposed on debate, opt for the admissibility of motions which are legitimate and which are in fact an attempt to deal with shortcomings as seen by a significant number of Members of Parliament in this legislation, indeed shortcomings which have been acknowledged generally by a very large number of Canadians.

I would like to make a few short remarks, Your Honour, with respect to your initial observations concerning the procedural acceptability of Motion No. 94 standing in the name of the Hon. Member for Vancouver South (Mr. Fraser). It is a motion with which we in this Party are particularly concerned. Mr. Speaker, you have stated that, in your view, the motion attempts to insert a provision in the Bill which exceeds the scope of the Bill as passed at second reading. The object of the

motion is to clarify the nature and terms of the review that is to be undertaken by the review committee established by the Bill. I think that this is an important point: Motion No. 94 merely clarifies the functions of the review committee which is created by Clause 34 of Bill C-9.

As indicated in Clause 38, the primary object or function of the Review Committee is to "review generally the performance by the service of its duties and functions". However, Mr. Speaker, Clause 38(a) outlines in detail certain of these functions. These subclauses, while falling squarely within the general object of the review committee, do not permit the review committee to fulfil its entire mandate of undertaking a general review of the duties and functions of the service.

For example, although Clause 38(a) contains references to the specific powers outlined in certain clauses of the Bill, it does not give the review committee the authority to review the service's role in providing security assessments to departments pursuant to Clause 13(1), or its role in providing advice to all Ministers pursuant to Clause 14. Thus, the specific objects of the review committee fall far short of the general function or objects of the review committee. I suggest with all deference, Mr. Speaker, that Motion No. 94 would correct this oversight.

The general review of the performance of the service cannot take place in a vacuum. Clause 12 of the Bill empowers the service to collect, analyze and retain information relating to threats to the security of Canada and to keep itself informed through public sources of information about the "political, economic and social environment within Canada and matters affecting that environment". Since the service is given such a broad mandate, is it reasonable to assume that a general review of the performance of the service could be any less wide-ranging?

With respect to the specific powers of the service for which no review is provided under Clause 38, it is interesting to note that Clause 13 of the Bill permits the service to provide security assessments to all departments of the Government of Canada. The definition of the word "department" is that contained in the interpretation clause of the Bill and reads as follows:

> (a) any portion of a department of the Government of Canada or of the province, and
>
> (b) any Ministry of State, institution or other body of the Government of Canada or of the province or any portion thereof;

As well, the service is empowered under Clause 14 to:

> —advise any Minister of the Crown on matters relating to the security of Canada that are relevant to the exercise of any power or the performance of any duty or function by that Minister under the Citizenship Act or the Immigration Act, 1976.

Thus, it can be seen that the powers of the service cut across all departments and agencies of the Government of Canada. It is also evident, however, that the review Committee that is to be established under Clause 34 of the Bill does not have the authority to review all of the activities, functions and duties of the service. The motion of my colleague would serve to correct this deficiency in the Bill.

Surely, Mr. Speaker, an important aspect of any review of the performance of the service must include a general review of the effectiveness of Canada's security and intelligence functions and arrangements. Only by conducting such a general review of the measures that are in place can a rational evaluation of the security service's role and performance be made. In other words, if it is done in a vacuum, not having regard to the other important elements in terms of the security intelligence gathering functions of government, then the review which takes place by the review committee will be ineffectual and inadequate for the purpose for which it was established. It stands to reason that, even in light of the broad mandate of the service, if other agencies of government are involved in intelligence gathering, then there must be some failure on the part of the service to fulfil its mandate. That information is of importance to any review that might be undertaken by the review committee. Furthermore, such a review is necessary when placed in the context of the service's advisory role to other departments and Ministers.

Thus, Mr. Speaker, it can be seen that the effect of Motion No. 94 would be to bring the powers of the review committee into line with the broad general powers of the service as outlined in Clause 12, and would provide the review committee with sufficient authority to undertake a review of the service's studies under Clause 13(1) and Clause 14. Having regard to what I hope I have established as being the relevance of this amendment with respect to the powers contained in the legislation, and the existing powers which were passed and approved at second reading stage, it seems to me that there is a solid and rational basis upon which Your Honour could come to the conclusion that it is in fact germane and within the scope of the legislation as presented and passed at second reading.

The difficulty which I see if we do not allow a reasonable interpretation in terms of legislation of this nature is this. It is fair to say that you, Mr. Speaker, can take notice of the fact that there is a considerable amount of public interest and concern shown when we are entering into the passage of legislation which deals with the national security of our country. The legislation deals with the establishment of an agency which will have the scope and power to investigate and, to use the colloquial term, spy upon people, residents and citizens of Canada. Procedural observations should be equitable and brought forward on the basis of a fair and rational debate in a free and democratic Parliament.

● (1520)

I do not want to sound maudlin, Mr. Speaker, but I believe there are important principles of freedom involved in this legislation which would dictate that you, as the first commoner, would opt for a reasonable interpretation of this legislation, allowing a debate on the ability and capacity of the review committee to investigate the capacity of the security service to operate in the context of other security intelligence gathering agencies in Canada. That is the essence of it. I believe it is based upon fair and reasonable procedural considerations. I believe I have been able to demonstrate with respect to this

legislation that there is relevance to the principles approved by the House on second reading.

I realize I have mentioned this before in other procedural arguments, but I feel strongly, and Hon. Members of my Party feel strongly, that, as much as possible within the bounds of procedural acceptability, we allow motions and amendments which are germane to the legislation and in which there is a very substantial interest of the people of Canada and very great stakes are involved.

On that note, Mr. Speaker, I hope you will exercise the fair discretion of your responsibilities as Speaker of the House and allow the motion which was presented by my colleague, the Hon. Member for Vancouver South (Mr. Fraser), namely, Motion No. 94.

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I will be very brief because I would certainly by and large adopt the arguments made by my friend, the Hon. Member for Saskatoon West (Mr. Hnatyshyn), with respect to the admissibility of Motions Nos. 93 and 94.

With respect to Motion No. 89, which attempts to provide for greater flexibility and independence on the part of the review committee in the hiring of its staff and the establishment of its budget, I recognize the citation which Your Honour has referred to from Beauchesne does specifically preclude any imposition of an additional condition with respect to the royal recommendation. Of course, since the involvement of the Treasury Board would appear to be one of the safeguards which, even though some of us might disagree, the Minister appears to want to include in the powers of the review committee, I recognize that that is a condition and that by attempting to remove that condition we appear to be moving beyond the scope of the royal recommendation. Therefore, I will not take issue with Your Honour's preliminary ruling with respect to Motion No. 89.

I would, however, strongly appeal to the Chair to reconsider Your Honour's preliminary ruling with respect to Motions Nos. 93 and 94. I recognize the wisdom of Your Honour's preliminary ruling with respect to Motion No. 89. However, I ask Your Honour to reconsider Motions Nos. 93 and 94 for the reasons enunciated by the Hon. Member for Saskatoon West, and given the context of the proposal which is set out in Motions Nos. 93 and 94. Motion No. 94 generally refers to the relationship between the proposed civilian security service and other intelligence agencies in the Government of Canada. Motion No. 93, which is set down in my name on behalf of the New Democratic Party, calls for a review of the relationships between the service and all other bodies and agencies engaged in security or intelligence functions in Canada. Then there were a number of other provisions with which I believe the Chair has not taken issue.

Your Honour stated in your preliminary ruling: "This is clearly a new idea which was not contained in the Bill as agreed to at second reading stage". Surely, Mr. Speaker, one of the purposes of clause by clause study is to improve upon the substance of legislation, not to import wholly new concepts or new ideas which are beyond the scope of the Bill. Nevertheless, Mr. Speaker, where there is an opportunity to improve upon the Bill as presented, surely that is the responsibility of the committee.

I submit, Mr. Speaker, that by including this provision we have not gone beyond the broad scope of the Bill, the principles of the legislation. What we are doing effectively, Mr. Speaker, is responding to many representations which have been made to the effect that one of the responsibilities of a new review committee must surely be not only reviewing the intelligence functions of the service but as well the relationship between the service and other intelligence agencies in the community. Certainly this was a strong recommendation of the McDonald Commission.

I would note, Mr. Speaker, that we are not dealing in this instance with a suggestion that the review committee should somehow have jurisdiction over other intelligence agencies. That would be a separate amendment, to suggest it should have the power, as indeed was recommended by a number of witnesses, to effectively provide for oversight of the other operators in the intelligence community. Some of us believe that would be a good idea. However, that is not the purpose of this amendment. This amendment states that the security service obviously is going to have relationships with other agencies in the intelligence community. It would merely expand—but not beyond the principles of the Bill—the scope of review of the new security intelligence review committee to encompass those relationships. Therefore, it builds upon the foundation of the Bill, Mr. Speaker. It does not in any way add a new or different principle to the Bill.

I suggest that if there is any doubt whatsoever as to the procedural acceptability of a motion of this nature, particularly where it is—I believe the Speaker would recognize—very close to the line, perhaps, it nevertheless is one which I would submit, after reviewing the question, falls within the nature of an amendment which adds to the Bill. It certainly does not in any way alter the substance of the Bill. Therefore I would urge Your Honour to permit the debate which should be held on this very important amendment. I would urge Your Honour to allow the debate to take place on Motions Nos. 93 and 94.

Hon. John A. Fraser (Vancouver South): Mr. Speaker, it is interesting that you are in the position of having to make rulings on these amendments a few minutes after the new Leader of the Liberal Party, Mr. Turner—who has come out of a convention talking about reform of this place, reform of the Liberal Party and reform of the process—has just moved a form of closure on the security Bill. Your Honour, of course, is not a part of any of that. I could not agree more that this is not of your doing. However, it is interesting and I believe it puts Your Honour in a more difficult position than Your Honour ought to be placed in.

However, the fact of the matter is that shortly after this great convention in which we are told we are going to have change and reform, the first thing which is done by Mr. Turner is to make sure that closure is put on the discussion in this House of the security Bill. There is no way he or anyone

else can get away from it. What should be clearly understood, Mr. Speaker, is that nothing has changed as a consequence of the weekend. The Government Party now with its new leader is just as determined to continue the tactic it has used so far, which is to accept no amendments whatsoever, then to make every effort to make sure that those amendments which have been put forward cannot properly be debated.

Referring specifically to your ruling, I understand perfectly the rule which Your Honour asks us to address, that is, whether an amendment which could charge the review committee as set up in Bill C-9 to examine other than just the security service is such a departure from the Bill that Your Honour cannot accept it in this Chamber at this stage. That is your specific point. That is what you have asked me to address.

● (1530)

I want to remind the House that under Clause 38 the Government has insisted that the Security Intelligence Review Committee should only review the operations of the service and no other agency dealing with Canada's security. The Progressive Conservative position is put forward in Motion No. 94. It was argued in committee and was the subject of a great deal of discussion. That position is that the committee should have as one of its functions the review generally of the effectiveness and propriety of Canada's security and intelligence functions and arrangements wherever such functions and arrangements are carried on in the Government of Canada.

For those who might argue that this motion brings in some separate notion, I would point out that the security service has been in existence these many years and it will continue to be exactly the same security service when Bill C-9 is passed. That security service is dealing with every other element of intelligence gathering within the Canadian system. It is naive and ingenuous in the extreme to suppose for one minute that a security service operates in this country without having a great deal of interaction with other intelligence gathering agencies or groups within Canada. One of them, of course, is the communications security establishment of the Department of National Defence; and, of course, another is the Department of External Affairs.

The rationale for this amendment is that the Security Intelligence Service will be interacting every day with other agencies and institutions of this Government which are engaged in security information and in intelligence. The Security Intelligence Service, for example, may—and I would say it goes beyond "may"; it will be receiving information from the communications security establishment of the Department of National Defence and certainly from the Department of External Affairs. It is our position that the committee must be able to assess the reliability of such information that the service may act on. In addition, the committee must also be able to look at all such functions in order to determine whether certain activities are being performed on behalf of the service and should be removed from oversight and review.

The whole object of this Bill is to establish by mandate a set of rules which will try to establish in the minds of the Canadian public a sense of trust that the security service indeed has clear direction and at the same time is properly constrained. The point I am making is that it is impossible to expect the review committee as set out in this Bill to effectively review the activities of the security service which everyone knows relate to other information gathering agencies in the committee cannot examine that relationship. That is the substance of my argument. It has been set out quite clearly by others speaking before me and it may well be repeated.

The other issue is that Your Honour is now caught in the unpleasant situation of being asked to rule on these matters, as is your duty and responsibility, at a time when a new leader of the Liberal Party has obviously sent a direction to the Solicitor General to put closure on this most important Act, which Alan Borovoy has stated recently contains some of the greatest threats to the security of Canadians since the beginning of Confederation.

Mr. Speaker: The Chair would like to indicate at this point that there seems to be agreement with regard to Motion No. 89. The Chair will rule that out of order. The Hon. Member for Burnaby (Mr. Robinson) indicated he accepted it. The Chair would like to reserve judgment on the other two motions, No. 93 and No. 94, and will attempt to render a decision at the earliest possible time after reviewing the record of the House.

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, we are now dealing with a most important issue. We saw the Government move closure on second reading. We saw the Government refuse to take amendments in committee, as well as try to stifle debate. Now we have the Government, led by the Solicitor General (Mr. Kaplan), moving closure on Bill C-9. Closure under a new Prime Minister who is going to be more open and less arrogant towards Parliament and the Canadian public. In view of the continued arrogance of the Liberal Party and the disrespect shown for Parliament and for the Canadian public, I would like to move this motion:

That this House now adjourn.

The Acting Speaker (Mr. Herbert): The Chair has received the motion from the Hon. Member for Nanaimo-Alberni (Mr. Miller). The Chair would refer the Hon. Member to Standing Order 8(3):

When it is provided in any Standing or Special Order of this House that any business specified by such Order shall be continued, forthwith disposed of, or concluded in any sitting, the House shall not be adjourned before such proceedings have been completed except pursuant to a motion to adjourn proposed by a Minister of the Crown.

Because of that Standing Order I cannot accept the motion of the Hon. Member.

Mr. Robinson (Burnaby): I rise on a point of order, Mr. Speaker. There is no special order or House order with respect to the conduct of the business at the present time, so surely to goodness a motion to adjourn under these circumstances is entirely in order. That Standing Order is not applicable in

these circumstances. If there was a House order for a vote at 5.45 today or at 9.45 today, in those circumstances that Standing Order may be appropriate. However, it is under no circumstances applicable in these circumstances. I respectfully submit that Your Honour reconsider and recognize that there is Government business before the House and that it is the right of any Member to protest the arrogance of this Government in moving closure on such an important Bill.

The Acting Speaker (Mr. Herbert): Order, please. I was prepared to listen to the Hon. Member presenting an argument until he started debating another issue. I would refer him to Standing Order 9(1) which provides that:

On the tenth sitting day preceding June 30 a motion to extend the hours of sitting to a specific hour during the last ten sitting days may be proposed, without notice, by any Member during routine proceedings.

I refer the Hon. Member to the proceedings of this House on Thursday, June 14, where in unanimous consent was given to a motion proposed by the President of the Privy Council (Mr. Pinard). As a result, I am afraid my ruling stands and a motion cannot be accepted.

For continuing debate, the Hon. Member for Saskatoon West (Mr. Hnatyshyn).

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, we are now dealing with provisions of this legislation dealing with the definition of national security in Canada. I had the privilege of representing my Party for a period of time as critic with respect to this legislation. We had a very full debate and a number of representations were made to us by people across this country which I think were fairly consistent. These were not a group of lunatics or people who were unduly concerned or a little crazy. These were eminently sensible, outstanding citizens of our country who made a consistent plea to us as Members dealing with this legislation.

● (1540)

The plea which we as Members of Parliament received was that there was great concern and apprehension over the broad definition of what constituted a threat to national security under this legislation. I will give an example of what I am talking about. Under this legislation, if you are found to have supported movements and groups outside of Canada which advocate the overthrow of established governments in other countries, you become a target for the civilian security agency to spy upon. There is no question that at first blush that does not sound like an unreasonable proposition. There are some groups which I do not think 99 per cent of Canadians would want to be associated with which do support the violent overthrow of some legitimate foreign government.

It has been pointed out to the Government time and again that there are some very legitimate concerns. Sometimes there is an element of violence involved. However, sometimes this is the only recourse for people who live under oppression in countries which are not democratic. Are we going to say that the people who support Solidarity in Poland should become a target of our new security service? That is an outrageous proposal for any of us. It is outrageous to say that those of us who support freedom against tyranny and oppression should become legitimate subjects of our new spy service. If that is common sense and logic, and if that will be the result of this legislation, where are we headed in Canada?

I would have thought that after the Liberals had a chance to consider the leadership of their Party this issue would have been defined and articulated. The Solicitor General (Mr. Kaplan) was one of the leading supporters of Mr. John Turner. I assume when the Solicitor General takes a position on this legislation that he reflects and advises Mr. Turner as to the position the Government is going to continue to take with respect to the legislation. He is a spokesman for John Turner, the future Prime Minister, with respect to this legislation.

I asked the Government House Leader today whether the legislative priorities were going to continue. He said that nothing has changed. The Government House Leader said that Mr. Turner is the new leader and everything that is going on in this institution is okay with him. We had hoped that the matter of civil liberties, the freedom of people in Canada to conduct their affairs without being spied upon by this new civilian intelligence agency, would have been an important issue to Liberals and to Mr. Turner. Where does he stand? He is cheek by jowl with the Solicitor General. He believes the Solicitor General is right. One of his leading supporters and organizers is now, by this definition of "threats to national security", imposing one of the most serious threats to Canadians in any legislation which has been passed during my parliamentary experience, which extends back some 10 years.

As parliamentarians we ask ourselves how any government comes to the conclusion that it is going to open up an agency to spy upon people who have legitimate concerns about the freedoms of people in other countries. Under this legislation the Government is able to unleash enormous capacity to spy on everything done by individuals, groups and agencies which may in fact support the Sandinista movement. There is violence involved there. What about Central America? What about the Afghan rebels? Is anyone in this House prepared to stand in their place and say that anyone who supports the Afghan rebels should be the subject and target of the secret service in this country? It is preposterous even to suggest that.

We brought in amendments. Unfortunately the Speaker saw fit to disallow them because of a procedural fluke. The Speaker said that this is a substantive amendment to a definition section. We have been prohibited by the Speaker from bringing in amendments to tighten up the definition of threats to national security. Our last resort is to support a motion which deletes this provision and opens up the question of redefining threats to national security. That is the serious matter we have before us now.

I know the kind of advice that people in the Government get from their bureaucrats. That say that they need a certain flexibility in the operation of a security service. That kind of advice is for self-protection. The transition team is most interested in not having too many constraints placed upon it. It wants a broad scope and mandate under which to operate.

That is only normal. It is human nature, if I may be permitted to say so. The Solicitor General may be being advised not to get too technical, not to put the service under too many constraints or to make their lives difficult. That is what political responsibility is all about. That is why, in our system of government, the Minister should stand up and say that although it may be difficult to carry this out and administer it, he is talking the political responsibility to show the people of Canada that never, while he is Solicitor General, will we have a country in which civil liberties will be trampled upon and free expression in support of democratic principles will be thwarted.

Where is the Liberal Party in terms of the freedom of Canadian citizens? Why is it silent? Why, except for the purpose of moving closure of this debate, are Government Members not standing up to defend their position if it is so defensible? They are silent because they have no defence.

As a western Canadian I can tell you, Mr. Speaker, that as I speak to Canadian citizens in my part of the country I learn that this concept of a civilian security intelligence agency has caused apprehension. Liberal Governments have had the mentality that they know best, that people cannot be trusted, and that bureaucracy is everything. People often wonder why there was such an outcry when we questioned some of the moves that the Government has taken in terms of emergency planning legislation in peacetime, in terms of taking control of our communications and, by Order in Council, taking control of things which we thought were under the direction of Parliament. When the Government has that kind of mindset it is no wonder that it is prepared to resort to closure in order to trample the civil liberties of Canadians. This is not going to be forgotten by hundreds and thousands of Canadians who are going to be faced with the issue in the next election.

● (1550)

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, at the outset I must say that I am absolutely fed up with the process that is taking place here today. As a result of the Liberal leadership convention, I thought there was supposed to be a new Liberalism and a new approach. Particularly, the Liberals were going to be sensitive to the interests of western Canada. However, what do we find? When we return on Monday after the new leader was been briefed on Sunday, the Liberals are putting closure on a motion.

Mr. Hnatyshyn: It is a foreclosure on freedom.

Mr. Thacker: They are foreclosing freedom. It is absolutely abominable.

The Acting Speaker (Mr. Herbert): Order. I must draw to the Hon. Member's attention the fact that we are not debating a motion to allocate hours; we are presently debating a series of motions, starting with No. 2. I would appreciate Hon. Members giving attention to the motion that is being debated.

Mr. Thacker: Mr. Speaker, we are essentially discussing the clause that deals with threats to the security of Canada. The action of the Government this morning is a threat to the individual security of Canadians.

The RCMP has had a long history in this country. It is respected from shore to shore. Recent polls show that people have immense trust in the RCMP. Everyone knows that the RCMP were let down by the politicians.

While it is true that the RCMP burned some barns and broke into some offices, it did so at the impulse of the highest order in this country. When they were exposed, the politicians and Cabinet scurried for cover and left the RCMP to hang out on the line. In order to punish the RCMP it brought in this civilian agency to take that responsibility away from the RCMP.

The actions of the Government will destroy another major institutions in this country. It is an institution that people trusted. Of course, that is part of the Government plan. The Government will pay a bitter price. How will the Liberals be able to go to the west to ask for votes? How can they tell westerners to trust them when, the first day after they pick a new leader, they destroy the security agency of the RCMP?

Let me say why I am critically worried about the wording of these clauses. Clause 2 deals with threats to the security of Canada. It gives the definition of those threats but to truly understand it one must read Clause 12 first to see how they work together. Clause 12 states that "The service shall collect, by investigation or otherwise . . .". What does otherwise mean? The clause continues: ". . . information and intelligence respecting activities that may on reasonable grounds . . ." All the witnesses said that it should state "reasonable and probable grounds", which is a higher standard, before it can begin to collect information. However, the Government would not accept that amendment. It only states ". . . on reasonable grounds be suspected of constituting threats to the security of Canada"; and thereon it shall report and advise the Government, which is the Cabinet.

Once this security agency is in place it will collect information by investigation or otherwise. It will take information intelligence on activities. One must then look to see what "threats to the security of Canada" means. We all understand what "threat" is with respect to espionage or sabotage because in our modern world, particularly with Soviet agencies operating around the world, we must counter that. We understand its meaning when dealing with people who come from other countries with the intent to destroy our way of life. We have no trouble with its application to foreign-influenced activities or activities within or relating to Canada that will cause threats or violence to property or people. However, we are concerned about Clause 2(d). Clause 2(d) states:

activities directed toward undermining by covert unlawful acts, or directed toward or intended ultimately—

—to attack the constitutionally established system of government. The security service can interpret those words widely. For instance, if the Western Canada Concept said that it may have to separate if it does not get reasonable representation in the west, the security agency can say that that statement is

intended ultimately to overthrow the constitutionally established system of government.

Mr. Evans: You leave out the words "by violence".

Mr. Thacker: It says "intended ultimately to lead to the destruction or"—

Mr. Evans: "Or overthrow by violence."

Mr. Thacker: It can be "either or". It is not "and".

Mr. Evans: The destruction or overthrow by violence, either one by violence.

Mr. Thacker: Either one, that is the point. By taking a broad definition, the agency could interpret that to be the destruction but not by violence. If the clause read "toward the destruction and overthrow", then both tests would have to be met before that clause could be triggered. Once the agency triggers the Hon. Member for Ottawa Centre (Mr. Evans), for example, because he spoke to a group that the agency believes ultimately intends to get at our way of life, it can intercept his first-class mail, instal telephone taps and remove his medical files and legal documents even though it is his private business. There can be a massive investigation of his personal life because he gave a speech to or went to a rally of a group that, in the opinion of the security service, ultimately intends to overthrow or destroy by violence the Government.

That clause is simply worded wrongly. I sat on the committee. I listened to those 25 witnesses and read over 50 briefs which were presented by people like Mr. Borovoy of the Civil Rights League of Canada and the lawyers who appeared. Many legitimate groups said that this wording is too broad in the Candian tradition of freedoms. Consequently, they proposed amendments to it. They have proposed amendments that reduce the ability of the security service to go after our own people. This clause is not designed to go after others because that is provided for in the other clauses. This clause is designed to go after our own citizens. We all feel the shame of what we did to the Japanese-Canadians. They were Canadians whom our own Government uprooted, removed their property and never adequately compensated. Today, in 1984, the Liberal Cabinet is insisting on a wording that would permit the same type of attacks on our own people. We do not have a history of subversion that justifies that at all.

The Government's own member, the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand), is a former Solicitor General in the Liberal Cabinet who knows what it is like from the inside. He has said that the wording is wrong and has put down and amendment that is very reasonable. Yet the Cabinet has rejected a proposed amendment from a former Solicitor General of its own Government. There is something wrong.

The Government is insisting on this wording even though it is too broad. This wording has been rejected by witnesses. A proposal for change has been made by the former Solicitor General. I just do not understand why the present Solicitor General and the Cabinet would not accept an amendment to Clause 2(d) which attempts to go after our own people. It is an intimidating clause. How will I, as a Member of Parliament, be free to talk to groups when I know that this clause will allow someone in the security agency to single me out and I could be subjected for years to investigation and intrusive techniques on my life? It is wrong and the clause must be defeated.

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, when I spoke on this Bill at second reading, I tried to emphasize our concern about the need to have narrowly defined definitions. If we are going to talk about security, we had better define it very carefully. I have wondered since that debate why it is that the Government has so much inertia, so little willingness to listen to any kind of change that might narrow that definition. It suddenly dawned on me that possibly one of the reasons the Government does not want changes is that it does not understand the genuine concern and fear that exists on the Opposition benches. It does not understand it, though not because it does not want to. When you look at the Government benches there are so few Members who represent the multicultural community and therefore have no input that would allow them to understand this kind of fear.

● (1600)

I can tell you that within this caucus there are numbers upon numbers of Members who come from a multicultural community who either themselves or their relatives have experienced a police state that gives them a genuine concern for and fear of this kind of legislation. They have faced this kind of insecurity. When I look at my colleagues who have come from Eastern or Western Europe and who have faced this kind of situation where any kind of definition can be changed to suit a situation at the whim of an official, I know there is cause for genuine fear.

Members of the Government do not understand the sincerity of our concern regarding this aspect of the legislation. It is impossible for them because neither they nor their families have experienced such a situation. When we live in times of real calm in Canada, when we are at peace, when there is no social upheaval or international upheaval that touches our borders, it is understandable they do not really appreciate what we are talking about.

In the seven or eight minutes left to me I want to remind Members opposite of four experiences which they should be able to recall that underscore why we are worried. First is World War II and the climate of fear that existed in Canada on the part of those who did not come from United Kingdom stock but who came from European or Oriental stock. Let me remind Hon. Members that it was the Liberal Party in 1939 or 1940, when it wanted to criticize the CCF, as it was at that time, and Mr. Woodsworth's defence of the Orientals, that put ads in the paper reading: "Vote socialist and you bring in the yellow peril". That is what the Liberals were advertising in those years. That was done because of the emotional charge at

the time and the racism that existed in the Liberal Party; there is no question about it.

I draw on my own experience in World War II. I come from a German ethnic background and happened to be pacifist. How would you like to live in a German community, Mr. Speaker, having the name Schmidt and be in a pacifist community which refused to take up arms against the Germans? You were a pacifist because your religion said you should not take up arms. When you combine wartime fever and the anti-German atmosphere, which cultivated hate and fear, with a religiously pacifistic community, there was nothing that could stop that community from being the subject of hatred by the rest of the community. All you needed was a secret police contingent to swoop down.

Let me remind my colleague across the way who shares my alma mater with me at the University of Washington what it was like in the late 1960s and the early 1970s during the Kent State riots. I remember standing in the commons of that university seeing policemen standing on the library roof looking down at a crowd of 10,000 students and the drifters who came off the street to demonstrate against the administration. You could easily understand, with the police up there, why the people who demonstrated wondered how many police there were among them. During times of high emotion there is legitimate concern when one has loose definitions.

In October, 1970 in the Province of Quebec, I do not have to remind Hon. Members that over 400 Quebeckers, citizens of Canada, were arrested and imprisoned but never charged. The former Speaker of the Senate, who is a former Minister of Transport in this Chamber, Mr. Marchand, a very honourable person, laughed when he saw the list of people who were arrested during that time of peak emotion.

I want to point out to the Solicitor General (Mr. Kaplan) that today there are citizens of Canada who are demonstrating against a foreign government. I am speaking of the Sikhs in Vancouver, Calgary, Toronto and other places who are demonstrating against their former country of Indian because of the policies of the Indian Government against the province of Punjab. They are demonstrating in favour of the State of Khaliskan and so forth. When you see them on television demonstrating, in our terms peacefully, all it takes is a wild-eyed secret officer to say they are being violent.

I want to bring to the attention of the Solicitor General that many thousands of Canadians came from the Third World and thought they were escaping the kind of legislation he is introducing today. When they see the implications of this legislation, I can tell him that members of the Sikh community in my constituency will be concerned. There were 2,000 people who demonstrated in Vancouver and if they knew what this legislation portended they would be very concerned.

Definitions have to be very precise. Under the dynamics of today's world when the ideologies of the counter culture have a dynamic that is built upon changing meanings of words, it is imperative that definitions be very precise. If we do not have a precise definition for violence or what constitutes overthrow, what constitutes national security, those people in the counter culture who are bent upon non-democratic means are going to twist the meaning of words. That is their goal. That is their *modus operandi*. Therefore, as a lawyer, as a civil libertarian and a man who ought to be concerned about the civil rights of all Canadians, I urge the Solicitor General to look at the definitions and make certain that when we are debating national security, violence and overthrow of government, all those kinds of terms, he gives us definitions so precise that they cannot be twisted.

• (1610)

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Herbert): It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen)—Pornography—United States legislation action—Canadian position. (b) Government plans; the Hon. Member for Mission-Port Moody (Mr. St. Germain)—Finance—Proposed mortgage rate protection program. (b) Increase in mortgage rates; the Hon. Member for Kootenay West (Mr. Kristiansen)—Co-operatives—Task force recommendation on workers' co-operatives. (b) Consultation with Canadian Labour Congress representatives.

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs; and Motion No. 2 (Mr. Robinson (Burnaby)), Motion No. 5 (Mr. Allmand), and Motions Nos. 6, 7, 8 and 9 (Mr. Robinson (Burnaby)).

The Acting Speaker (Mr. Herbert): I am afraid the Hon. Member for Nanaimo-Alberni (Mr. Miller) has already spoken and cannot be recognized at this time.

Mr. Miller: Mr. Speaker, I rise on a point of order. In ruling me out of order in moving a motion, you did not recognize me standing thereafter to speak in this debate. Either I was speaking on an adjournment motion or I should have been recognized to continue debate.

The Acting Speaker (Mr. Herbert): I draw to the Hon. Member's attention, so that there will be no misunderstanding, Standing Order 41 which is quite clear. In part it reads:

No Member, unless otherwise provided by Standing or Special Order, may speak twice to a question—

I do not need to read the rest of the paragraph. In fact, the Hon. Member rose to propose a motion which was not accepted by the Chair. However, that means he is recognized as having spoken on this question and I cannot recognize the Hon. Member for a second time.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I want to make a few comments on Clause 2 of the Bill because I am concerned about the expansiveness of some of the definitions. Certainly the Hon. Minister and the Government should give some thought to defining these words much better than they are defined in Bill C-9.

I was rather amazed that the first act of the new Liberal leader was to announce closure on this important Bill. Surely the consideration of whether we have the RCMP or a separate intelligence body is an important issue for the country, yet the new Liberal leader pronounced closure almost before his ears were dry from the convention. Certainly that was no tribute to the Liberal Party or to freedom of speech. I think the people of Canada should be aware of that. Surely to goodness a Bill concerning the authority—

The Acting Speaker (Mr. Herbert): Order, please. I hate to interrupt the Hon. Member for Bow River (Mr. Taylor), but I have already referred to the fact that the motion before the House is the one which is supposed to be debated. I cannot accept continuous allusion to extraneous matters.

Mr. Taylor: However, Mr. Speaker, closure was announced today on this particular Bill.

Mr. Kaplan: You can speak on that tomorrow.

Mr. Taylor: Consequently, what I had to say was in connection with that.

The Acting Speaker (Mr. Herbert): I do not think the Hon. Member is wanting to argue with the Chair. However, I point out that if there is a motion proposed at some future date, that would be the time to speak on it.

Mr. Taylor: That is fine; we will certainly do that because the people of Canada should know that closure was his first act.

Let me deal with these threats to the security of Canada. I was raised in a coal mining area. I know what can happen if the words "security", "threats" and "activities" are not very carefully defined. When I was a small boy of six or seven years of age, I recall that World War I had almost ended. Even now I remember the violence and the feelings which ran so high against German people on account of Kaiser Bill because many of our boys from the Drumheller area had lost their lives on foreign soil fighting for freedom to run our country the way we wanted. Some people felt that it was the time to get even. Two or three of them went at midnight to the home of a Canadian of German extraction who lived by himself. They had evil thoughts in their minds. They pounded on his door and broke his windows. Finally they were about to break in his door when he warned them by saying: "I have a shotgun; if you come in I will use it". They had no right to be on his property. He was a Canadian citizen. He was not responsible for what Kaiser Bill did, any more than the German people in my constituency were later responsible for what Hitler did. They had no sympathy with it. It was completely unfair to chastise them and put them on the spot, thinking that anything they did was in line with what the German leader did. But they did not stop. They broke in the door, and the Canadian of German origin used his gun and killed one of them. That ended that fracas. Then the police came.

In part, Clause 2 reads:

(c) activities within or relating to Canada directed toward or in support of the threat or use of acts of serious violence against persons or property for the purpose of achieving a political objective within Canada or a foreign state—

Certainly the freedom of unions to operate is highly political. Also the clause provides:

(b) foreign influenced activities within or relating to Canada that are detrimental to the interests of Canada and are clandestine or deceptive or involve a threat to any person.

The definitions are entirely too wide. Let us look at the strikes that take place in coal mining areas. I have referred in the House before to a number of strikes. When I was in grade 12 I had to walk through a barrage of people who wanted a particular union. My folks happened to be UMWA people, which I think is a splendid union. It has proven itself to be an excellent union. However, there were other people who wanted the Canadian union which, in my view, was headed by nothing short of a bunch of communists.

Was this a threat within Canada in which the intelligence corps should become involved and take sides? Those who were on the side of UMWA received threats that their houses would be burned. Many of them, including my own brothers and sisters, insisted upon going to work because UMWA was not on strike. The Canadian union was determined that no one would go to work. They broke car windows, threatened to burn houses and so on. These types of things take place, but who is to say which side happens to be loyal to Canada? I think both sides included many people who were loyal to Canada. Later on one of the leaders of UMWA became an excellent ambassador of the Canadian Government in another country. Certainly we could not say that the people on the UMWA side were disloyal to Canada. On the other hand, the convictions of a number of people were that the Canadian union should have dominance because they did not want funds going to the United States, to the UMWA. The UMWA has certainly taken funds from Canada to United States. During the depres-

sion years, funds came the other way from the UMWA. They came back into Canada to help the depressed families when the going was tough and the coal miners were not working.

● (1620)

The point is that we have a clause that would enable action to be taken against people because they are fighting for their convictions, for their freedom of choice. Surely our people should not be put in that position when they fight for their convictions in the belief that this will make a better country. I say that for both sides in that strike.

I remember walking through a crowd in front of the bands of men and women who were on the side of the Canadian union. It should have been called the communist union. I remember them with their pitchforks, shovels, axes and knives. What could happen with definitions like this with regard to threats to the security of Canada, the political objective within Canada or a foreign state?

I urge the Minister to consider the definition of "threats to the security of Canada". Suggestions have been made as to alternatives which makes some sense. At present it is far too wide. I urge the Minister, even at this late stage, to bring in amendments. If Canadian men or women so much as talk to a union, they may well become a marked man or woman. That is not freedom of speech or freedom of tenure. That is not the kind of country I envision Canada to be.

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, I rise to support the motion before the House today which, if adopted, would delete Clause 2 of the Bill to establish a Canadian Security Intelligence Service. What we find offensive in this clause are the subclause near the end of the clause. The rest is simply definitions of an employee, a foreign state, who the Inspector General is, who the Minister is and that sort of thing. It then tries to define threats to the security of Canada. There is quite a detailed explanation as to what threats to the security of Canada might be. It states, and I quote:

(a) espionage or sabotage that is against Canada or is detrimental to the interests of Canada or activities directed toward or in support of such espionage or sabotage,

The Criminal Code defines "espionage" and "sabotage" effectively and directly, yet we have a very detailed explanation here which goes beyond the Criminal Code explanation. It "fuzzifies" the whole definition. The balance of the definition of threats to the security of Canada is as follows:

(b) foreign influenced activities within or related to Canada that are detrimental to the interests of Canada and are clandestine or deceptive or involve a threat to any person,

(c) activities within or relating to Canada directed toward or in support of the threat or use of acts of serious violence against persons or property for the purpose of achieving a political objective within Canada or a foreign state, and—

I will read the final subparagraph because it should be on the record:

(d) activities directed toward undermining by covert unlawful acts, or directed toward or intended ultimately to lead to the destruction or overthrow by violence of, the constitutionally established system of government in Canada, but does not include lawful advocacy,—

That is the disclaimer.

—protest or dissent, unless carried on in conjunction with any of the activities referred to in paragraphs (a) to (d).

That opens up a lot of questions. The Canadian Council of Churches went through this Bill. They have some questions which have not yet been answered. They pose questions concerning the interpretation of subparagraphs (b) and (c) of that clause. They wondered if that clause could be construed to mean that lawful church activities and mission work, or lawful church and community activities, including development education, peace advocacy and human rights defence, might not fall within those definitions. How could a church lawfully raise money, as many churches are now doing, for governments in Nicaragua, Guatemala and a great many countries in Africa where churches are providing assistance, countries that are in a politically unstable state? Sometimes our country does not approve of the government in power at the time.

Would it be construed as going against the best interests of Canada if our current government did not approve of their current government? If members of an activist group in another country came here to address the church group, would they subject themselves to surveillance? Would their activities fall within the definition in Bill C-9? In defining the powers of this Bill, it is a question of what is in the interests of Canada?

The interests of Canada are not defined in this Bill. Some of the interests of Canada may be defined in the Constitution, but it is hard to find much in that. Ultimately it comes down to somebody, somewhere in the security service, deciding what are the interests of Canada. They do not report to the House of Commons or to the Parliament of this country, yet the interests of Canada are supposedly being looked after. Someone elected to the position of looking after the interests of Canada has no way of finding out what this agency is doing and what is defined to be in the interests of Canada. We could well have the little social affairs committee of a church in Fort Qu'Appelle, Saskatchewan subjected to surveillance by the new security service because it has chosen to discuss the political situation in a country such as Nicaragua and Guatemala.

The churches also have some problem with the definition in subparagraph (b) and pose this question: Consider that a visiting foreign finance minister from a country where churches have carried on mission work for many years requests a private meeting with Canadian church officials in Canada to discuss Canadian aid and trade policies. This is not a hypothetical kind of question. In the last couple of years, officials who are former church officials and are now members of the government of a foreign country have come to Canada to discuss that very item. When such a visitor comes, he inevitably comes in part to aks for assistance. He attempts to enlist the aid and advice of his Canadian friends in the churches. What would that action be deemed to be by this faceless agency that is deciding what are the interests of Canada? Would it be felt to be in the best interests of Canada for a group of church people to be discussing development and political problems that exist in a foreign country with someone from that country, or would the agency that is deciding what is

in the best interests of Canada decide that these people are a bad influence and therefore this group is a bad influence and that by simply holding a meeting with such a person from such a country, that group would then become subject to surveillance and investigation in this country? I think that strikes at the very root of the democratic right that we in the country thought we had, the right to meet in public assembly and to discuss any topic we wish to discuss in public assembly.

• (1630)

By leaving the definition of the interests of Canada vague, ill-defined and almost not defined, and by leaving those decisions to be made by the security service itself, a service which does not properly report to this House and is not properly accountable to this House, a very scary situation is created. In order to have a better clause, we at this time move to have Clause 2 deleted, and that is what we are proposing to do by this amendment.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, this particular clause of the Bill involves definitions. Grouped for debate are Motions Nos. 2, 5, 6, 7, 8 and 9. I wish to direct your interest to Motion No. 5, Mr. Speaker, a motion placed on the Order Paper by a former Solicitor General for the Government, the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand). I think that this particular motion gets lost in what I might call a ridiculous motion, it being Motion No. 2 which had been moved by the Hon. Member for Burnaby (Mr. Robinson), a motion which seeks to strike out the entire clause. Frankly, I think that was an unreasonable motion and that it should perhaps have been disallowed in the first place.

What is most important is that in presenting his Motion No. 5, the Hon. Member for Notre-Dame-de-Grâce-Lachine East deals with the central issue of this Bill, and that is the vagueness with which the powers of the Canadian Security Intelligence Service are defined. As you will know, Sir, Clause 2 attempts to define "threats to the security of Canada". We wind up with the requirement for another subclause, because "threats to the security of Canada" have suddenly become something detrimental to the interests of Canada. I do not know what is detrimental to the interests of Canada. Frankly, most of the time I think that this Government is detrimental to the interests of Canada. Indeed, a million and a half people who are presently unemployed think that this Government is detrimental to the interests of Canada. Taking a broad look at the Bill, that would presumably allow this security service to investigate everything and everyone.

The amendment put forward by the Hon. Member for Notre-Dame-de-Grâce-Lachine East specifically and narrowly defines in a proper fashion what the interests of Canada are and what threats to the security of Canada are. Rather than dealing with espionage or sabotage that is detrimental, the Hon. Member specifically suggests that the definition in Clause 2 be confined only to espionage or sabotage directed against Canada and not espionage or sabotage that is detrimental to the interests of Canada, whatever those may be. That is the Hon. Member's first suggestion and it is clear and understandable. The gobbledegook that is contained within the Bill unnecessarily broadens the grounds for investigation to something far beyond what I think is proper.

The second suggestion made by the Hon. Member is in paragraph (b) of his amendment which reads:

(b) foreign activities within Canada which are harmful to the vital national interests of Canada,—

Paragraph (b) of the Minister's clause reads:

(b) foreign influenced activities within or relating to Canada that are detrimental to the interests of Canada and are clandestine or deceptive or involve a threat to any person,—

If any activities involve threats to persons, those responsible can be prosecuted under the Criminal Code. The fuzzy definition that we are expected to approve in the draft Bill that was returned from committee is improper. The tight wording proposed by the former Solicitor General makes sense and should be adopted.

Throughout this whole debate, we should look very carefully at the suggestions made by the Hon. Member for Notre-Dame-de-Grâce-Lachine East. His suggestions are sensible and tie down the definition of "threats to the security of Canada" in a precise fashion. That definition is tied down to the point where such activities must be related to what is happening within Canada. As the Bill presently reads, it allows investigation of all kinds of activities rather than just those activities which are related to or in support of threats of violence in the country. Again, it is important that the amendment which narrowly limits the grounds on which threats to the security of the country may be investigated by this service be considered.

I believe we ought to take the suggestion made by the Hon. Member for Notre-Dame-de-Grâce-Lachine East very seriously. That Hon. Member has had experience as Solicitor General of Canada. He is interested in the whole problem. He does not produce a blanket "get-rid-of-the-clause" amendment that lacks reason. He produces for us a cogent, well argued and well defined amendment that makes it possible for us to say that if that amendment is accepted this Bill will be a better Bill.

I know that the only change to the Bill from the way it was presented at second reading and altered in committee that was accepted by the Government thus far was the insertion of the word "serious to paragraph (c) of Clause 2 which falls under the definition of "threats of the security of Canada". That is not good enough. We cannot allow this clause to go unchallenged. We must have the narrow definitions that are required as presented by the Hon. Member for Notre-Dame-de-Grâce-Lachine East.

For example, Sir, paragraph (d) of clause 2 reads as follows:

(d) activities directed toward undermining by covert unlawful acts,—

And it goes on to read:

—or directed toward or intended ultimately to lead to the destruction or overthrow by violence of, the constitutionally established system of government in Canada,—

What does "ultimately to lead to the destruction or overthrow by violence of" mean? How far ultimately down the road must we go? The Bill does not tell us that. The narrow definition which is contained in (e) of the amendment put forward by the Hon. Member for Notre-Dame-de-Grâce-Lachine East indicates that the covert unlawful acts must be directed to the overthrow of the existing constitutionally established system of Government in Canada. They will not ultimately lead to the destruction, but to covert acts which will, in fact, lead directly to the overthrow of the constitutionally-elected Government.

• (1640)

The wording which the Minister is imposing on the House is wording that can only lead this agency to have such police state powers that it must be unacceptable to every Member of the House with democratic beliefs. I am surprised that the Minister should even have thought of this particular kind of provision. Surely, with his background he should have been more concerned than others about the kind of police state possibilities that exist in the security service. When the Bill deals with an activity which might ultimately lead to the destruction or overthrow of a government by violence, there is no limit to the activities which might ultimately lead to do something. How far down the road do we have to be "ultimately lead"? That is the kind of wording which is in the Bill proposed by the Minister and the Government. The fact is that this wording gives the security service far broader powers than were ever contemplated by most Members of the House.

If we are to pass this Bill, we should get rid of these provisions and accept the amendment which was proposed by the Hon. Member for Notre-Dame-de-Grâce-Lachine East. That amendment makes some sense. It ties down, with a little bit of precision, the powers of the security service. It ties down, with a little sensible precision, threats to the security of Canada.

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, in speaking to this crucial clause of Bill C-9, which involves the question of defintions of subversion as opposed to dissent, I would like to begin by saying that my attitude for some years now has been one which favoured the separating of security work from the work of the RCMP. I would like to begin by saying why I believe that.

As a result of my own personal experience, I have gained a great deal of respect for police work. I was born into a world in which my maternal grandfather was the chief of police in my home town of Transcona. His son, my uncle, followed him into police work and was in the RCMP for some 25 years. I have always had a great deal of respect for the work done by the police and for police people in general. Also, I came to know a great many of them through my involvement in the militia. And so it began to disturb me, when I became involved in questions of political import, that the people for whom I had the greatest respect, in this case RCMP people, were also being asked to perform work which I considered quite unsavoury. They were being asked not to enforce the law, but to do things which from time to time constituted harassment and unnecessary intrusion into the lives of law-abiding citizens.

I came to the view that this kind of work ought to be separated from police work in general. When I am stopped on the highway, for whatever reason, I want to see a person who is enforcing the law, not someone who is associated with all these other matters. I felt that the RCMP was coming into disrepute as a result of its security work. I would like to see that work separated, because I would like to see a police force which we could respect in this country, and I expect that that kind of work will go on, no matter what kind of amendments we make to this Bill, because it is the nature of governments to do so. That is why I still favour in principle the separating of those two functions.

In spite of my cynicism about the future, the House had an opportunity, when bringing this new service into being, to correct some of the mistakes of the past and to admit that there has not been a great deal of sophistication or, for that matter, sound political judgment in the matter of who was simply engaged in legitimate forms of dissent and who was truly a threat to the security of Canada.

We had an opportunity throughout this debate—and it is an opportunity which I genuinely feel has been missed—to focus on what is meant by security, to focus on what are threats to security, to narrow them down and to give our security service a mandate and a focus which respects the full breadth of what it means to be a democracy. We have not done that. Instead, the definitions in Clause 2 provide the legal framework for the leeway which has always been there in an illegal way in the past. We could have taken this opportunity to define what security means, thereby ensuring that all the people who have been unnecessarily watched, unnecessarily harassed and unnecessarily paid attention to in the past will never again be in that situation. That is what we could have done. Instead, we have a situation in which the previous leeway is being institutionalized. Ironically, we are providing the legal framework in 1984 for the kind of vision about which George Orwell so rightly was concerned some 40 years ago.

People may say, "Well, don't be ridiculous. We don't plan these sorts of things". However, we are not legislating only for this Government or even for the next government. We are laying the framework for what will constitute threats to the security of Canada for a long time to come. In that respect, I share the view of the Canadian Council of Churches that Bill C-9 is too broad in scope and vague in definition to be acceptable in its present form. Bill C-9 would permit intrusive surveillance in the form of the electronic bugging of conversations, surreptitious entry of offices and homes, invasion of confidential records, mail openings, and infiltrations of social organizations, including churches, agencies, members and employees. It would also make possible the surveillance or interference of many lawful activities. I share the Council's view that that kind of broad permission is inconsistent with the vision of the kind of Canada that all of us ought to be seeking and in which we want to live.

• (1650)

I am particularly concerned, Mr. Speaker—and it was mentioned earlier by the Hon. Member for Mississauga South (Mr. Blenkarn)—with the question of what is detrimental to the interests of Canada. I believe that has to do with the clause on domestic subversion. Who defines the interests of Canada, Mr. Speaker? We are here every day debating what constitutes the interests of Canada. Many of these so-called political and security questions over the years have been questions of whose economic interests are at stake. Anyone who has taken any time at all or made any effort to study history knows that what has sometimes been elevated to the category of "interests of the nation" or the interests of a particular country, or, for that matter, the interests of a particular alliance, has really been the economic interests of powerful groups within that particular country, that particular nation or that particular group of countries. Therefore, it frightens me, Mr. Speaker, to think that we could have so general a definition of what this new security service is instructed to concern itself with. Determining what is "detrimental to the interests of Canada" surely is what the political exercise in this country is all about. We have a wide variety of views as to what constitutes the "interests of Canada". Therefore, Mr. Speaker, we have missed a wonderful opportunity here. I must say I am not surprised that we missed it but I am deeply disappointed, because what we have here is a confirmation of the fact that this Government is not particularly enlightened or concerned about civil liberties. It is not particularly concerned about parliamentary accountability. It has not seized the opportunity to do the kind of things which we could have done. If there had been the will on both sides of the House to do a good job, we could have made Canada into an example to the rest of the world of how to conduct the admittedly necessary business of protecting the security of one's country, but we could have done it in such a way as to eliminate as much as possible the possibility of anyone being unnecessarily harassed, watched or investigated. We missed that opportunity, Mr. Speaker. I can only say that I hope many Canadians share my disappointment and I hope that not too far in the future we will have the opportunity to review the whole thing.

The Acting Speaker (Mr. Herbert): Debate.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I also want to say a few words on this particular clause of Bill C-9 which is before the House today. I am concerned about the tremendous discretion which the definitions allow the new security service when it comes to defining what "threats to the security of Canada" means.

I notice, Mr. Speaker, there was an excellent comment made about that subject by the Hon. Member for Burnaby (Mr. Robinson) when he spoke in committee on December 6. Perhaps I will repeat it for the House because the Hon. Member really summed up our position well.

[*Translation*]

He said:

Mr. Chairman, on Clause 2, clearly the relevant and the most important provisions in Clause 2 are the provisions containing the definition *threats to the security of Canada*, because it is on the basis of the definition of *threats to the security of Canada* that all other activities of the Canadian Security Intelligence Service flow; that is, other than the secondary mandate, the mandate with respect to security assessment and the mandate with respect to foreign intelligence.

He went on to say, Mr. Speaker:

In my view the definition of "threats to the security of Canada" in this legislation is dangerously drawn up and would permit, furthermore, the targeting of either groups or individuals within Canada that are seeking to support groups outside Canada that are trying to achieve political objectives; trying to overthrow, in a number of instances, repressive military dictatorships. Under the provisions of this legislation as it is worded, Mr. Chairman, under the definition of "threats to the security of Canada", as witness after witness has submitted to the committee, this would effectively permit the service, at its discretion, to target peace activists, church groups that support liberation movements in Central America; to target political organizations or the labour movement when they send funds in support of the African National Congress in South Africa.

[*English*]

I believe that that definition of the sweeping powers given to the new security service for those kinds of activities really sums up the feelings which a lot of Hon. Members have about the definition of words like "subversion". I know from experience that many peace groups, for example, might be under surveillance because someone in the security service may think that they are on the wrong side of the political fence, or that what they are doing might not be good for the Government of the day, and so on. I also know from experience that in many democratic countries, including our own, many of the church activists are often under surveillance because of some of their activities. As I have already mentioned, groups in this country which are raising funds for certain liberation movements in different parts of the world, and so on, are sometimes under surveillance because the Government of the day might not agree with that kind of activity. Therefore, I am concerned about this provision, Mr. Speaker. I hope that for those reasons this Bill will be amended so that the definition of "subversion" and other definitions are made much more restrictive.

We are, obviously, Mr. Speaker, not the only people who are concerned about this. There has been a general clamour across the country from many different groups that too much power will be given to this particular security service. For example, the Canadian Council of Churches, which is a group of some 12 Canadian churches which voluntarily co-operate through its agencies on matters of economic and social concern, are also very concerned about the breadth and sweeping nature of the security Bill which is before the House today. The Canadian Council of Churches includes the Anglican Church, the Baptist Church, the Lutheran Church, the Greek Orthodox Church, the United Church and many other churches which have banded together to express their great concern about the sweeping nature of this Bill. I believe we should take their point of view into consideration, and that should be one reason at least why this Bill should be radically amended.

Security Intelligence Service

Something else which concerns me as well is that it is not just the churches, Mr. Speaker, who have expressed their concern, but a number of other groups such as the Canadian Civil Liberties Association have done so also. That is a highly respected group which involves a lot of Canadians. It has said to the committee as well as publicly that it is very concerned also about the extent of the discretionary powers which are allowed to be used by the new security service, for example, the snooping power through electronic devices, bugging devices, through all kinds of searches, through mail openings, or through invasion of confidential records. These groups say that these powers are too sweeping under the legislation the way it is written. There is too much discretion being left in the hands of the security service itself, or in the hands of the Government, in terms of deciding how far the security service can or should not go. These are concerns, as I said, not just of a few of us, but of the Canadian Council of Churches and of the Civil Liberties Association of Canada. I can also tell you, Mr. Speaker, that those are the concerns of a lot of average citizens as well.

I said earlier this morning that the United States has a much greater record of political violence. It has experienced the unfortunate assassination of several of its presidents, including the attempted assassination of President Reagan a few years ago. Despite that, the FBI does not have the sweeping powers this Government across the way wants to give to the Canadian Security Intelligence Service. I suggest that you would probably agree that Bill is giving unnecessary power to the security service. That is not a very good thing for our society. It is unnecessary and it is going to provoke more harm than good.

• (1700)

The Acting Speaker (Mr. Guilbault): Order, please. It being five o'clock p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

The Acting Speaker (Mr. Guilbault): Shall all orders and items preceding No. 115 stand by unanimous consent?

Some Hon. Members: Agreed.

HOUSE OF COMMONS ACT

AMENDMENT RESPECTING INTERNAL ECONOMY COMMISSIONERS

Hon. Marcel Lambert (Edmonton West) moved:

That in the opinion of this House, the Government should consider the advisability of amending Section 16(1) of the House of Commons Act to provide for the appointment of additional members as Commissioners of Internal Economy from the House at large, and to provide for the remuneration of the Commissioners appointed pursuant to the said section.

He said: Mr. Speaker, I have just reviewed my file on this particular question of amending the provisions with respect to the Internal Economy Commission, and I see that I first raised this point almost ten years ago. In October of 1974, at the opening session of Parliament, when the Prime Minister (Mr. Trudeau) moved the nomination of four of his Cabinet colleagues to the Board of the Internal Economy Commission, I rose on a question of privilege and challenged the view that hitherto I had been given by the Prime Minister's Office, but one which was severely challenged in other sectors, that the commissioners had to be from the Cabinet rather than simply Privy Councillors as provided for in the Act. It is a question of determining which Privy Councillors. In May of 1980, I put forward Bill C-273 which amended the Senate and House of Commons Act but which did not provide for any remuneration. In drafting the terms of this motion I followed the proposal put forward and ready to be tabled in the form of a Bill by the Government of the Right Hon. Member for Yellowhead (Mr. Clark) in December of 1979. It would have added to the board and provided for some remuneration.

I will read from a letter I wrote to the Right Hon. Member for Yellowhead on June 19, 1979. I am sure that he will not mind if I read this although he is the recipient and the owner of the letter now. I was suggesting to him that one of the questions he would have to decide before the newly elected Government met Parliament was this question of the board of Commissioners of Internal Economy. I said:

You may recall that on the opening of the session October, 1974 I raised a question of privilege about the practice of naming exclusively as commissioners four members of the Cabinet and contended that it was within the power of the Prime Minister to include members of the Privy Council who are not of the Cabinet. This would have allowed wider representation including from the Opposition among the commissioners.

It is not that I contended that the practice of naming Cabinet ministers exclusively was in itself illegal but I felt that it was not necessary to do so, contrary to the opinion of the then Prime Minister. In this matter I was supported by our caucus because it was a view that Mr. Speaker should be ultimately assisted by Commissioners of Internal Economy representing the House generally. In order not to open the House of Commons Act for amendment and in order to achieve this, it would be a first step to name Privy Councillors who are not members of the Cabinet among the Commissioners of Internal Economy.

I agree that one or two of these commissioners should be members of the Cabinet as the government party has an undeniable right to majority representation on the Board of Internal Economy.

May I interpose here to say that this could also apply to a number of my colleagues opposite who are, like myself, not of the Cabinet. We are Privy Councillors but we are not of the Cabinet. My reason is that Cabinet Ministers are so busy that it is very difficult to get them together for appropriate meet-

ings to study a situation. I will go into that in a few minutes. My letter continues:

> The upshot was the naming of an advisory committee of the House of Commons to Mr. Speaker and the commissioners which has sat so far under the chairmanship of a member of the Opposition. This latter fact was as a result of keen negotiations I had with the government representatives on the committee where we had the Honourable Angus MacLean to offer as an experienced parliamentarian as chairman.

I think it was a stroke of genius on the part of the committee to accept the Hon. Angus MacLean, because he was probably the most respected Member in the House at the time. He was extremely knowledgeable of this place and a keen observer. He was followed by Bob Coates, MP, as chairman. I went on to say in the letter:

> However, you may recall that the other day you and I discussed briefly the nature of the administration of the House of Commons and its rather sad state in a number of sectors. One of the reasons that this is so is the grave difficulty of getting together the Commissioners of Internal Economy because of the pressure of their other duties.

This had been communicated to me by the then Speaker as being one of the biggest difficulties in getting decisions. I continue:

> It is a rare occasion on which these representatives can be brought together to assist Mr. Speaker and frankly the situation demands better than that. Even sixteen years ago, when I had a brief term of duty as Speaker, it was very difficult to get together the board, and I suppose this may have been at the root originally of my concern about the nature of the administration of the House.

Now, I say advisedly, Mr. Speaker, that there has been a change in the administration. It has been tightened up very much. But there are many of us who feel that the House of Commons has now become in effect almost another department of government. This is a natural reaction of the people who have been brought in to head various sections of the administration. With the greatest respect I say that I do not think the Speaker has the time to oversee fully, as he or she should, the administration of this House as well as look after the responsibilities of being the Speaker of this Chamber. With the greatest respect to the Chair, I say that I think the Speaker's role should be defined as being that of being responsible for the operation of this Chamber and the social responsibilities of the first Member on the Hill. However, the nuts and bolts of the restaurants, the health services, the pay services, the pay scales and negotiations with Hill staff should not be the day-to-day responsibilities of the Speaker.

● (1710)

Matters such as facilities for Members and conditions under which they travel should be considered by a commission board generally composed of Members of the House. We are dealing with ninetheenth century paternalism. The Speaker and four Cabinet Ministers decide what facilities and amenities I and my colleague from Dartmouth should have. They decide how many times he should be able to travel to his constituency and what is required of constituency offices. Cabinet Ministers have their passes and assistance provided through other means. They are so busy with their offices, departments and constituencies that they cannot give the required detailed attention to examine the proposition with regard to Members. The net result is that although they attend commissioners' meetings—I gather they are now on a more regularized basis—they know nothing of what is on the agenda. They receive their advice from the Administrator or from the Speaker who has been advised by the Administrator and other administration officials, whether it be the Sergeant-at-Arms or the Clerk.

I say that is wrong. We have plenty of talent among Members who could handle this job much more effectively and responsibly for the constituents of the board of the Internal Economy Commission who are Members of the House of Commons, their staffs, and the staff of the Hill. That is why I want to see the change.

This is done in a different way in the United Kingdom. The Speaker is still the nominal head and takes a certain direction depending upon the personality of the individual. There is a board which operates usually with a junior Cabinet Minister as the responsible head. A number of staffs at Westminster are unionized. I have been there when the dining room staff, for instance, was on strike. They have a great habit of going on strike. Those negotiations must be carried on by someone authorized to do so on behalf of someone.

As a matter of fact, I would strongly contend right now that the office of the Speaker is not authorized to negotiate collective agreements on behalf of Parliament or the House of Commons with members of the parliamentary staff. The commissioners themselves do not do so. There is nothing in the Senate and House of Commons Act which says that they can do it. Therefore, there has to be legislation introduced which will set up a commission board presided over, if need be, by the Speaker, with power to add a flexible body, but a body definitely corporate in law which can be a party to a collective agreement should one come about.

At the present time those who are asking about collective agreements on the Hill are baying at the moon. The Canada Labour Board, biased as that body may be, cannot authorize the House of Commons by law to be the signatory of a collective agreement. That legislation will have to be brought forward. Doing so provides the opportunity to change the nature of the board of the Internal Economy Commission.

There are a lot of things about which Members are complaining. However, they have no sounding board. There is the Management and Members' Services Committee. The chairman of that committee has never met the commissioners in session. He has never been brought in for consultation as to the nature of recommendations put forward by the advisory committee. Mon Dieu, que c'était un dialogue de sourds under the previous Speaker. The situation has deteriorated to the point at which it became sheer frustration on both sides. That is a committee which is non-partisan. I have been a member of that committee since 1975, and so have many others. It is non-partisan. We are looking after the interests of Members. I have never seen a body that was so frustrated and angry, and that was unnecessary. There was a breakdown in communications which should never have happened.

How can we improve on that? I am not trying to knock the situation merely for the sake of knocking it. I want to improve

the situation. This is likely one of the last speeches which I may make in the House. I want to point out that after 27 years as a Member I think I can appreciate the limitations and frustrations that are the lot of a private Member. One of them is this institutional treatment of Members as though they could not look after their own affairs. We are treated as though we were in a big school with a board of masters looking after us which is so high and mighty that they do not understand the problems. For instance, there is not one Cabinet Minister on the commission who understands the problems of a wife who travels far in western Canada. She is charged 1.5 points if she is travelling with her husband but is only charged one point if she travels economy. All Members are entitled to travel first class and are not charged 1.5 points. The decision to mix the points was made by the Internal Economy Commission.

● (1720)

The put-down experienced by wives of Members from western provinces and Newfoundland in order to use that facility is unbelievable. It only takes four trips to exhaust a wife's complement of points. If a Member must travel six times, he can do it in economy, but the wife is aware that by travelling economy she has been put down by this differential rate. This is what I am talking about.

We all know that of the many changes that have been effected with regard to parliamentary staffs this is an improvement, but it should come from where Members can go and see their own people.

I thank you for allowing me to transgress on my time, Mr. Speaker. I earnestly urge all Members to allow this motion to go to committee or to be accepted so that it will be a signal to the Government that Members of Parliament want a change in the nature and composition of the board of the Internal Economy Commission so that they may have a say in the operation of the matters that concern them so much.

[*Translation*]

Mr. Claude-André Lachance (Rosemont): Mr. Speaker, I shall be brief. I know you are smiling. Always beware of Members of Parliament who start their speeches this way. However, you may take me at my word. I am somewhat hesitant about speaking again to this subject. The Hon. Member who moved the motion will remember that I took part in a similar debate before. In any case, I am doing this for the simple reason that it may be my last chance to speak to my peers, since I thought, after ten years in politics, this might be the right time to say farewell to this House. At the end of this term, I shall be leaving public life, and my Rosemont constituents will have to choose a new Member of Parliament.

Mr. Speaker, with your leave, and despite the rules of relevance, I would like to thank all my colleagues with whom I have worked during the last ten years, and also the officials of the House of Commons and, of course, my constituents in the riding of Rosemont, who during three terms have allowed me to represent their interests at the seat of Government, and to do so to the best of my ability, to work for the well-being of the people who elected me, and to try to make our governments as responsible as possible so that Canada, this exemplary parliamentary democracy, will take the road of progress at the end of the twentieth century and look to a future which, I hope, will be as progressive and as positive as it can be, especially for our youth who are seeking their identity and are looking at the future with some anxiety.

Mr. Speaker, the last ten years were ten years of experience on which I look back with pride, not because of my work as such, because one must be humble in politics, but because serving one's country is probably the highest goal to which we can aspire in our working life.

Mr. Speaker, I mentioned accountability, which is the essence of the motion of the Member for Edmonton West (Mr. Lambert). The Hon. Member wants to include in the Board of Internal Economy, now consisting of members of the Privy Council, a number of backbenchers who would provide better representation, within a body that manages our destiny as an institution, for the divergent but also complementary interests of the Parties, the Government and backbenchers, the aim being improved accountability, whether physical or financial, on the part of the administration of this House, to the elected representatives and the Canadian people.

I need no convincing by the Hon. Member to realize that this is the way of the future. In fact, the Special Committee on Standing Orders and Procedure, or rather the Special Committee on Regulatory Reform, whose third report and the amendments proposed therein continue to structure the business of the House during this trial period—it is to be hoped they will become permanent for the next Parliament—this committee then proposed in its ninth report a formula very similar to the one suggested by the Hon. Member for Edmonton West. In this report, committee members suggested that the enabling legislation that provides for the organization of the Board of Internal Economy be amended to allow four backbenchers to sit on the Board, two representing Government backbenchers and two representing Opposition backbenchers, with at least one representing the Official Opposition. More importantly, Mr. Speaker, Special Committee members were in favour of having these representatives elected by their respective caucuses, this to avoid a situation where once more, the Government would be controlling these appointments. The exact formula could be worked out later and is not all that important. It is the principle that counts, which is to make the Board of Internal Economy truly representative of the interests of all Members of this House, which is not the case right now. I am not criticizing the way the Board operates.I think Hon. Members who sit on the Board at the present time and are members of the Privy Council certainly have our interests at heart and are doing their best to

respond to suggestions coming from the Committee on Management and Members' Services.

That being said, the very concept of accountability implies that we must not only have the right, we must also be seen to have the right. The visibility of this right is lacking in the Board of Internal Economy and its membership. Let's be realistic. In other parliamentary democracies, even in Canada in the provincial legislatures, backbenchers have a say in the administration of the institution. Why should we not have the same responsibility and the same duties here in the House of Commons, especially since our parliamentary colleagues in the other place have already taken steps to make their presence felt in the manner in which they are administered.

Mr. Speaker, in the Senate, which I suppose I should not name, they have already done in practice, though not in law, what the Hon. Member for Edmonton West is suggesting.

We are nearing the end of this Parliament. I do not think that, in the few days of debate we have left before a general election, we can expect to change the Board of Internal Economy. It certainly is not, and perhaps should not be, a legislative priority. However, I urge all my colleagues on both sides of the House who return after the election to act on the recommendations of the Hon. Member for Edmonton West, which are also contained in the Ninth Report of the Special Committee on Regulator Reform and adopt them, either as is or as amended.

The time to do this is at the beginning of a new Parliament. We now have two new leaders. What will be their respective positions? Let the voters decide. However, one will be Leader of the Opposition and one Prime Minister. The two new leaders have promised to give the House of Commons more responsibility and a more active role, which might even go so far as the much maligned free vote, but at least some necessary changes will be made in our operating methods.

The Third Report of the Special Committee on Regulatory Reform is only a first step. The House must go much further when a new Parliament begins. For instance, it should start by broadening the scope of the Board of Internal Economy by opening membership to backbenchers and making the Board truly accountable. Mr. Speaker, as you know, neither the Chair nor the President of the Privy Council nor members of the Board of Internal Economy may be questioned here in the House on the operations of this Board. We have no way, as parliamentarians, to express within these walls any problems, concerns, queries or complaints about the Board of Internal Economy. We must go through the Committee on Management and Members' Services, which is only an advisory body that transmits the complaints of Members of the House of Commons to the Board of Internal Economy, the latter having the actual executive power with respect to the administration of this House. Therefore, a good place to start would be to bring some democracy to the Board of Internal Economy, to do what our Senate colleagues have done, and our colleagues in Westminster, and the Questure in France, and what our provincial legislatures or at least most of them have already done, which is to allow Members to run their own affairs, because that is what it boils down to. Let us run our own show! This House belongs to us. We work in it. We are responsible to the voters if there are any administration problems. Therefore, if we are accountable for its administration, we should also participate in that administration. Responsibility implies accountability. However, for the time being we are accountable, but not responsible. Give us the responsibility and we can then be truly accountable for the administration of the House of Commons!

Mr. Speaker, without wishing to take up any more of the House's time, since other Members will probably want to speak as well, I should only like to add that I agree wholeheartedly with the Member for Edmonton West, who for many years has been in favour of this measure which, as a concept, is reflected in the recommendations of the Special Committee on Regulatory Reform. It is a measure that probably has the support of most Members of this House. I therefore urge the future Leader of the Government, when a new Parliament begins, to implement not only this recommendation but also the other recommendations made by the Special Committee on Regulatory Reform, in order to make this institution as modern and efficient as it should be and also to make it accountable for its administration to those it administers.

Mr. Speaker, in concluding I want to thank my constituents and my colleagues. Until we meet again. Goodbye!

An Hon. Member: Hear!

• (1730)

[*English*]

Hon. John M. Reid (Kenora-Rainy River): Mr. Speaker, I can only say it is very odd to rise in the House of Commons to speak after two distinguished gentlemen who have both indicated they may each have made their last speech. I would like to pay tribute to the Hon. Member for Edmonton West (Mr. Lambert) who has been a prominent force in the House of Commons for as long as I have been here. He is a former Speaker of the House and has always taken a very active interest in the proceedings of the House of Commons' committees on procedure. He has also taken a very prominent role in financial measures before the House of Commons.

I also regret that my friend, the Hon. Member for Rosemount (Mr. Lachance) is leaving. It seems to me that he and I have spent the last year working together on the Special Committee on Procedural Reform for the House of Commons. I have come to know him and to appreciate him in ways that I had not before this opportunity came about. I think the House will be poorer for the loss of both these hon. gentlemen.

One of the things that always impressed me about the hon. gentleman from—

Mr. Lambert: Mr. Speaker, I rise on a point of order. I would like to do Hon. Members who participate in the debate

the courtesy of being here, but unfortunately I am now five minutes late for a very important steering committee meeting downstairs. I shall return immediately so that I will not miss their golden words.

Mr. Reid (Kenora-Rainy River): Mr. Speaker, the Hon. Member for Edmonton West has a reputation for being very persistent. This particular motion is one that he has been trying to convince the Government to accept for about ten years. It is a motion that I support.

I have never understood the reluctance of the Government of Canada to allow Members of Parliament who are Privy Councillors but who were not Members of the Government to participate in the affairs of the House of Commons. We were able to obtain a halfway step in the formation of the Special Committee on Members' Services, and later its inclusion as a committee in its own right in the Standing Orders. But there is nothing in the law that ever prevented the Government from accepting the principle that other Members from other sides of the House and from the back-bench of the governing party be represented on the Commission of Internal Economy. It is no wonder that Members used to call the Commission of Internal Economy the commission of the infernal economy. It tended to make judgments and spending decisions which many Members had a great deal of difficulty understanding and accepting. It was, I think, one of the extensions of the Government that caused Members of Parliament a great deal of difficulty in understanding the motivations of Government in terms of its approach to the House of Commons. The fact that the Government kept extending its control over the precincts of the House of Commons, over the operation of the building that houses the House of Commons and the Senate, always struck me as extraordinarily retrogressive steps.

One of the reasons I support the proposition advanced by the Hon. Member for Edmonton West is that the House of Commons Act, Sections 15 and 16, which set out the powers and the duties of the Committee of Internal Economy. Section 16(1) reads:

> 16.(1) The Governor in Council shall appoint four members of the Queen's Privy Council for Canada who are also members of the House of Commons, who, with the Speaker of the House of Commons, shall be commissioners for the purposes of this section and Sections 17 and 18.

You will note it simply says members of the Privy Council who are members of the House of Commons. It does not say members of the Privy Council who are Members of the Cabinet or Members of the Government. Yet, the Government has refused to accept the possibility of extending to Members on all sides of the House the opportunity to participate in what is in effect their Chamber.

This reluctance on the part of the Government has made life more difficult for Speakers. It has certainly made life more difficult in the House for the Government than was necessary. It was in my judgment a stupid blunder on the part of the Government not to extend representation on the Commission to Members on the opposite side and to Members on the back-benches of the Government side. It always increased the suspicion that what was going on in the House of Commons was not in the interests of Members but, rather, only in the interests, of the Government itself.

If Hon. Members will look at the work that has been done by the Special Committee on Standing Orders and Procedure they will see that one of the items we took up was the question of how should the House of Commons govern itself. Should we continue with the existing example? Should we look, instead, at the way in which the Senate has governed itself? Should we look at what other Parliaments have done? In effect, members of the committee examined very closely the manner in which the British House of Commons governed itself. We also took a look at the way in which the Senate of Canada governed itself.

• (1740)

Hon. Members of the House of Commons may be amazed to discover that Members of Parliament in the Senate have a system of governing themselves which is absolutely mind-boggling to those of us who sit in the Lower House. There, power over Senate affairs is shared among all Parties. Members are appointed to the governing committee in the other place, not on the basis of being members of the Government but rather for independence of mind and questions of good judgment.

Here, one has to demonstrate perfection by being in the Cabinet to be a member of the Commissioners of Internal Economy. In Great Britain they go further. They provide for a strong committee on which the Government has representation and on which the back-benchers of the governing party have representation, as well as all other parties. There is a fair amount of consultation and consensus developed over time. Even though the Government makes the appointments, the appointments in fact are made on a highly consensual basis.

What we tried to do in the report of the Special Committee on Standing Orders and Procedure will be found in its ninth report to the House, which was tabled on June 22, 1983 and is now Sessional Paper 321-8/26F. The report is not long, it is succinct and to the point. It makes a great deal of sense. It will provide a blueprint for whomever becomes Prime Minister after the next election for reforming the House of Commons in a manner that will be acceptable to all, except those people who have sat on the Commission of Internal Economy as Commissioners and have jealously guarded those powers. To those Members who have never had that advantage, these reforms will seem like a breath of fresh air.

The committee made a number of recommendations which I think are eminently supportable. Basically the committee indicated that the House of Commons Act could be changed to amend the existing sections with which I dealt earlier in my speech, that a new board of internal economy be set up and that the change in terms of membership would be as follows: Members of Parliament, not just Members of Parliament who happen to be Privy Councillors, who are not in Cabinet would

be eligible to sit on the new board. That would open the scope of membership to all Members of the House of Commons. It would not exclusively provide an opportunity only for those Members of the House of Commons who are Privy Councillors, not in Cabinet per se. I think that is a significant change in itself.

The board in the future would be composed of the Speaker, the Deputy Speaker, two Ministers of the Crown—that is Cabinet Ministers,—the Leader of the Official Opposition or a Member designated by him and four others: two Members appointed by the Government caucus and two from the Opposition caucuses, including at least one from the Official Opposition. The proposal we made did not specify how the caucuses were to make their appointments because we thought that was best left to the caucuses themselves. This would ensure that the dominance in terms of numbers at least on the new board of internal economy would be broadly spread out through the system.

We would recognize the special position of the Leader of the Opposition who under the Standing Orders is in fact an officer of the House of Commons. He would be represented on that board in any way he saw fit. It would satisfy the necessity of Members of the back-benches of the Opposition caucus and of the right of the New Democratic Party or a third Party to be represented by caucus as well as the right of the back-benches of the governing Party to be represented by caucus. It would provide a broader range of opinion and it would provide an appropriate role for Members of Parliament to participate in the governing of our Chamber.

Mr. Deans: That is fair.

Mr. Reid (Kenora-Rainy River): I hear the Hon. Member for Hamilton Mountain (Mr. Deans). We tried to provide when we were discussing this matter a method which would be unassailable, that no person, not even the most devout proponent of the existing system, could possibly find unfair. We tried to make it more palatable for the Government and we included two not one representatives from Cabinet on the board. I felt that was somewhat excessive, but I recognized the fear which the Government had that Members might act irresponsibly. It was certainly culpable because of the reluctance to allow anyone else on the committee before, but probably as an interim measure this was as good as we could get.

If we take a look at the proposals we have produced we find that they meet the requirements the Hon. Member for Edmonton West has put forward in terms of fairness, being logical and disturbing the Government probably less than it might be disturbed in its desire to control the affairs of the House of Commons.

I confess that as a former Parliamentary Secretary to the House Leader, that is to the President of the Privy Council—of course not the current one—I often felt that because of the responsibility of the President of the Privy Council for the Commissioners of Internal Economy, he tried to run the House of Commons as if it were a branch of his own Department. In fact, I often felt there were dangerous tendencies on the part of Presidents of the Privy Council to regard the operations of the House of Commons as they regarded the operations of their own offices. I think it is an instinctive reaction because of the unique position in which the House of Commons Act puts the President of the Privy Council. Basically he carries responsibility for the Estimates and, by and large through the Council, he has the responsibility to veto spending propositions. In point of fact, the way in which financial reporting was established, he had power over the operations of the House of Commons as if it were in fact his own Department.

One proposal we made was an attempt to break that kind of absolute control with which the President of the Privy Council tended to feel he was blessed by the House of Commons Act, by trying to demonstrate that there were wider interests to be considered as well. I might say that the President of the Privy Council often shared that power and authority, particular aspects of it, with the Speaker and with Opposition Parties. It was never a total one-way thing, but the responsibility, as the Act was interpreted and implemented, certainly led the President of the Privy Council to feel that he was responsible for the conduct of business in the House of Commons.

I think that approach communicated itself to the Government. One tendency I have seen over the last five years or six years which I regard as quite undesirable has been the overtaking of the administration of the House of Commons by the Government. For example, there has been the change in the control over the grounds outside from the House of Commons to the Department of Public Works. That is one item which I find most unfortunate. I feel the House of Commons and the Senate should be much more co-operative in order to fight off the imperatives of various government Departments as they try to take over more and more of the precincts of Parliament. It is recognized by all that they can play a very useful consultative role, particularly as the precincts of Parliament have grown substantially over the last 10 years.

As a result we have another proposal in our report which requires the establishment of a joint committee on parliamentary services between the House of Commons and the Senate. We feel that would lead to a quick resolution of a number of duplications of services that have continued to plague us, and of the difficulties we have had from time to time in terms of the jurisdiction of the building.

As Hon. Members will recognize, there has been a tendency for the jurisdictions to clash. I think we are all aware of the last example, but I think I should mention it. It occurred when a decision was made on the House of Commons side to have a different form of security clearance than Members of the other House were prepared to accept. There was a clash between the representatives of those chambers.

• (1750)

Putting in place a mechanism such as the committee recommended would go a long way toward eliminating those kinds of problems and making life in this building that we share much more harmonious than it has been from time to time. We do have a number of joint committees. For example, there is the joint committee on the library, the joint committee on the

restaurant, and a number of others. Unfortunately, for reasons beyond my knowledge at the present time, the chairmen have not called meetings of those committees. We have not had an opportunity in those committees to review the activities that properly are the responsibility of clearly defined committees within the responsibility of the Standing Orders of both Members of the House and Members of the Senate.

It has always been a source of amazement to me, and from time to time I have made inquiries, that the mechanisms in place to provide for the calling of these meetings were never really activated. With the new rule that emanated from the third report of the special committee, I hope that kind of situation will no longer continue. It strikes me that once Members give up their rights to sit, meet and discuss the business of how the House of Commons operates, they give them up to the bureaucracy, the Government or a party leadership. That is undesirable. We have suffered from the effects of these neglects. In my judgment, we have only ourselves to blame because we as a group have not brought pressure to bear on our respective caucus organizations and leaderships.

I agree with the thrust that the Hon. Member for Edmonton West has developed over the last ten years on this matter. He has been a leader in these matters. He has correctly pointed out on every occasion he has been able to find in the House how we have cheated ourselves of a perhaps much different kind of administration in the House of Commons. I am delighted that he has again had an opportunity to put forward his message. I am pleased to inform him that in point of fact the Special Committee on Standing Orders and Procedure did take into account the representations he has been making over the last ten years. It did put some effort into a discussion of the problem. It has come down with a report which we believe is clear, concise and acceptable to Members on all sides and, hopefully to the Party leadership on all sides.

I hope that when the new Parliament is called into being one of the first items will be, not the calling of the old forum of the Commission of Internal Economy but, instead, a recognition by the new Prime Minister that as an interim step the commissioners of economy should be expanded by calling on Members of the House of Commons who are Privy Councillors, but not necessarily Members of the Cabinet, to serve on this committee, and that at an appropriate time a Bill will be brought forward to amend the Senate and House of Commons Act to allow Members who are not Privy Councillors to sit on this committee as well, the way the committee has recommended.

Hon. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am happy to enter this debate on Motion No. 115 of the Hon. Member for Edmonton West (Mr. Lambert). I too should begin by sharing the concern expressed by my colleague about the loss to this House and to Canada of the Hon. Member for Edmonton West who will not be returning after the next election. I too share the view that he has made a great contribution to this place and to the parliamentary life of Canada. I regret that we will not have the benefit of Hon. Member's wisdom and sage advice from time to time, as we have had in the past. I have served on a number of committees with the Hon. Member. He has always been an excellent Member and has made a great contribution, whether it be on the finance committee, miscellaneous estimates or any of the others he has served on so ably. His contribution in this House has been excellent. He has been here for well over 20 years. It is a shame to see him lost to the people of Canada.

With regard to his motion, it is in some ways precluded or superseded by the actions that have taken place by the Special Committee on on Standing Orders and Procedure to which my friend from Kenora-Rainy River referred. There is a report outstanding which deals with the question of the Commissioners of Internal Economy. It makes recommendations with which I believe there is a great deal of sympathy throughout the House. Restudying the issue, as suggested in the motion before us today, would be somewhat redundant in that that job already has been done by the Special Committee on Standing Orders and Procedures.

Quite frankly, I share the view of my friend from Kenora-Rainy River and my friend from Edmonton West that there is a necessity to change the composition of the board of internal economy. As has been stated, there are obviously some problems with that in that the current situation effectively puts the Government in charge of the spending of taxpayers' money. The spending of taxpayers' money is certainly involved in the administration of the House of Commons. The Government includes Privy Councillors, the Cabinet, and is in many ways synonymous with the Cabinet. Since it is the President of the Privy Council who is responsible for carrying through the estimates of the House of Commons, along with the Speaker, it falls on the shoulders of the Government to carry out this responsibility. The situation has evolved where the board of internal economy includes only Members of the Privy Council who sit in the Treasury benches.

I suggest, as did my friend from Kenora-Rainy River, that there is certainly room and latitude for change in this area. I believe, and I am sure that Members who are here today, as well as those who cannot be with us, would certainly agree, that the whole question of parliamentary reform, including the parliamentary responsibility for its own spending and its own internal decision-making, is something with which we should be moving forward.

As my friend from Kenora-Rainy River mentioned, the ninth report of the special committee puts forward several recommendations. The fourth and fifth recommendations deal most explicitly with the matter before us today. The fourth recommendation is "that the House of Commons Act be amended to restructure the board of internal economy". The committee members in their report went on to say that they did not feel it is appropriate for only Cabinet Ministers to be responsible for the internal management of the House of Commons, that the House of Commons is a community of many interests and this should be reflected in the way the commissioners are appointed. That is certainly true.

If Parliament is to become more responsible and respected in the eyes of the Canadian public, it is necessary that it

assume more of the responsibilities for its actions. This means a reduction in the power of the Government over the House of Commons, or the Government in relation to the House of Commons. However, I think quite frankly that that is a good thing. I think it is a good thing that the House of Commons be seen to be taking more responsibility for its own actions, and that Members of Parliament as individuals be seen to play a greater role in Parliament. I would like to see these changes take place.

● (1800)

Mr. Speaker: The hour provided for the consideration of Private Members' Business has now expired.

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs; and Motion No. 2 (Mr. Robinson (Burnaby)), Motion No. 5 (Mr. Allmand), and motions Nos. 6, 7, 8 and 9 (Mr. Robinson (Burnaby)).

Mr. Speaker: I would like to make a ruling on the point of order that is outstanding with regard to Bill C-9. I would like to thank Hon. Members for their contributions to the consideration of the admissibility of Motions Nos. 93 and 94. The Chair has given serious consideration to the argument with respect to the review committee's powers. I still have serious reservations about the admissibility of these motions because they appear to go beyond the scope of the Bill as agreed to at second reading. Nevertheless, the contributions of Hon. Members were sufficiently persuasive that I am prepared to give them the benefit of the doubt.

Accordingly, Motions Nos. 93 and 94 will be grouped with Motions Nos. 95, 96 and 97 for debate and shall be voted on separately.

Before Private Members' Hour began, the House was considering the report stage of Bill C-9. The Hon. Member for Yorkton-Melville (Mr. Nystrom) had the floor. I now recognize the Hon. Member for Broadview-Greenwood (Ms. McDonald).

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I regret very much having to take part in yet another debate on the security legislation which is before us. It is a very monstrous piece of legislation and one which threatens

the security of Canadians in the guise of attempting to protect the security of Canadians.

I would like to deal with this all-embracing, ill-defined, enormously mistaken and ill-thought-out part of the legislation which contains the definition of the words "threats to the security of Canada". Such threats have been far too broadly defined. The legislation is wobbly. It is not careful and it is not precise. Its result is that normal, law-abiding people who pose not threat at all to the security of Canada can be targeted for all means of surveillance.

Let us look at what is stated in the legislation. Under the subtitle "Duties and Functions of Service", Clause 12 of the Bill reads as follows:

> The Service shall collect, by investigation or otherwise, to the extent that it is strictly necessary, and analyse and retain information and intelligence respecting activities that may on reasonable grounds be suspected of constituting threats to the security of Canada—

Turning to the definitions clause which is Clause 2, the relevant portion of that clause reads as follows:

> "threats to the security of Canada" means
>
> (*a*) espionage or sabotage that is against Canada or is detrimental to the interests of Canada or activities directed toward or in support of such espionage or sabotage,—

I note, however, that espionage and sabotage are not themselves defined and that the interests of Canada are not defined. They could include economic interests or any number of interests apart from vital issues of national security. Paragraph (*b*) of the relevant portion of Clause 2 reads as follows:

> —foreign influenced activities within or relating to Canada that are detrimental to the interests of Canada and are clandestine or deceptive or involve a threat to any person,—

Does that mean any one person? What does clandestine or deceptive mean? It is not defined. "Foreign influenced" is a very, very broad expression that could involve people belonging to international organizations. Paragraph (c) reads:

> —activities within or relating to Canada directed toward or in support of the threat or use of acts of serious violence against persons or property—

Note how broad that is. It does not include only threats to life and physical security but also threats to property. These could be trivial threats to property as well as serious ones. The paragraph continues:

> —for the purpose of achieving a political objective within Canada or a foreign state,—

Again, this includes the whole world and any kind of political objective, even though it may be a very legitimate one. paragraph (d) reads:

> —activities directed toward undermining by covert unlawful acts, or directed toward or intended ultimately—

And "ultimately" is a word that we might well dwell upon.

> —to lead to the destruction or overthrow by by violence of, the constitutionally established system of government in Canada,—

There follows a paragraph which exempts people who are engaged in lawful dissent or lawful political protest but, contrary to the wild, woolly and broad definitions under "threats to security," the exemptions are very narrowly defined. This paragraph reads:

—but does not include lawful advocacy, protest or dissent, unless carried on in conjuction with any of the activities referred to in paragraphs (a) to (d).

Not very many things fall under the exemption category whereas a great many things constitute a threat to our security.

This ill-defined clause has been kept in the Bill despite cries of protest from civil liberties organizations, church organizations and many others. Hearings have been held on this matter and there have been protests. My own Party has protested this clause most vigorously, strenuously and in great detail. The net has been cast too broadly.

Foreign-influenced activities within or relating to Canada could be activities which have nothing to do with terrorism, espionage or anything else that constitutes a serious threat to the security of the country. When dealing with the reference to political violence, the McDonald Commission recommended that the word "serious" be added. Even that word was not included. We are therefore faced with a definition section that is quite dangerous to those engaging in lawful political discussion.

I would like to refer to some critical remarks that have been made by the Canadian Council of Churches on this matter. I think these remarks are very good both in their philosophical approach and in their very precise analysis of particular clauses. The Canadian Council of Churches represents an enormous cross-section of the religious community within Canada. Member churches include the Anglican Church in Canada, the Armenian Church, the Baptist Convention of Ontario and Quebec, the Disciples of Christ, the Coptic Orthodox Church, the Greek Orthodox Church, the Lutheran Church in America—Canada Section, the Presbyterian Church in Canada, the Reformed Church in America, the Society of Friends, the Salvation Army and the United Church of Canada. These churches collaborated to come up with what, in my opinion, is an excellent critique of the Bill.

The philosophical point raised by members of the Canadian Council of Churches which I think is well worth considering in our debate today is the difficulty of attaining security, and the very fundamental questions that arise and must be asked. What or whom is the Government seeking to secure against what kind of threat and by what means? There are simply no easy answers to these questions.

Members of the council warn against very heavy handed measures which are intended to secure the lives and communities of Canada but which may not do so. They call the definition of "threats to the security of Canada" vague and uncertain and hence excessively broad in effect. They are particularly concerned about the broad interpretations of paragraphs (b) and (c) of Clause 2 to which I have already referred. I shall read that concern from the report:

Our submission is that the Canadian Security Intelligence Service could construe lawful church activities, for example in mission work and/or lawful church and community activities, including development education, peace advocacy and human rights defence as falling within these definitions, and hence to determine previously lawful activities as threats to the security of Canada.

This is an extremely serious charge which has been made by the mainstream Christian churches of our society. They say that according to these loose and woolly definitions, their own peace activities and missionary efforts could be construed as being threats to the security of Canada. Let me explain how this is so.

With regard to Clause 2, paragraphs (a) and (b), they are concerned about the vague phrase "the interests of Canada". What are the legitimate interests of Canada and who defines what they are? Can we distinguish the interests of Canada from the interests of Canadian citizens? Could there be a legitimate conflict among the citizens of Canada as to what Canada's interests are? They cite, for example a visiting foreign finance minister from a country in which churches have carried on mission work for many years. Suppose the finance minister requested a private meeting with church officials and that meeting took place. Because the meeting was private, it would then be considered clandestine and perhaps deceptive. He may wish to decrease his country's dependence on Canadian exports, but increase Canadian foreign aid—a very laudable objective in our opinion, but certainly not one which the Canadian Government would promote.

• (1810)

The visiting foreign minister might enlist the assistance of Canadian friends in the churches in Canada. Therefore, the meeting could be construed as foreign influence because he comes from a foreign country. It may be detrimental to the interests of Canada if the interests of Canada are seen in a very narrow, economic fashion. It may be in the interests of Canada to exploit all foreign countries to the hilt. That is a horrendous but, nevertheless, very possible definition of the interests of Canada. The meeting might be classified as deceptive if it had not been clearly specified presicely what the meeting was about. If the meeting was given a loose definition to the press, or to other people, that it was to be about missionary work, it could then be included in the clandestine and deceptive category.

Mr. Deputy Speaker: I regret to interrupt the Hon. Member, but I must advise her that her time has expired.

Ms. McDonald: Mr. Speaker, could I ask for the unanimous consent of the House to finish my remarks.

Mr. Kaplan: No.

Mr. Deputy Speaker: The Hon. Member seeks the unanimous consent of the House to continue her speech. Is there unanimous consent?

Mr. Kaplan: Mr. Speaker, one of her colleagues made exactly that same speech less than one hour ago. Therefore I withhold my consent.

Mr. Deputy Speaker: Order. There is not unanimous consent. The Hon. Member for Regina East (Mr. de Jong).

Mr. Simon de Jong (Regina East): Mr. Speaker, normally Canadians are said to be rather dull and not politically active. In fact, Canadians have generally been described as being pretty grey. When looking at the legislation which the Government is introducing, an observer from another country or from another planet would surely come to the conclusion that underneath this facade, or this reputation which Canadians have, they must be pretty dangerous animals. They must exist in tremendous turmoil underneath the surface. They must be plotting and they must be active in terrorist organizations. And, they must be concerned with pulling down, by violent means, the state.

The Bill before us treats this country and Canadian people as though subversion is running rampant. We must guard against it. There is a tremendous danger to the security of our lawful form of government which requires a secret police force with tremendous powers so that this widespread subversion can be stamped out. But, it is absurd to assure that Canadians are subversive folk and terrorist people, that we have a tremendous history of subversion and terrorism in this country, and that the Government needs the type of legislation it is presenting to us today.

In this year of our Lord 1984, a year made famous by George Orwell in his book *Nineteen Eighty-Four*, we find being brought to life in the Bill things about which George Orwell warned. Particularly, in the area of definition, we find the thoughts of George Orwell coming to life.

This Bill allows the Government far-reaching powers. The definitions are so loose that practically any political activity that attempts to create some change can be deemed to be against the best interests of Canada and the Canadian Government. Farmers who protest high interest rates and farm bankruptices; workers involved in strikes or demonstrations; peace activists signing petitions; members of churches involved in raising funds for other countries in which dictatorships of the right or the left might exist; can all be considered, under the broad definition of this legislation as subversive. People can have their telephones tapped, medical files looked into, legal files snooped into, and be subjected to all sorts of activities that would normally be associated with a police state. People who are involved in very legitimate political activities could be subjected to acts which would normally be found in a police state, whether of the right or of the left persuasion.

I mentioned George Orwell earlier because in much of the debate which surrounds Bill C-9, we find Orwellian thoughts being expressed, and the type of double-think about which George Orwell warned. It seems very curious to me that the Government set up the McDonald Commission to look into the alleged illegal activities of the RCMP and to offer some remedies in order that the illegal activities which were being performed against Canadian citizens would not occur in the future. The McDonald Commission went through that long, arduous process, and what was the result? A Bill was introduced by the Government which would legalize the infringements which took place against the individual civil liberties of Canadians. The Government used the excuse of the commission to look into attacks on the civil liberties of Canadians. It used the commission as an excuse to legalize those very activities the McDonald Commission was originally set up in an attempt to protect Canadians from. It is Orwellian double-thinking that a government, on the one hand, would introduce a Charter of Rights and be very proud of what it has given to Canadian people—the protection of religious and political freedoms, and the right to express those beliefs—and, on the other hand, take away those rights and freedoms with this Bill.

Unfortunately, our Charter of Rights and Freedoms has a big red ink spot on it. Our national symbol has been spoiled by a misguided person. However, this Bill is a black spot on our Constitution and on our Charter of Rights which is a thousand times more evil than the red spot which exists on that document. This is a black spot which removes the heart and soul of our Constitution and our Charter of Rights and Freedoms. The red spot is only a spot of ink on a piece of paper. This legislation ushers in the night—a dark period for Canadians.

Nowhere is this more evident than in the definition clause. My colleagues in the Conservative Party and in the New Democratic Party have expressed over and over again in this House the dangers which exist in the Bill. I am sure the Government, and the Minister responsible, will say the examples were are using are far-fetched, that they are not going to spy on people we are concerned, and perhaps raising money for some cause in El Salvador. Of course, they are not going to start keeping files on people who march in peace demonstrations, or on farmers who use their tractors in blockades as a way of protesting high interest rates and farm bankruptcies. The Government will say these are far-fetched examples.

● (1820)

It might be true, Mr. Speaker, that the present Minister and the present Government might not use these powers or interpret these powers in such a wide way. I expect those Hon. Members are honourable and decent people and will not needlessly go out and use what we consider to be illegal activities on their fellow Canadians. I am not certain, however, Mr. Speaker, of their capacity to control those men and women who will be hired to man this organization. I believe the Government and that Minister have a long record of not being quite capable of handling the people they are supposed to be in charge of.

Our view, Mr. Speaker, is that we are creating a monster which is going to have a life of its own and the political masters of that monster are going to be quite incompetent to controlling it, as they have been incompetent in controlling other parts of their bureaucracy. Other parts of their bureaucracy have grown, inflated and achieved a life of their own and have swallowed up their political masters. I am afraid, Mr. Speaker, we are creating a monster here which is going to be much more fearful than any of the bureaucratic monsters which the Government opposite has created. It is going to create a secret police bureaucratic monster by which numerous individual Canadians are going to be swallowed up, and perhaps destroyed in terms of their individual lives, because that

Government opposite cannot control the people of whom it is supposed to be the political master.

Mr. Deputy Speaker: I regret to interrupt the Hon. Member but his time has expired.

Mr. de Jong: I would ask unanimous consent, Mr. Speaker, to continue for a few more minutes to complete my remarks.

Mr. Deputy Speaker: Does the House give its unanimous consent to allow the Hon. Member time to continue his remarks?

An Hon. Member: No.

Mr. Deputy Speaker: There is not unanimous consent.

Mr. Neil Young (Beaches): Mr. Speaker, as I rise to speak on Bill C-9 I cannot but help think that the measures proposed in this Bill by the Minister and by the Government are probably more in line with that old medical maxim that "cure is more dangerous than the disease".

I can honestly say, Mr. Speaker, I have probably had more letters from constituents and concerned Canadians about this Bill than I have received about any other piece of legislation I have had to deal with in this House since I came here, and it is little wonder. The Minister himself has been required to attempt to justify the provisions of this Bill to a greater extent than any other Minister, of which I am aware, in dealing with any other piece of legislation in this House. It is little wonder, Mr. Speaker, when one takes a look at the press interpretations of how this Bill would be applied and how it could be interpreted in the future once it passes through this House.

Let me give an example of the way the press has described, not only what is contained in the Bill but what the Minister has said about how the Bill could be implemented, and that certainly gives me great concern. I believe the same concern is shared by constituents across the country who have written to me and other Hon. Members. For example, in the Montreal *Gazette* on May 30, 1983, the headline reads, "Kaplan warns the Peace Movement could be probed". *The Globe and Mail* on May 10 stated, "A New Security Agency can Break the Law". The headline on the Vancouver *Sun* on May 24 reads, "A Shocking Bit of Business". It goes on and on, Mr. Speaker. Certainly, as I read those headlines myself, before I had the opportunity to go through the Bill to any great extent, I wondered what the Minister and the Government were trying to do in terms of the civil rights and liberties of the citizens of this country.

I have several letters here I am sure would be of interest to the Minister, because I believe they adequately express the sentiments of a cross-section of people who have written to me. I will read one from—

Mr. Deputy Speaker: Order. I regret to interrupt the Hon. Member. However, I should remind the Hon. Member that we are now debating Motions Nos. 2, 5, 6, 7, 8 and 9 which have been grouped for debate. It would be helpful to the Chair, as is the practice in the House, that when Hon. Members rise to speak on debate they perhaps indicate to the Chair what motions they are directing their remarks to. In that way the Chair would be in a position to evaluate whether or not the Hon. Member's remarks are relevant to the motion.

I have been listening attentively to the Hon. Member who now has the floor. His comments really are of a general nature. He is quoting newspaper articles and letters. That is hardly, I must say, pertinent to motions, most of whose objects are to delete clauses, and one which strives to modify certain articles. I would invite the Hon. Member, therefore, to be more pertinent to the motions now before the House, if he would please do so.

Mr. Young: Thank you for your intervention, Mr. Speaker. I was addressing the concerns which people have about Clause 2, the definition of "threats to the security of Canada", and how the Government and the new security service could be inclined to interpret that particular Clause of the Bill. I certainly was speaking in a general sense, because my constituents, generally speaking, are not lawyers. They do not understand the legal interpretations which may be given strictly to these Clauses of the Bill with which we are concerned. However, I thought it important that the Minister, and Hon. Members in the House, understood the general concerns about the direction in which the Government may or may not go.

Mr. Deputy Speaker: Order. The Chair, of course, has no intention whatsoever—and it is not permissible—to debate with the Hon. Member or to participate in the debate. However, the Hon. Member is surely knowledgeable of the process of passing legislation in the House. There are circumstances in which the Hon. Member may make comments of a general nature regarding the principles of a bill and to the contents of other clauses. I must ask the Hon. Member to be relevant and pertinent, and speak strictly to the motions now before the House. I am sure I will have his support in that objective.

Mr. Young: Unfailing support, Mr. Speaker. Clause 2 of the Bill, Mr. Speaker, provides the definition of "threats to the security of Canada" as follows:

(a) espionage or sabotage that is against Canada or is detrimental to the interests of Canada or activities directed toward or in support of such espionage or sabotage, . . .

Or:

(b) foreign-influenced activities within or relating to Canada that are detrimental to the interests of Canada and are clandestine or deceptive or involve a threat to any person, . . .

Again, Mr. Speaker, it would include:

(c) activities within or relating to Canada directed toward or in support of the threat or use of acts of serious violence against persons or property for the purpose of achieving a political objective within Canada achieving a political objective within Canada or a foreign state—

● (1830)

It also included activities directed toward undermining by covert and unlawful acts or directed toward or intended ultimately to lead to the destruction or overthrow by violence of the constitutionally established government in Canada, but it

does not include lawful advocacy, protest or dissent unless carried on in conjunction with any of the activities referred to in paragraphs (a) to (e). I could go on but I think that suffices to give you the flavour of the things we are concerned about.

The Canadian Council of Churches, including such churches as the Anglican Church of Canada, the Armenian Church in North America, the Baptist Convention of Ontario and Quebec, the Christian Church (Disciples of Christ), the Coptic Orthodox Church, the Greek Orthodox Church, the Lutheran Church in America—Canada section, the Presbyterian Church in Canada, the Reformed Church in America—Ontario Classis, the Religious Society of Friends, the Salvation Army, and the United Church of Canada, have all expressed their concern that the definition of threats to the security of Canada is vague and uncertain and hence excessively broad. They expressed the view that they are particularly concerned about the effect of broad interpretations of paragraphs (b) and (c) of Clause 2, the clause we are dealing with at the present time. Their submission was that the Canadian Security Intelligence Service could construe lawful church activities such as mission work and/or lawful church and community activities, including development education, peace advocacy and human rights defence as falling within these definitions, and hence to determine previously lawful activities as threats to the security of Canada.

With regard to Clause 2(a) and (b), there is much concern with the vague phrase "the interests of Canada". What are the legitimate interests of Canada? Who defines them? Are the interests of Canada distinguishable from the interests of the citizens of Canada? Could there be a legitimate conflict among the citizens of Canada as to just what Canada's interests are? These are the kinds of things we are seriously concerned about, and it was in that light that I referred to other general concerns. For example, in paragraph (b), we should consider that a visiting foreign Finance Minister, from a country where churches have carried on mission work for many years, requests a private meeting with Canadian church officials in Canada to discuss Canadian aid and trade policies. If he wishes to decrease his country's dependence on Canadian exports while maintaining or increasing Canadian aid to his country—

Mr. Kaplan: That is the third time I have heard that speech.

Mr. Young: It may be the same speech but it is worth repeating if it gets the message through his tiny ears.

Mr. Deputy Speaker: Order. The Hon. Member's time has expired.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I have a few comments on Clause 2. Members are well aware, and I suggest that most people who are watching are aware as well, that we are dealing with the definition clause. In the short five years I have been in Parliament I have discovered that these clauses are frequently the key to any legislation. Any parliamentarian who takes his responsibility seriously would take a good, hard look at definition clauses. A constituent asked me last week whether, if we take the security service out of the hands of the RCMP and place it in the hands of a civilian agency, as the Minister has asked us to do, that means that the present Prime Minister (Mr. Trudeau) would be eligible to be the director of this security service. Could that be done through and Order in Council without going through the House of Commons? Well, Mr. Speaker, that is what could happen. For people in the City of Calgary, in my region for the most part, the thought of that kind of appointment to this kind of a job was extremely bothersome. When you combine that principle with the looseness of definitions which currently exists in Clause 2, then I think you are asking for trouble in the future. The difficulty with Order in Council appointments is that they can always be made without public examination and for partisan purposes. They does not happen always, but the temptation is always there.

In the case of the Canadian Security Intelligence Service we might have a somewhat different view of the need to have really tight definitions. That is conceivable. The RCMP have made a couple of mistakes over their 100 years and more of existence. But it is an organization with a training program, a tradition, and a concept of the law and its place in Canadian society. With loose definitions, an organization like that is not likely to overstep; in fact it is less likely to overstep the bounds. But when we are dealing with a civilian agency, with a director appointed in secret through Order in Council, then I suggest we are putting a tremendous amount of temptation in the hands of a government which sooner or later will make a partisan appointment. We have seen that happen with the CIA in the United States. We have heard suggestions, through literature and the media generally, that the appointment process for the CIA, and even for the FBI, makes the office holder feel some sense of being beholden to the political Party that makes the appointment. Someone said we changed Ali Baba, but we still have the same 40 thieves here on Monday as we had on Friday. If that is the case and the Government is going to use its massive majority to bring in time allocation, or closure, to ram this legislation down the throats of Parliament and put in place this civilian agency to which the Cabinet makes the appointments, then the only protection we have left is to tighten up the definition. We cannot have that temptation sitting here waiting to be exercised within a framework which excludes that agency from very little if anything.

If you read Clause 2 of this Bill, you find that it is conceivable that any Canadian who actively contributed to a movement to drive the Russians out of Afghanistan or Poland or Czechoslovakia, anyone who is predisposed to support that kind of a movement, according to an interpretation of these definitions, could be subjected to a complete and thorough security investigation by this agency. People may be investigated for their participation through the donation process or perhaps through their membership in a church that is involved in an internal conflict in another country. According to these definitions, any member of that church or anyone who contributed to the activities of that church can be legitimately investigated. Anyone who chooses to donate time or talent to a

group which gets involved in a conflict in another country could be subject to investigation.

● (1840)

The Minister wants the security agency to be allowed to scrutinize membership lists and to investigate every member thereon. In a democracy it is legitimate to have a Solicitor General who has that view of the world. I do not think that is the view held by the majority of Canadians. I suggest it is not the view which even 2 per cent of Canadians would hold. In my experience Canadians are a group of people who value their freedoms. They value their privacy and their approach to life, which is essentially a law abiding, co-operative approach. The thought that some hidden agency could begin to bug their telephones, open their mail and follow them is abhorrent. That is something which happens in totalitarian states like Russia. They have police forces which do that kind of thing. They have laws and rules which allow their police forces to do those kinds of things.

That is not our tradition, Mr. Speaker. If we are doing our job on behalf of the Canadian people, we should not allow the same old gang to put this Bill through by closure. We should amend this Bill. The RCMP should be in charge of security intelligence and there should be tighter definitions. I hope that every Member who stands in the next little while is going to re-emphasize the need for those tighter definitions.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 79(11) the recorded division on the proposed motions stands deferred.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 10

That Bill C-9 be amended by deleting Clause 3.

Motion No. 16

That Bill C-9 be amended by deleting Clause 5.

Motion No. 20

That Bill C-9 be amended by deleting Clause 7.

Motion No. 25

That Bill C-9 be amended by deleting Clause 9.

Motion No. 26

That Bill C-9 be amended by deleting Clause 10.

Motion No. 28

That Bill C-9 be amended by deleting Clause 11.

Motion No. 35

That Bill C-9 be amended by deleting Clause 14.

He said: Mr. Speaker, there have been a number of amendments proposed to certain clauses in this legislation. This particular grouping of amendments is one of three groupings which would delete various clauses from the legislation and would not in fact amend those clauses. There are two other groupings of that nature, motions to delete. It is very difficult, in the context of a 10-minute speech at report stage, to do justice to the broad range of concerns which are reflected by these motions to delete. I should indicate that this particular grouping of motions to delete deals primarily with questions of a more administrative nature with respect to the functioning and operations of the security service. I will attempt to summarize the reasons for the motions to delete in the course of the next few minutes.

The motions deal with some seven clauses. The first two majors which are touched upon by the motions to delete are Clauses 3 and 7. Pursuant to the provisions of Clause 3, the Governor in Council appoints the director of the new service. There is an indication of the length of the term of office of the new director. I made a motion suggesting that the director should only be appointed following a review of that potential appointment by a parliamentary oversight committee. That motion was ruled out of order by the Speaker. It certainly remains my view that Parliament should play a role in the decision on the appointment of such a key individual in the operations of the new service. At the very least, Mr. Speaker, the Minister should consult with Members on all sides of the House with respect to the appointment of such an important individual.

Clause 3 to which I referred is the clause which formally establishes the Canadian Security Intelligence Service and sets out its principal office location as being in the national capital region. I note as well that the Official Opposition tabled a number of amendments to Clause 3 which would maintain the security service within the umbrella framework of the RCMP, subject to stricter controls and a statutory mandate. As Members know, this Party supported that amendment in committee at second reading.

Clause 7 is a clause which deals with consultation between the director and the Deputy Minister with respect to warrants.

● (1850)

The primary purpose for moving to delete Clause 3 is that that clause formally establishes the service. It is our view that the establishment of this new civilian security service poses a serious threat to civil liberties. Rather than moving to set up a new bureaucracy that is secret, unaccountable and will have unprecedented intrusive powers which no other western industrialized country has granted to its security service, we should in fact be moving in the opposite direction.

There are a couple of clauses that are dealt with in these motions to delete that relate to the question of collective bargaining rights and the terms and conditions of employment for employees of this security service. I would note that,

pursuant to the provisions of Clause 9, despite the alleged protection of the Charter of Rights and Freedoms of the right to freedom of association, for example, which is supposed to be accorded not on a selective basis but to all Canadians, members of the new security service are told that they will not be permitted any form of collective bargaining rights. I think that flies in the face of the protection of the right to freedom of association which whould be accorded to all Canadians in this country. I have no doubt that that provision will be challenged in the courts under the provisions of the charter. I hope that that clause will be overturned. That does not in any way mean that provisions with respect to withdrawal of labour cannot be specifically dealt with in the context of this legislation, but certainly to deny any form of collective bargaining rights at the stroke of a pen is an abuse of the employees of this new service.

As well, Clause 10 of this Bill which deals with the oath of allegiance and the oath of secrecy which are set out gives us very serious cause for concern. What the clauses do is effectively to require that all orders, whether lawful or unlawful, be obeyed by the employees of the service. The oath of office reads as follows:

I, ..., swear that I will faithfully and impartially to the best of my abilities perform the duties required of me as (the Director, an employee) of the Canadian Security Intelligence Service. So help me God.

When I suggested that we add the word "lawful" to that oath to ensure that employees would not be called upon to perform illegal acts and would feel that they had taken an oath that binds them to perform such acts, that amendment was rejected by the Government, leaving open the question as to what sort of action it intends the employees and the director to perform in carrying out their shadowy responsibilities.

The oath of secrecy, which casts a complete veil of secrecy over all of the operations of the security service, reads:

I, ..., swear that I will not, without due authority, disclose or make known to any person any information acquired by me by reason of the duties performed by me on behalf of or under the direction of the Canadian Security Intelligence Service or by reason of any office or employment held by me pursuant to the Canadian Security Intelligence Service Act.

What that does is effectively to bar an individual who believes there has been wrongdoing in the service from being able to report that unless his superiors authorize him to do so. I would just remind Members of the House that it was not until 1976 when Corporal Robert Samson blurted out in a Quebec courtroom that there were a few things that perhaps he had been required to do that the public might be interested in, and later when a couple of other former RCMP security officers came to the then Solicitor General and indicated that they had been required to perform illegal acts, that the McDonald Commission and the Keable Commission were established.

Of course, under this particular oath, that type of whistle blowing activity would not be permitted. That kind of accountability, which is so essential in a free and democratic society, would in fact be stifled.

The final major clause which is referred to in these motions to delete is Clause 14. That is the clause that permits the service to advise any Minister of the Crown on matters relating to the security of Canada that are relevant to the exercise of any power or performance of any duty or function by that Minister under the Citizenship Act or the Immigration Act.

What exactly are the powers that this new civilian security service will exercise pursuant to the Citizenship Act or the Immigration Act? I recall only too well the time when one of my constituents was questioned—indeed I would suggest gruelled—by members of the RCMP security service with respect to her political beliefs. This was a woman who had been active in Chile in support of the Government of Salvador Allende and had fled following the fall of that government. She was questioned extensively.

Is this the kind of advice that the new civilian security service will be giving to the Minister of Employment and Immigration or to the Secretary of State who is responsible for the Citizenship Act?

In short, the purpose of these motions to delete is first, very candidly, to delete the clause which creates the service, because it remains our view that this service, instead of protecting the civil liberties of Canadians and the security of Canadians will in fact jeopardize those civil liberties and violate the fundamental privacy of Canadians, and indeed will itself costitute an attack on the national security of this country. How ironic that a Bill which is supposed to be protecting the fundamental civil liberties and securities of Canadians could turn out to be the biggest threat to those liberties and to security since the imposition of the War Measures Act in 1970!

I urge Members to vote to delete the clauses to which I have referred for the reasons I have briefly touched upon and, hopefully, to kill this Bill in its present form which constitutes such a grave threat to all Canadians.

Mr. Deputy Speaker: Is the House ready for the question?

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I am pleased to have an opportunity once again to rise and direct some comments to the new set of clauses that we are presently debating. I must say that I have some real concerns about a number of those clauses. Some of the subclauses cause concern about just what the Canadian Security Intelligence Service will mean in terms of some of the fundamental freedoms which Canadians have always thought they had.

I recall a number of such instances from my own experience. Some friends of mine had discovered that the RCMP had been conducting all sorts of investigations about some activities that presumably I had been involved in. At the time I was pursuing some scholarly endeavours and had taken it upon myself to write to a variety of countries to obtain documentation and scholarly works in order to continue my academic studies. Since this material came from foreign countries it had to arrive at Customs as its point of access. The RCMP was carrying out all sorts of investigations and interviews with some of my friends and scholarly colleagues about what

activities I was involved in. Obviously the RCMP felt that there was something subversive about it. But my purpose was simply to write a number of papers on a variety of foreign affairs issues.

When I discovered that there were long lists, files, reports and briefs which various agents of the RCMP had submitted about my various activities, all of which were of a scholarly and academic nature, I began to wonder about the extent to which fundamental freedoms exist in this country. Of course I was pleased, as were all Members of Parliament, when the Charter of Rights and Freedoms was introduced and passed in the House, part of which included freedom of association. I believe that all of us believe very strongly about that. People who want to work together in organizations should be allowed the freedom to do so. Yet the Bill before us makes it impossible for employees of the new service to bargain collectively. This right has been denied all of the representatives of the new intelligence service. Again, this is something embodied in the Constitution of Canada, embodied in the freedom of association clause within the Charter of Rights. To think that we are being asked now to support a clause in this Bill that goes against the very charter that all of us supported in this House of Commons seems to be bordering on the ridiculous.

● (1900)

That is not the worst, Mr. Speaker. When you consider that my hon. colleague from Burnaby worked so hard in committee at a time when the committee was discussing the need of the agents of the security service to swear an oath of secrecy, part of which would suggest that they would never be permitted to comment on the affairs of the service and that they would be required to carry out unlawful activities as we have all come to know them, you might say, Sir, that surely we should not be asking members of this Security Intelligence Service to carry out illegal activities.

I must say that I was shocked when I first heard from the Hon. Member for Burnaby (Mr. Robinson) that we were being asked to pass a Bill which suggested that members of the agency should be allowed to break into one's home, office or private property in search of information or intelligence material, and that it would be appropriate for agents to open first class mail at their will, having received a judicial warrant. We know how successful that is in terms of screening. Last year out of every warrant requested, virtually every single one was immediately approved. It is hardly the type of security poeple would accept as protecting their rights and freedoms. Breaking into private property, opening up first class mail, going into tax records, family allowance records and all Government documentation about an individual, having access to all private information, being able to tap telephones, and I can go on with a whole list of activities, is not in the best interests of the nation. Yet we are saying in this Bill that members of the Security Intelligence Service will be permitted to do all these things in the so-called best interests of the nation. That in itself leaves a lot to be debated.

In the clauses we are presently debating we are being asked to support the concept of individuals taking an oath of secrecy. The suggestion made by the Hon. Member for Burnaby to include lawful activities as part of this swearing in process was denied. It perplexes and concerns me that the Solicitor General (Mr. Kaplan) would want to permit members of this agency to carry out unlawful activity under the direction of the director or other officers within the Security Intelligence Service.

When you start hearing about these various areas which cause serious concern to those involved with civil liberties in Canada, with fundamental freedoms for Canadian citizens, innocent Canadians I might add, one has to wonder, because clause after clause these shortcomings are being brought to the attention of the Solicitor General. Virtually every clause we have debated to date, and there is a whole list yet to come in the days ahead, we will be identifying the concerns we have as parliamentarians. Yet not a single one of those concerns has been answered in this House. I am hopeful that eventually we will see Members opposite rising in their places to answer some of the concerns we have. Can they explain why asking people to take an oath of secrecy that will require them to carry out unlawful activities is something we should support? I would like to hear the justification for that. I would like to hear the justification that it is appropriate now for members of the Canadian Security Intelligence Service to break and enter in pursuit of evidence, to open private mail and to get into all sorts of government confidential records. How can this be in the best interests of Canadians? How can this be in the best interests of creating an atmosphere of security in the country? This escapes me. I am hopeful and optimistic that Members opposite will shortly stand in their places and explain that we need not be concerned for these reasons. However, one does remain optimistic these days, Mr. Speaker.

In terms of the clauses we are presently debating, I must say that the points raised cause real concern, so much so that, if an adequate response is not provided, we will certainly have to vote against these clauses as they are brought forward.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, on examining the amendments that came from committee and the proposed amendments here at report stage, I regret the Hon. Member for Burnaby (Mr. Robinson) did not include one to delete Clause 4. It is there that I find what is a very definite looseness in drafting as a result of an amendment put forward in committee. But because I am precluded from making any changes, since there is no amendment at this time, all I can do is to invite Hon. Members to look at the provision to see if the term "pleasure" applies during the second term.

Mr. Robinson (Burnaby): Mr. Speaker, I rise on a point of order. I would draw the attention of the Hon. Member for Edmonton West (Mr. Lambert) to the fact that Motion No. 12 specifically refers to Clause 4 and in fact it would delete Clause 4. That will come in due course.

Mr. Deputy Speaker: The point is well taken. For the information of the Hon. Members in the House, we are now

debating Motions Nos. 10, 16, 20, 25, 26, 28, and 35, which propose to delete Clauses 3, 5, 7, 9, 10, 11, and 14.

Mr. Lambert: I will have to defer my point for another time, Mr. Speaker, because it concerns a clause not included in this group. I do not intend, as I have seen all too often this afternoon, to include everything but the kitchen sink in certain remarks, therefore, we will limit ourselves to particular things.

I am especially concerned about Motion No. 20 to delete Clause 7. I find it a little difficult when I see the provision stating that the director, who is to be in charge of this security service, has to consult with the Deputy Minister. What is consultation? Is it getting the consent of the Deputy Minister which regard to the operational policies of the service?

Mr. Kaplan: No.

Mr. Lambert: Something further is added regarding any matter with respect to which consultation is required by directions issued under Clause 6(2). Here again there is something odd. Any directions issued under Clause 6(2) which are not subject to the amendment at this time, if they are later on, ought to go before the review committee. What is the review committee to do with them? Is it to be a toothless tiger as the one proposed in Bill C-24 dealing with Crown corporations? Is it to table certain things in the House and in the other place with no direction on what to do with them? Presumably they will be here for information purposes.

• (1910)

I would have to ask the direction of the committee as to Clause 7(2). When there is a question of applying for a warrant under Section 21 or Section 23, the director or the person so designated will consult with the Deputy Minister before applying for the warrant or the renewal of the warrant. What for? Why does the Deputy Minister have to consent to the issuance of a warrant under Section 21 or Section 23? Is the director who is running the operation not sufficient? The director is responsible to the Minister. Will he run his shop or will he run it with the Deputy Minister riding on his shoulder like an old owl? These are questions which I have to ask. Why was the amendment put in?

Mr. Kaplan: They were all asked at committee and answered.

Mr. Lambert: I am outside the Standing Committee on Justice and Legal Affairs. What is the purpose of the amendment? What sort of bureaucratic monster is being created? Is it to operate or is it not? I am looking at something which is before me. I am not looking at the present system wherein the Royal Canadian Mounted Police is operating the security agency, which is where my colleagues have decided that it should remain. I am looking at something which has been put forward now, a civilian agency. Presumably it is the result of government policy and of the government majority on the committee. Therefore, it is the entire responsibility of the Government.

For instance, I want to know from the Minister why the Deputy Minister, if the director is responsible to the Minister, has to be consulted with regard to special warrants. The Deputy Minister is already responsible to the Minister. Why does the director have this two-headed authority over him with regard to special warrants? Then, on top of that there is this bureaucratic excess. If there is to be a renewal, what would happen if the Deputy Minister was not around? Deputy Ministers do not sit in their offices or at home waiting for calls. Who is the designated official below the Deputy Minister? Who is to exercise authority?

If I were to be the director of this operation, I would supposedly be directly responsible to the Minister. Either I am or I am not. However, suddenly I find that the Deputy Minister will have a hand in the issuance of directions by the Minister to the director. Why? Why say that the director is responsible to the Minister? He is not. The Commissioner of the Royal Canadian Mounted Police reports through the Deputy Minister. That is the case now. That was an aberration of some years ago. That aberration is being continued by the report coming through the Deputy Minister. I think one would require a specialist to be head of the security service, but he does not get to his Minister unless he goes through the Deputy Minister. There are so many hobbles placed upon him that the Deputy Minister has control of the written instructions which are to be given to the director.

I do not know whether it is the careful hand of bureaucracy coming into play. It did before. It should never have. Running the RCMP calls for a special skill. Running the security agency will require a special skill. Why do they have to be funnelled through a Deputy Minister? The responsibility is that of the Minister who has available senior specialists. Why have the Deputy Minister? That is the question which I invite the Minister to answer?

As an individual I am looking at what the Government is now proposing. I say that there is a fundamental fallacy. I will not say that my mind is forever shut on it, but as I see it now it is a fundamental fallacy. I would like the Minister to tell me, not just because it has happened for the past 15 years, why we are continuing that tradition. I say it was a mistake 15 years ago to have the Commissioner of the Royal Canadian Mounted Police report through the Deputy Minister.

Mr. Deputy Speaker: I regret to interrupt the Hon. Member but his time has expired.

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, because the Hon. Member asked such a pointed question and a good one, I ought to take just a moment to answer it. I do not want to delay opposition Members, who I know are very anxious to prolong the debate, in their opportunity to speak.

There is a very good answer to the good question which the Hon. Member asked. I receive a large number of files every day from each of the four agencies within my Ministry. Usually they recommend one course of action. I have to deal with them very quickly. Some days there could be 20 to 25

different ones. They come from the Commissioner of the RCMP who has the status of Deputy Minister. They come from the Commissioner of the Correctional Service of Canada who has the status of Deputy Minister. They come from the National Parole Board where there is a Deputy Minister with the status of chairman.

In each case I like to obtain an outside opinion about the advice being offered to me and the decision I am being asked to make. The outside opinion which I seek is that of my Deputy Minister. We have established in the Government of Canada over the last 14 years a secretariat made up of criminologists, sociologists and lawyers brought in from the Department of Justice and others. The secretariat has been specially set up to analyze all the documents that are being transmitted to me, all these requests for approval that are coming to me, and to give me an advice. I consider that advice to be very helpful. I do not think of it as being an extra layer of bureaucracy. I think of it as being very useful for a Minister to be able to respond promptly and get a broader picture than sometimes comes from the head of an agency. When I was designing the structure of the new security service, I wanted to be certain that that special input of secretariat-added guidance and advice would be there. That is the reason that the clause appears. With some of the other agencies that report to me, it is established by administrative directive or practice. However, I wanted the country to know about the secretariat, about the useful role it plays in giving advice to the Minister.

• (1920)

Consultation is just that. It does not mean that my Deputy Minister in the secretariat is suddenly responsible for running the RCMP or any other agencies. Consultation is just that. I consider it to be very valuable. I hope that the Hon. Member opposite will not vote to delete this very important clause.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I have to make a comment about my colleague from Edmonton West. He has done what I consider to be almost the impossible. He got the Solicitor General (Mr. Kaplan) to stand up and speak on the security Bill. That in itself is worthy of commendation and shows what a distinguished and eminent Member my colleague from Edmonton West is.

I want to deal with this provision in this context. Mr. Speaker in his wisdom determined that motions and amendments proposed by our Party with respect to whether the aspect of a civilian intelligence agency as opposed to an agency which would be under the umbrella of the RCMP were not admissible. Mr. Speaker indicated that, in his judgment, that question would be resolved at second reading stage.

Mr. Deputy Speaker: Order. I should caution the Hon. Member and bring the following to his attention, because there have been similar occurrences in the debate tonight which escaped my immediate attention. May I simply quote the last sentence of Standing Order 15(1). It reads:

No debate shall be permitted on any such decision, and no such decision shall be subject to an appeal to the House.

I appeal to Hon. Members not to debate in any way, shape or form the Speaker's earlier decisions. It is not in keeping with our practices and traditions. It is certainly not in keeping with the Standing Orders.

Mr. Hnatyshyn: That is a very interesting observation. I am simply stating a fact. I am not reflecting on it. If you want me to say that I agree that he has the right to make that decision, that is perfectly all right.

Mr. Deputy Speaker: No.

Mr. Hnatyshyn: I am just making reference to that fact.

Mr. Deputy Speaker: The Standing Order is very clear: No debate. I invite the Hon. Member to continue his remarks on the motion now before the House.

Mr. Hnatyshyn: I defer as always to the Chair. Let me pose a hypothetical situation to you with respect to the matter. Let me assume that a ruling had been made with respect to admissibility—

Mr. Deputy Speaker: Order. Will the Hon. Member make his remarks pertinent to the motion now before the House and not to the decision or conduct of the Chair.

Mr. Hnatyshyn: Mr. Speaker, I want to assure you that I am not going to debate a ruling of the Chair now or at any time in the future. I am only going to say that this clause deals with the establishment of a civilian intelligence service in Canada. It would be the preference of our Party that that not be the case. We have suggested on different occasions, at second reading and in committee after hearing representations, that the security service be brought within the aegis and under the umbrella of the RCMP. I am going to discuss that because this is the only opportunity I will have to mention that fact because of certain occurrences that happened in a time past.

Mr. Deputy Speaker: There is no misunderstanding at all between the Chair and the Hon. Member. The only reservation I pointed out to him is the reference to the Speaker and the Speaker's decision, drawing the Speaker into the debate. If he leaves those out, everything will be perfectly in order. I invite the Hon. Member to continue his remarks. Once again I apologize for butting in.

Mr. Hnatyshyn: Thank you, Mr. Speaker. In support of this motion with respect to the deletion of the provisions dealing with the establishment of a civilian agency, I want to tell you that this is the only way that we are able to demonstrate or manifest our opposition to the way in which the Government is proceeding in this instance. Other options have been shut out to us.

The Solicitor General indicated that he was prepared to listen to representations to try to make this agency responsive to public opinion. In virtually every instance, including this instance, he has refused to listen to the input we have received

with respect to this legislation. This is a good example. Who has spoken? Who has given evidence? Who are the people who suggested it would not be a bad idea to have this agency under the umbrella of the RCMP? They are not a bunch of lunatics. They are not a bunch of people who do not have the national interest at heart. There is a wide ranging group of people.

Let me point out some of the people who made representations and who said that the RCMP should remain involved, who say that the Government is wrong in taking the action it is taking, who say that the Government is trying to repudiate the RCMP by this legislation by saying they are not competent or capable of carrying on the security service of our country. Who are these people who are castigating the Solicitor General, the chief henchman of John Turner, the next Prime Minister of this country? This man will ostensibly give advice, along with the Minister of Justice (Mr. MacGuigan) who tippy-toed over to Mr. Turner during the course of last Saturday's proceedings. Who are these people who will advise Mr. Turner about the way in which our secret service will operate in Canada? I take it that it will be the Solicitor General. What has the Solicitor General failed to listen to? He failed to listen to people involved in the administration of justice in our country.

By way of example let me point out that the attorneys general of all the provincial governments have been united on one thing, the proposition that the agency should remain under the aegis of the RCMP. The attorneys general of Prince Edward Island, Nova Scotia and New Brunswick have sent telegrams to the Justice Committee making their position known. The Attorney General of the Province of British Columbia submitted a brief to the Justice Committee and appeared before that committee. Among other things he said this:

> It seems to me to make a lot more sense to build on the institutional credibility that is already established, to use the umbrella of confidence that there is there, and to direct it and make it an effective security agency and make it an accountable one. I believe the Royal Canadian Mounted Police can be made an effective security force.

The Attorney General of Ontario, in a speech on February 7, 1984, had this to say:

> But I find extremely unattractive and fundamentally unsustainable the assertion in this legislation that the Royal Canadian Mounted Police would exceed a statutorily defined mandate, evade the formal external review mechanisms, thwart ministerial accountability and abuse its defined statutory powers. The history and tradition of the Royal Canadian Mounted Police suggests very clearly to me that once there is an end to the absence of governmental direction and responsibility, which gave rise to the RCMP wrongdoing, the force will respond willingly and effectively to the wishes of the Canadian people as reflected in the new legislation.

The Attorney General of the Province of Saskatchewan submitted to the Justice committee an extensive brief dealing largely with the separation of the security service. He said as follows:

● (1930)

> There is no indication, however, that the Royal Canadian Mounted Police, as it is presently being managed by its senior officers, is not being responsive to the needs identified by Mackenzie and MacDonald for flexibility and change.

Who else has spoken in favour of the RCMP? Mr. John Russel, Executive Director of the British Columbia Civil Liberties Association, has spoken in favour of the RCMP.

My colleague, the Hon. Member for Vancouver South (Mr. Fraser), posed a question to the Solicitor General (Mr. Kaplan) in committee. He asked the Solicitor General if he was satisfied with the operation by the RCMP of its security services. Do you know what the answer to that question was, Mr. Speaker? The Solicitor General himself said yes, that is so. He said that he was satisfied with the operation of the security service. Yet he has brought this legislation to the House in an attempt to protect the reputation, whatever it may be, of the Liberal Government and to protect the Government from the way in which it simply hung the RCMP out to dry at a time of crisis in the early 1970s without having any Ministers of the Liberal Government accept responsibility for the actions of the security service of Canada. Government Members are now attempting to create a civilian intelligence service.

I think the people of Canada are very interested in whether or not this is really the position taken by this Government under its new leader. They want to know whether or not Mr. Turner, his solicitor general and his minister of justice will continue this repudiation of the force which has the support and admiration of the overwhelming majority of Canadians. They want to know whether or not this force, which has brought such pride to Canadians over the years and which has played such a great part in the development of our country, and particularly in the development of western Canada, will be publicly repudiated by the Solicitor General who has said that this agency is not competent to carry on the security services of our country.

The attitude that is being taken by the Government is one which most Canadians will understand. It will be a factor when Canadians make up their minds whether or not they should support this Government at the time of the next election. I would like to explain why this is so. We are now seeing demonstrations of the arbitrary nature of the Government. Nothing has changed. The events of Saturday afternoon did not change a thing.

The Liberal leadership candidates spoke of parliamentary reform and how they will make Parliament more responsive. What is the first act of government Members when they return to the House of Commons? They invoke closure. We cannot even debate this matter to the extent it should be debated. We have before us a Bill that is limiting the civil liberties of Canadians and is putting Canadians in jeopardy because of the powers being given to this new agency.

I ask you, Mr. Speaker, what kind of mentality exists among Liberal Party members who preach rhetoric about a brand new tomorrow during the course of a leadership campaign? They have said: "A new Jerusalem is in sight. All we need to do is find someone to succeed our present Prime Minister and everything will change. We will have a new responsiveness, we will have more access to our leader, we will make sure that democracy works and we will not have the country run by an

arbitrary few." What is the first thing government Members do? They come to Parliament and move closure.

I would ask you, Mr. Speaker, what the people of Canada are to understand? Is this the new régime that we shall come to expect? Is this the form the new leadership will take? Is this the brave new world we will experience in which democracy thrives and freedom of speech is encouraged? Is this a world in which people will be able to speak about the serious issues that face Parliament? No; government Members would like to shut debate down. They do not want to hear arguments presented as to why we should have a different kind of agency, one which carries on the tradition of honour that has existed in the RCMP, one that carries on with a sense of self-discipline and has the flexibility to expand its horizons. I grant you, Mr. Speaker, that we could have an agency, even under the RCMP—and indeed under the RCMP—that would allow for the enrolment of people who have specific expertise and competence to carry on the security services of the country. But no, government Members do not want to hear anything about this alternative.

The reason government Members do not want to hear about this alternative is very simple. They want to shut the history books on the entire background which has led up to this legislation. They do not want to examine in detail exactly what transpired with respect to the RCMP security service in the early 1970s. They do not want to re-examine what went wrong. They do not want to talk about ministerial accountability and responsibility. All they want to talk about is the perception of progress. They say: "We are going to create this new bureaucratic institution out of a bunch of civilian people. There will be a certain amount of review and accountability and we will not have the troubles that occurred in the past which were not fault of the Liberal Government, of course. They were all the fault of the RCMP, they were the bad guys." That is why government Members have come forward with this proposal.

I see that I only have one minute left, Mr. Speaker. When a Government is so insensitive that it will not listen to a reasonable alternative; when just before a federal election a Government is so insensitive that it brings in legislation which is an insult to a fine and respected force in our country; when on the eve of a federal election it invokes closure in order to force through a Bill which has serious consequences to the civil liberties of Canadians, this Party along with its new leader has lost its ability to carry on the governing of the country. I say that this demonstrates more than anything else its lack of ability and lack of competence to carry on after the next election.

Mr. Simon de Jong (Regina East): Mr. Speaker, I too wish to express some of the sentiments and some of the thoughts expressed by the Hon. Member for Saskatoon West (Mr. Hnatyshyn). I think there is much that he and other Hon. Members have said that should surely give government Members every reason to stop in their tracks and give very serious consideration to what in fact they are doing.

Near the end of the term of this Parliament we are seeing legislation being introduced that, to any fair-minded man or woman, is frightening in its implications regarding the personal civil liberties of Canadians. Yet we see this Bill being oozed through the Parliamentary process. In the last days of this Parliament, the Government is using its majority to enforce closure and to hammer the Bill through the House. It threatens to hold up other needed pieces of legislation that will help senior citizens, farmers and workers. These pieces of legislation are being bartered for our basic human rights.

In other civilizations and in other countries, men and women would be up in arms. The press would be screaming in headlines about what is occurring. I wish the cameras could pan over those desks across the way where the men and women of the Liberal Party do their correspondence and read their newspapers, while the other half of them sit at the sandwich counter ready to enter the House just to vote. Democracy and personal freedoms and liberties are going down the drain in such a nice, gentlemanly, parliamentary fashion. It makes me sick and it makes me outraged. It makes me sad that this horrendous piece of legislation with all of the threats it poses to ordinary Canadian men and women should, in such an orderly fashion, proceed through the normal channels toward its passage into law. It is a sad day for Canada. It is a sad day for Parliament. Surely the saddest of all is the reputation of the Liberal Government across the way.

• (1940)

I am rising in support of the motions which would delete Clauses 3, 5, 7, 9, 10, 11 and 14. I particularly, support the deletion of Clause 3. By deleting that Clause we delete the establishment of the secret service agency. The amendment which would delete Clause 3 as well as other clauses, is a very important amendment. However, most of my remarks will surround the motion to delete Clause 3.

My colleague from Burnaby has mentioned the reasons for which Clauses 5, 7, 9, 10, 11 and 14 should be deleted. They are valid reasons. It is very unfortunate that in this process we have yet to hear one government Member stand up and justify the legislation.

Mr. Kaplan: We were waiting for time allocation today.

Mr. de Jong: Government Members will not take the time to take their noses out of the newspapers, pay some attention to what this legislation is about and what are its implications. The Solicitor General (Mr. Kaplan), has said that we are trying to obstruct Parliament and that we are trying to delay passage. Yes, I am trying to delay. I am trying to do whatever I can to stop this legislation from passing. It wrenches my guts to see the nice way, the parliamentary way, the gentlemanly way, in which this outrageous piece of legislation is being passed through the House. It amazes me that we can hardly get a rise out of Members opposite. How cool, calm and gentlemanly they are while killing the liberty of individual Canadians. Mr. Speaker, I stand flabbergasted.

The Minister of Justice (Mr. MacGuigan) has not addressed himself to the legislation. The only time we can get the Solicitor General on his feet is when he is clearing up some bureaucratic point. He has not stood in this House to justify why we need a civilian security force. He has not stood up in the House to indicate why more police powers are necessary. He has not indicated to the House whether there exists a real threat to Canada in terms of terrorists or subversives.

Mr. Kaplan: I did that at second reading.

Mr. de Jong: I do not see any government Members standing up to justify the legislation. Of course, the so-called justification was made in committee. I am not a member of that committee.

Mr. Kaplan: No, no. At second reading.

Mr. de Jong: I expect the Government to give the justification to the nation in Parliament, where the whole nation can watch on television—

Mr. Kaplan: Mr. Speaker, I rise on a point of order. Surely the Hon. Member knows that the place for matters of principle is at second reading debate. Fifty-seven speeches were made on the subject which the Hon. Member is now urging us to speak on again—

Mr. Deputy Speaker: Order, please. That is not a point of order. That is obviously an exchange in debate.

Mr. Kaplan: You were not here. That is the trouble.

Mr. de Jong: Mr. Speaker, I was here and I participated in that debate. Much of what I am saying now I said then, because there were not many government Members in the House to explain the legislation at that time. The Solicitor General is hauling in a red herring in an attempt to justify this legislation. That makes it even more obnoxious.

The Solicitor General has not stood to explain why he objected to the amendment my hon. colleague from Burnaby introduced. That amendment would ensure that the oath which is to be taken by the officers of the agency which is being established by this Bill, would be to carry out legal acts. The Solicitor General did not explain why he objected to having the word "legal" inserted in the oath. He has not given us the assurance that the agency will not become a bureaucratic monster which will swallow up the political masters. He has not given us any assurance that he and his colleagues are capable of holding in check the wide powers that this agency will have. He has not given the House any assurance that the Government is capable of controlling this agency. This Government has particularly proven how incapable it is of controlling other departments and other bureaucracies, bureaucracies which have swollen and swollen and swallowed Cabinet Ministers and the political masters of those departments.

After seeing the lack of performance in this House and the lack of justification by Members opposite I am more afraid than ever before. I do not think the Government is capable. Personally I think Members opposite are honest, decent people who do not wish other people harm. However, I have very little confidence in their ability to administrate, to be on top of and in control of government. I have very little confidence in their ability to control the agency which the Government is creating. I am afraid that a monster is being created which, at some future date, government Members will regret. Unfortunately, it might then be too late.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I would like to deal with Clause 3 which is dealt with in the five or six motions that have been grouped for debate. In response to the last speaker, who was lamenting that government Members have not been speaking, to which the Minister replied that it was dealt with at second reading and that the amendment should have been made at second reading—

Mr. Reid (Kenora-Rainy River): He did not say that at all.

Mr. Kaplan: After 57 speeches.

Mr. Thacker: The problem was that debate was closed off at second reading and we were not able to introduce some of the amendments. When the amendments were proposed at committee stage they were dealt with and considered by the committee. Amendments were proposed at that time which were subsequently returned to the House and ruled out of order. The point I would like to make is that whenever Liberal Members take a fresh look at a problem, with people grouped around, they find the amendments to be totally satisfactory. Indeed, the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand), formerly the Solicitor General during the period in which the RCMP allegedly got out of control, put amendments which the Cabinet rejected. That is the irony. A former Solicitor General with all his years of firsthand experience had his amendment rejected. Therefore, the Minister, with great respect, does not make sense in his objection.

As well during the committee stage, on one occasion independent government Members, the Hon. Member for Etobicoke-Lakeshore (Mr. Robinson) and the Hon. Member for Lincoln (Mr. Mackasey), when they looked at the amendments fresh without having received instructions from the Minister or the Cabinet, abstained from voting, and in some cases when there was a tie vote the chairman had to step in and save the Government. Indeed, even the chairman on one occasion voted with the Opposition. Now the Government is saying it will put in a fresh motion which will overturn the majority decision of the committee. If we could deal with Government back-benchers on a person-to-person basis, we could convince them on hard evidence. The committee did hear the witnesses. I am sure those Members would recognize that Bill C-157, which was the predecessor to Bill C-9, was worded so badly that in order to get itself off the hook, the Government sent it to a Senate committee. The Senate committee heard witnesses and made over 40 amendments to the Bill before it was returned to the House.

Clause 3 is actually the establishment of the service. Without saying it in so many words, it in effect creates a civilian

agency, to do the same work that today is being done under the aegis of the RCMP. The reporting mechanism is through the Commissioner of the RCMP. The Government position, in essence, is that there should be a separate civilian agency. Our position, and I believe it is also the position of the NDP, is that it should be left under the aegis of the RCMP.

Let us consider what the witnesses said. The Attorneys General attended the committee and said:

> The provincial Attorneys General note that the need for a new separate security service is open to question.

● (1950)

The Attorney General of Prince Edward Island, Nova Scotia and New Brunswick have all sent telegrams to the members of the justice committee making known their opposition to a new civilian agency. The Attorney General of British Columbia actually came and gave evidence before us with respect to Clause 3. Among other things he said:

> It seems to me to make a lot more sense go build on the institutional credibility that is already established, to use the umbrella of confidence that there is there, and to direct it and make it an effective security agency and make it an accountable one. I believe the Royal Canadian Mounted Police can be made an effective security force.

The Attorney General for Ontario in a speech on February 7, 1984, said this:

> But I find extremely unattractive and fundamentally unsustainable the assertion in this legislation that the Royal Canadian Mounted Police would exceed a statutorily defined mandate, evade the formal external review mechanisms, thwart ministerial accountability and abuse its defined statutory powers. The history and tradition of the Royal Canadian Mounted Police suggests very clearly to me that once there is an end to the absence of governmental direction and responsibility, which gave rise to the RCMP wrongdoing, the force will respond willingly and effectively to the wishes of the Canadian people as reflected in the new legislation.

The Attorney General of Saskatchewan submitted an extensive brief dealing largely with separation of the security service. At page 14 he states:

> There is no indication, however, that the Royal Canadian Mounted Police, as it is presently being managed, by its senior officers, is not being responsive to the needs identified by MacKenzie and McDonald for flexibility and change.

This is the evidence of people who have real expertise in the area. It is evidence we heard at committee, the result of which came back to this House by way of amendments. That is why we plead with the back-benchers on the government side to simply read the record, because I believe if they did they would be prepared to turn to the Minister and say "Mr. Minister, with no disrespect to you, we do believe that we could accept these additional protections where there is doubt".

Mr. John Russell, the Executive Director of the British Columbia Civil Liberties Association said the following in his testimony in committee on May 10, 1984:

> The Senate committee and McDonald commission cite essentially two reasons for civilianization. One is that the intelligence personnel of a security agency require different training and abilities from those RCMP officers have; and, secondly, the police hierarchy is incompatible with the strict process of review and control that is envisioned for a civilian security agency.
>
> I think the lie is given to the first item by the fact that the RCMP security section is going to be given over to the new security service. So we are left with the conclusion that either the RCMP does train competent personnel, in this case, or that the service will begin its life with unsuitable employees. In our view we would prefer that the Security Service, if there is to be a Security Service, should remain within the purview of the RCMP where threats to national security are more likely to be placed in a realistic context; that is, they will be assessed in relation to other criminal activity and not isolated.

I believe the coup de gras for the argument of the Government is that in the justice committee on May 23, 1984, the Solicitor General of Canada (Mr. Kaplan) made a very important admission. I quote the question put to the Minister by the Hon. Member for Vancouver South (Mr. Fraser):

> The fact is, Mr. Minister, that for many months now—for many years in fact—since the revelations in the House of Commons in 1977 and the action which was taken consequently, the security service has been working as a part of the Royal Canadian Mounted Police. The commissioner has been reporting to the Solicitor General effectively, competently and in a manner in which I am sure you would agree meets with your approval. You testify that this has been done in a manner which meets the appropriate sensibilities of the Canadian public. Is that not so?

The answer of the Solicitor General was, "Yes, that is so". There we have it, Mr. Speaker, right from the Minister's own mouth. The people working in security presently under the RCMP are meeting all of the needs of the Minister and, therefore, if our amendments were accepted, it could very easily be that the RCMP in the future would operate under the statutory sections covering court orders for warrants, the inspector general would monitor and keep tabs on what the RCMP were doing in that area, as well as the review committee, which consists of Privy Councillors who are not active in the House or the Senate. It would be very easy to amend this legislation in a step-wise fashion. This is really a revolutionary change as compared to an evolutionary change. When it is put in the context of how deeply so many people feel about the RCMP, and the trust they have in it, we just should not be making that move to a civilian agency.

I have had the moving experience, Mr. Speaker, of talking to many of my constituents who are from eastern European countries. Indeed, my neighbour for many years still has the tattoo on his arm. They speak from first-hand knowledge about how a separate civilian agency can get out of control. If we talk to those people from South America we find it does not matter whether the Government is an extreme left wing government or an extreme right wing government, they create secret services wich have the potential of growing totally out of control. As we know from our debate on the definition of "threats", particularly with respect to domestic subversion, this is a possibility, albeit this Minister does not intend that. It could happen just as Watergate developed in the United States, starting with President Kennedy. One can see how subsequent administrations increasingly took the power and abused it more and more, until Watergate occurred. That is what could happen here, Mr. Speaker and I sincerely ask Hon. Members opposite to take a good look at this, because just a few amendments could fix this legislation dramatically.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I have not spoken in this debate on Bill C-9 because I wanted to listen to the comments being made by Hon. Members on both sides. I would like to try to put into perspective from my point of

view my own fears as to the direction in which this Bill takes us. I do not have to go into the minute detail of what is contained within the Bill at this point. The purpose of the amendments moved by my colleague, the Hon. Member for Burnaby (Mr. Robinson) is to eliminate Clauses Nos. 3, 5, 7, 9, 10, 11 and 14. Those clauses are the heart, in many ways, of the proposal by the Government.

I was particularly interested in the content of a brief which was submitted to the House of Commons Standing Committee on Justice and Legal Affairs by Allan Borovoy, the general counsel and Kenneth Swan, the Vice-President of the Canadian Civil Liberties Association, because it brought to my mind a situation in which I myself was involved. When one reads the Bill and analyses the content, one comes to the conclusion that there is the possibility, if not the probability, for similar kinds of actions to occur in Canada. Mr. Borovoy in making his presentation said that the agency proposed by the Government, though better than the agency previously proposed, has far too much intrusive snooping power. He said that the use of electronic bugging, the surreptitious searches, mail opening and the invasion of confidential records, is frightening.

There are Hon. Members in this House who travelled with me on two occasions to the Soviet Union. I have been involved with and interested in the question of human rights as long as I have been an adult in Canada, because it is perhaps the single most important issue which confronts us. I remember being in the Soviet Union. I could not help feeling, as I read Allen Borovoy's submission, that the very things he was bringing to our attention are the things that cause those of us who visited the Soviet Union, officially and unofficially, to be most concerned.

● (2000)

I will tell you this story because I think it highlights my opposition to the Bill as it stands. I remember speaking with people in their apartment in Moscow and the telephone rang—one ring. There was silence. They sent me a note, because they did not want to speak out loud, that that ring signified that they were being bugged—that very subtle ring on the telephone. They then went quietly into the hall, closing the door behind them, into the kitchen, and looked out the darkened window to view a vehicle sitting outside. The people in that vehicle were listening to the conversation we were having in that apartment. The conversation had nothing at all to do with the national security of the Soviet Union absolutely nothing. We were talking about mutual acquaintances. I was discussing with them their desire to leave the Soviet Union and come to Canada to be with relatives. I was discussing with them their application for permission to leave, just as you would discuss it with any friend at any time any place in the world. But the authorities there, under the aegis, if you will, of a law no doubt very similar to this one, had decided that I, being a foreign agent visiting with these people in their apartment—

Some Hon. Members: Ha, ha!

Mr. Deans: Listen, it is a very serious matter. For those of you who do not understand that, I urge that you listen carefully. When I visited there I did so out of compassion, out of concern for those people and people in similar circumstances all around the world. They were seen as a threat to national security and were under surveillance. Who were they? One was an engineer, one was a professor, one was so old as to hardly be a threat to any one at all, but they were being kept under surveillance because of legislation—in a totalitarian state legislation does not really matter a whole hell of a lot, but they were kept under surveillance because they were seen having discussions with people from outside of the country about matters the Government felt were not in its best interests and therefore they were deemed to be a threat to the security of that country.

I am not suggesting for one minute that there is anyone on either side of this House who would willingly or knowingly condone that kind of action in Canada—not one of us. But I also know that the checks and balances necessary to guarantee that this cannot occur do not appear in this Bill. That is what is wrong with the Bill. That is what is wrong with the whole process. You have to understand the fear. You have to realize what it is like to know that someone wrote you a letter but it was never delivered, and that that was not the fault of Michael Warren. You have to appreciate what it is like to live in a system where the thing you fear most is not that you will be caught breaking the law but that the Secret Service, in whatever form it takes, will be given the kind of power that enables it to foist itself upon you, to infringe upon your life and to take action against you even to the point of trumping up charges in order to get you out of the way and put you in jail.

I say to you that that is not foreign to Canada. We all know now that those kinds of things have happened here. That is what frightens me about this legislation and its passage. That is why I want to see some better measures introduced which will guarantee that no one can run away with this power we are vesting in these individuals. With all the best intentions in the world the Secret Service does what it thinks is best in the circumstances. There is no guarantee that you need to be considered as breaking Canadian law in order to be under surveillance under this Act. Well, that is wrong. That is why we are taking so much time trying to convince the Government, and trying to improve the legislation. You have to have been there to understand it, and I have been there. I understand it and it is wrong. It is dangerous. It is frightening. It can happen in the best circumstances with the most well-intentioned individuals. Therefore, we have to tighten up this Bill.

I see you are indicating that my time is about up, Mr. Speaker. It is not impossible to have a Watergate here with the expansion of power to be taken on by those doing what they believe is right but which is totally outside of what is acceptable within our society. Neither is it impossible to imagine circumstances such as those I saw when I went to Moscow. For those reasons, if for no others, I say to the Solicitor General (Mr. Kaplan), because I know of his interest in matters such as the ones I have raised, that he should give some more

serious thought to whether or not there are better ways to achieve the ends that he and we all desire.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, anyone who has spent any time in Regina cannot fail to be aware of the "Barracks", as they were called in my day, and the respect held for that particular insitution. I can recall as a small choir boy being asked to go to the chapel at the "Barracks". There was only one "Barracks" in Regina at that time, as we knew it. It was a "B" Barracks, the RCMP Barracks. Evens as a small boy I felt that it was a signal honour to be asked to appear on Sunday morning at service there and see the scarlet coats on either side of the aisle. Having gone through that experience we thought our choir was a pretty special one.

I can also remember one of the Mounties who came to our Sunday school regularly. We knew he was a Mountie, though he came in mufti, his civies. One particular day he had a ceremony after Sunday school and he came in uniform. You can believe me when I tell you that when he walked in that morning he clinked in. You could hear the spurs and you could see the scarlet coat. We were in a special Sunday school class. I tell you that because it represents for me the feeling that I think is pretty general in Canada. It was very strong in Regina and I think it is very strong across the Prairies. I do not think it wanes on the way toward the coast. The RCMP is a respected, honoured force in Canada. It is a force for justice and right in which the Canadian people can have confidence. My early experience in Regina left with me those memories of the RCMP.

● (2010)

I feel that we should not remove from that force a function which they have been performing and are still performing, albeit with problems. The problems can be dealt with. They are retaining their respect, honour and the confidence which they have earned since their establishment at the end of the nineteenth century as the Royal Northwest Mounted Police.

Through the Solicitor General (Mr. Kaplan) the RCMP are accountable to the House and to the people of Canada. For a short period in 1970 when, due to some activities which were thrust on them, they were directed to perform, or in any event occurred, there was a slight shudder in that confidence. However, they retained that confidence because of the great fund of goodwill and confidence the Canadian people have in the RCMP.

We are being asked to take away one of the functions of the force which enjoys such confidence. I admit that its prime function is the maintenance of law in areas where there is no other force of law available to the municipality or province, and certainly in the Territories and in the Yukon. We are being asked to take away from them a function which has been thrust upon them since the Gouzenko affair, during which they behaved with absolute scrupulousness and fairness. They reported to the Government of the day. The Royal commission carried out its work and the RCMP came out unblemished for their performance in that particular operation. Since then they have had to take on the function of the intelligence service guarding Canada against subversion and now, a new phenomenon which we all deplore, terrorism, which is a form of subversion, I suppose. Subversion means to turn people against authority. Terrorism is to frighten people so that they will lose confidence in authority.

Under Clause 3 of this particular legislation we are being asked to remove from the RCMP a function which they have performed most nobly. I have some difficulty understanding the manner in which the Member for Burnaby (Mr. Robinson) has been dealing with this legislation. I suppose it may be that the Rules of the House require him to do it in this manner. He tried to have the legislation hoisted for six months. That did not work so he thought he would take it out piece by piece, clause by clause. He has done that. He was forced to do that by the Rules of the House. We now have before us six or seven motions. One of them refers to the establishment of a separate force.

In my earlier comments I said that there could be means of dealing with the problems which are presently being encountered by the intelligence branch of the force. We are aware of them. We are aware that there are those who are not members of the force who are within that intelligence branch. They do not know whether they are fish, foul or herring. Surely there is a method of establishing a personnel policy within the intelligence service which could be different from the personnel and promotional policy of the force itself. When the RCMP speak about the "Force" there is always a capital F in front of that word. They say it with meaning. They mean what they say. Surely there is a means of establishing within the force an intelligence service which would be under the general administration of the commissioner, under an assistant or deputy commissioner if you wish, having rules of promotion and drawing, where possible, from likely candidates within the force itself and shifting them into the intelligence force if they wish to be so shifted. We could also recruit civilians who have not gone through the training at Regina but who have demonstrated their ability in one way or another for this particular form of activity. That can be done.

I am sorry to see that my time is running out, Mr. Speaker, because I had hoped to be able to induce some Members of the Government to stand up and express some views about this force. We managed to provoke the Solicitor General to his feet. Perhaps we could get another Member to express his heartfelt views about this force and whether it should be within the RCMP or as a separate force.

Mr. Joe Reid (St. Catharines): Mr. Speaker, in debate this morning we heard a good deal with respect to Motion No. 1 having to do with the title introduced as it is in Clause 3 of the Bill. It may be said that that debate was somewhat initiated by reason of an amendment introduced by our Party suggesting that the title of the Bill might more properly be the Royal Canadian Mounted Police Security Intelligence Service. The Hon. Member for Lethbridge-Foothills (Mr. Thacker) and others have already indicated the cogent reasons why that force might still be the adequate agency to conduct the

intelligence service for our land. It was pointed out by the Attorney General that no cogent reason has really been established yet in the House as to why we should have a civilian security service. That being so, it is a sad day when closure is introduced so soon after the Government side has elected a new leader without a seat in the House, and without really having an opportunity to consider in any degree of depth the Bill that is before us for consideration today.

• (2020)

The *Globe and Mail* editorial of April 24 last reported that, although Bill C-9 has fewer flaws than its predecessor, Bill C-157, it should not be allowed to pass in its present form. This was in an editorial in one of Canada's national newspapers. It pointed out that Bill C-9 would still continue to grease the wheels of the domestic intelligence service. This domestic intelligence gathering force, which is supposed to have the responsibility of protecting the public, will gather information at the expense of the rights of the public.

Unfortunately, we must agree that there is a need for an intelligence service in this troubled land. It is also the responsibility of the Government to ensure that Canadians are protected by such an intelligence service, that our national interests and security are protected. However, should that protection be at the expense of public rights and liberties that Canadians have a right to expect? While that protection of security is a responsibility of the service, in no way can it be said that our rights and liberties should be prejudiced and diminished by reason of the need for that protection.

Bill C-9 still empowers its agents with the judicial warrant system to demand, seize and detain first-class mail, examine the health records of Canadians and violate the confidentiality of income tax returns. The agents are still able to tap telephones, but the Solicitor General (Mr. Kaplan) only says that the review committee will blow the whistle on the agency as soon as it steps out of line.

Canadians have been burned before. The agency, believing to be acting in the best interests of the country, rode rather roughshod over large numbers of Canadians and over the civil rights and privileges of ordinary Canadians.

Bill C-9 does not ensure that this will not happen again. Critics of the Bill are not instilled with confidence in the review committee or even in politicians or political hacks. The review committee would be made up of Privy Council members who do not sit in the House of Commons or Senate, but Privy Councillors nonetheless who are appointed by the government of the day. They will be paid by the Government. There is an old adage which states that he who pays the piper calls the tune.

Perhaps at this stage I am not permitted to expand on the benefits of the RCMP or its history, but if there is any greater risk than placing the caretaking of the intelligence service in the RCMP, it is leaving it in the hands of politicians.

Bill C-9 makes no provision for an all-parliamentary review such as exists in West Germany or in the United States. Nor is the Solicitor General fixed with a responsibility such as recommended by the McDonald Commission of having knowledge and responsibility for the working of the intelligence service. The Solicitor General has put distance between himself and that agency. He has done this through a director and a review committee and has not given the faintest hint of any acceptance of an all-parliamentary overview of that director and the operations of his agency. That is left up to some persons who are appointed by the government of the day.

Even though there is a public demand which requires such an opportunity for an all-parliamentary review of an operation of such an agency, it has been denied to Canadians through this Bill.

Furthermore, despite all of the assistance offered to him by Opposition members and the witnesses who appeared at the committee hearings, the Solicitor General is either unable or unwilling to write a bill that would command the general national support of our people. Instead, he has introduced closure today, the first legislative day after his Party elected a new leader. He is the future Prime Minister but the Government, without the opportunity for its new leader to study this legislation, introduced closure. This is an arrogant approach by the Government. It is a sad day with respect to a totally incompetent Bill when it should take such action.

Mr. Fred King (Okanagan-Similkameen): Mr. Speaker, I was particularly prompted to make a few comments on this Bill by some of the remarks made by my colleagues, including the Member for Lethbridge-Foothills (Mr. Thacker) and the Member for Hamilton Mountain (Mr. Deans).

The Hon. Member for Lethbridge-Foothills spoke of the manner in which the committee hearings were conducted. The statements and opinions expressed by individuals who appeared before the committee were almost unanimous in their recommendations for changes to some of the particulars of the Bill. He also stated that the recommendations have been ignored, which casts doubts about the entire question of having committee hearings into the subject.

This was characteristic of what recently happened with respect to the committee hearings on the Canadian Institude for International Peace and Security. When public hearings were held in that regard, 14 of the 14 witnesses who were quoted in a paper presented by an observor to the standing committee for its perusal stated that seven non-Canadian directors on the institute was too great a number. The Bill provided for eight Canadian directors and seven non-Canadian directors which these witnesses felt was too heavily weighted toward non-Canadian directors.

How did the standing committee deal with those recommendations? It simply ignored them. It took advantage of the Government majority to pass Clause 18 of that Bill as it stood. It allowed seven non-Canadian directors on a board of 15.

• (2030)

When the Hon. Member for Lethbridge-Foothills was speaking of a similar experience with respect to the security Bill, it prompted the question: Why do we hold hearings? The

most obvious reason would somehow be that it lulls the public into believing that it is having some participation in the Parliamentary preparation of a Bill, such as the security bill or the peace institute bill.

It is rather sad that a committee system within the House of Commons with representation of all parties, and to which Canadians look for a degree of wisdom and integrity, can be misappropriated to give a sense that something decent is being done when in fact there is no decency there. These thoughts were raised when the Hon. Member for Lethbridge-Foothills spoke.

I would rather think a Government that provides for committee hearings would also be prepared when it asks the public for submissions to listen to what the public is saying. There is a great deal of wisdom out beyond these walls. That may not appear to be the case to members of the Government, but that is a fact. I believe the least we can do if we are going to honour this institution, and if we are going to ask the citizens of Canada to respect the institution of Parliament, is to pay them the honour of listening to them when they speak.

The Hon. Member for Hamilton Mountain (Mr. Deans) spoke of his experience in the Soviet Union a little over a year or two. Certainly he brought back some rather stark memories of my visit to the Soviet Union with others from this House in January and February. I think it is imperative that we ensure that our Canadian justice system and our Canadian security system does not fall prey to the type of misuse and abuse we see in totalitarian countries such as the Soviet Union. Citizens simply minding their own business or acting within the confines of the constitution of their country and breaking no laws can be the subject of heavy handed surveillance and heavy misuse of justice.

I believe it is almost imperative that security be left in the hands of the RCMP. If it is in hands in which Canadians do not have trust then its job is ten times, or many times more difficult. In fact, it may be impossible. We propose this be left in the hands of the RCMP. I know as I speak for constituents of Okanagan-Similkameen that I am expressing their wishes. If they had been available and free to appear before the standing committee hearings they would have stated that position.

I hope government Members will reconsider some of the positions they have taken, study the evidence before them, study the sentiments and opinions of the common people and the experts and change the legislation to conform more adequately to that which is required and desired by the people of Canada, Mr. Speaker.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I would like to deal with this section of the Bill from a democratic point of view. In democracies Governments are elected to represent the thinking of the people. That is the way it was in the early days. At first everybody went to Parliament. As the population increased, this was impossible so representatives were sent. Representatives were supposed to represent the majority thinking of the people. But with this Government, we are getting further and further away from that concept and closer and closer to a totalitarian concept where the Government thinks it has access to all wisdom, and the Government tells the people what is good for them. I find that in this Bill, and it is wrong in a democracy. Canadians are getting sick and tired of being told what is good for them, instead of the Government trying to find ways and means of doing what the majority of the people want.

I do not think there is any doubt the RCMP has been doing a good job. If the RCMP is incompetent and is unable to do the job, that is one thing, but when we come to actual evidence we find the very opposite. I want to put on the record some of the evidence from the Committee. This is a question and answer portion involving the critic for our Party, the Hon. Member for Vancouver South (Mr. Fraser), and the Solicitor General (Mr. Kaplan). The Hon. Member for Vancouver South, our critic, wanted to find out whether the RCMP was competent and whether it was doing the job well. Here are some of the questions and answers which I think the public is entitled to know about:

MR. FRASER: And the commissioner has remained responsible for the security service all during these tumultuous years.

MR. KAPLAN: Yes, he has.

He is referring to the years since 1978 and 1979. The Commissioner has been doing his job.

Mr. Kaplan: Mr. Speaker, I rise on a point of order. Members of the Conservative Party have read that question and answer into the record at least eight times today. Is there some rule against such a tremendous amount of needless repetition?

Mr. McCain: Change the Bill.

• (2040)

The Acting Speaker (Mr. Guilbault): Order, please. The difficulty in this debate, at least in terms of the last two speakers which the Chair has heard, is that they have not been relevant to the clauses we are discussing. The rules are fairly straightforward with regard to debate at report stage. It has to be relevant. It cannot be a general debate on the principle of the Bill. I wonder if the Hon. Member who has the floor is able to tell us what clauses we are on.

Mr. Taylor: Yes, Mr. Speaker. The point raised by the Hon. Solicitor General is hardly a point of order. Perhaps they should listen to these points; they still have not got home. The situation is the same as it was the other day when I said what we need is a carrier pigeon which has been crossed with a woodpecker, so that it will not only take the message over there but it will pound it into their heads. That is not happening. Surely democracy is not contrary to these clauses of the Bill we are discussing. Surely it is not. Now the Hon. Solicitor General wants to tell us what to say and how many times we can say it. That is just what I am trying to prove, that the Government is trying to tell people what is good for them. I do not want the Solicitor General to make my speeches for me. I will make my own. The people of Canada do not want the

Government telling them what to do or what is good for them. They want the Government to reflect the thinking of the people in its administration.

The point was raised whether the service was bad. Was the service bad? That is relevant to this question. The Solicitor General said that it was not bad. I will refer to his exact words so that he will not raise another point of order. He said:

> Yes, I think we have been very well served by Commissioner Simmons of the RCMP.

The Commissioner has done an excellent job. Then the Hon. Member for Vancouver South asked him whether the security service had been working as a part of the Royal Canadian Mounted Police. The Minister said: "Yes, that is so."

There is another point. The Hon. Solicitor General is saying that we cannot have one head and two branches. Look at his own Government. There are Ministers with two Departments.

The Acting Speaker (Mr. Guilbault): Order, please. This is the second time the Chair has tried to remind the Hon. Member to speak to the clauses which we are studying. Would the Hon. Member try to abide by report stage rules, that is, to be relevant?

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. We are dealing with provisions now which in effect ask for the deletion of the clause that sets up a civilian intelligence agency. I think the debate on the part of many people on this side of the House has been extremely germane. In fact, we are the only ones who are speaking on this legislation. A civilian intelligence agency is the route being taken by the Government. We are supporting the proposition which will delete the provisions establishing the civilian agency. We are saying that the Government has made a mistake. As the Hon. Member for Bow River (Mr. Taylor) has said so eloquently, we think there is a better way. We are trying to explain this by virtue of this new method of delivery of a message to the Government—a cross between a courier pigeon and a woodpecker. I think that is the most appropriate way to deal with the Government.

Mr. Kaplan: Mr. Speaker, I rise on the same point of order. The Hon. Member referred to report stage in the disposition of a Bill as a new method of sending a message to the Government. I think that is an inappropriate observation. Report stage of a Bill is a very well established procedure. The rules are very clear. For the Hon. Member to argue that it is a new way of being able to send messages to the Government shows his basic misunderstanding of what this stage of the Bill is all about.

I support the Chair in its observation that Hon. Members should stick to the clauses to which amendments have been moved, and to the amendments.

Mr. Taylor: Mr. Speaker, I rise on the point of order. I fully understand report stage. Report stage is simply a device which takes the place of Committee of the Whole. The Bill is sent to committee. All Members cannot be there, so we come back to report to the House on the committee's work. That is what report stage is. That is exactly what we are doing. If this hurts the Solicitor General so much, why does he not change it so that he will not be hurt by the truth?

The Acting Speaker (Mr. Guilbault): For a third time the Chair will ask the Hon. Member who has the floor to abide by the rules of report stage, please.

Mr. Taylor: That is exactly what I am doing, Mr. Speaker. I am speaking on report stage.

The Acting Speaker (Mr. Guilbault): Order, please. The Chair is of the opinion that this is not what the Hon. Member is doing. The Chair will quote a Standing Order which may bring the Hon. Member back to his senses. It is Standing Order 38(2).

Some Hon. Members: Oh, oh!

Mr. Hnatyshyn: Order.

Mr. Taylor: On a point of order, Mr. Speaker—

Mr. Hnatyshyn: Withdraw that, that is hardly appropriate.

Mr. Taylor: On a point of order, Mr. Speaker. You are supposed to protect the rights of all Members, not just the Liberals.

The Acting Speaker (Mr. Guilbault): Order, please. It reads:

> The Speaker or the Chairman, after having called the attention of the House, or of the Committee, to the conduct of a Member who persists in irrelevance, or repetition, may direct the Member to discontinue his or her speech, and if then the Member still continues to speak, the Speaker shall name the Member or, if in Committee, the Chairman shall report the Member to the House.

The Hon. Member for Bow River (Mr. Taylor) has the floor.

Mr. Taylor: Thank you, Mr. Speaker. Let me deal with another aspect of the Security Intelligence Service which is very relevant. That service should not have the opportunity of getting spies and subversive people in it. That is an important item of the intelligence service. What protection is there here in relation to the recruitment of spies as compared with that of the RCMP? A person joins the RCMP as a recruit, as a constable. He goes through many years of service. He would have to be very, very persistent to remain in there as a fifth columnist. However, in the civilian service one could be hired at any time. Consequently, there is no real check and balance in keeping fifth columnists out of the intelligence service when we have a civilian agency.

I should like to make another point. The RCMP has two separate methods of training its people. It trains those in the police service who will enforce the law, and it trains those who are in the intelligence service. They are not the same service. It is not the same training but they are trained. Even with a civilian service we will have to train people. We cannot hire them right out of university into the intelligence service. It takes a lot of work and it takes a lot of time. Consequently, as

one of the Attorneys General said to the Committee, "Why do we not build on what we have?" We have that service there now. They have been trained in intelligence work. Why not build upon it instead of starting something brand new which has no checks and balances in it at all?

The Government is trying to ram down the throats of Canadians a civilian service instead of building upon the RCMP service which is already in place with well trained people. The Government is putting them into the civilian service. It is taking them out of the RCMP and moving them into a civilian service. It will have RCMP people there, but it will take away their uniforms. It will take away the RCMP aspect.

Thank you, Mr. Speaker, for indicating that I have only one minute remaining. Democracy reflects the thinking of the people. This Bill is just an indication or writing on the wall to the people of Canada that the new Leader and his Government will be the same old crowd, using closure and telling the people what is good for them. That is what is in the books for Canadians. They had better take a careful look at what is going on in the House today. It is an indication of what they will have for the next five years if they re-elect this crowd on the other side of the House, even though they have a new Leader.

• (2050)

Mr. Robinson (Burnaby): Mr. Speaker, I wonder if it might be possible to seek unanimous consent to hear the Hon. Member for Bow River (Mr. Taylor) for another ten or 15 minutes. His remarks are most edifying and might enlighten the Members of the House. I would certainly be prepared to move such a motion if it met with the approval of the House.

The Acting Speaker (Mr. Guilbault): The Chair will ask for unanimous consent. Is there unanimous consent?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, I am sorry that the Solicitor General (Mr. Kaplan) did not see fit to allow the Hon. Member for Bow River (Mr. Taylor) to continue his remarks. Putting the best construction on it, he saw me getting up and I suppose he wanted to hear me speak. I would much rather that he heard the Hon. Member for Bow River.

This clause of the Bill has attracted more attention across Canada than most other provisions in this piece of legislation, that is, the issue of whether the security service should be part of the RCMP or should be a separate and totally civilian service. In every great debate and in every issue, especially a predominant one like this, there are two sides to the question. This issue has two sides to it as well. Some are attractive, some are not. It is our job to weigh the pros and cons. In this case it is not surprising that for us in the Opposition those things that seem to be attractive do not weigh very heavily against the parts that are negative.

The first attractive feature of separating the security service from the RCMP is the past work that the RCMP has been called upon to do for the security of the country. I refer to those incidents that took place mainly in the Province of Quebec about 15 years ago when they were accused and convicted of burning barns and raiding the offices of a political party in the Province of Quebec. Frankly, that has sullied the reputation of the RCMP. I do not blame those members of the force for wanting to see this particular service hived off the RCMP. That experience has hurt them. It has damaged the entire force. The problem is that many of us suspect that those directions came from political officers of the Government, that it was because of the political motives of the Liberal Government at that time that they were forced to do things they would not have done under normal circumstances. Therefore, the past history need not be the experience of the future. With an honourable government in office that need not happen again.

The second attractive feature is one of administration. I can well imagine that those in administrative positions within the security service might find it easier to operate the force if it does not have to think of both policing and security activities. To keep the security service separate from the RCMP may make it more simple to manage. It is a question of efficiency. Surely raw efficiency is not the bottom line when thinking of this kind of issue. There ought to be very relevant issues that form part of this debate on the administration of the force.

This brings me to the negative factors of splitting it, why we believe the security service should not be taken away from the RCMP. First, there is already all across Canada, in fact around the world, a trust on the part of the people in the RCMP. The people believe in the force. They trust it. They know the force to have a sence of honour. They know that given its own direction, without political interference, it is going to operate a good, well-managed, disciplined, professional service. Because of the history of the force, there is a sense of trust between the people and the force. That is something you cannot buy, nor is it something you can establish quickly.

Even if, in splitting the security service from the RCMP, you could establish a sense of trust, it would take a lot of time to build that kind of relationship between the force and the Canadian people. Since the security service is going to be in the background and not very visible, there is very little likelihood that it will establish that kind of trust. The RCMP did it by being very visible. We see them, they are around. We recognize them. When we recognize them and see the way they operate that trust is established. The fact that the security service is going to be a quiet operation does not allow that service to build that kind of trust.

The first reason we believe we ought to maintain a security service within the structure of the RCMP is because that force will need all the trust it can get from the Canadian people. Because of the nature of its work, the issues that we discussed in previous clauses dealing with such matters as security, what entails security, the nature of subversion and so forth and because the force will be dealing with very loose definitions, we

will need and extra abundance of trust in that force. It will not be easy to build that.

The second reason we need to maintain the force under the aegis of the RCMP is that of the internal factors. It has to do with discipline. What do you do if things go wrong? The best force in the world will have things go wrong. The most well intentioned officers of that force will experience times when they either use excessive force, have poor judgment or miscalculate and things will go wrong. Personnel will do things that are wrong. The Bill proposes that ultimately that kind of problem will be dealt with in a quasi political fashion through the deputy, the Minsiter or Members of the Cabinet in a quasi if not a totally political manner. That is not good. The fact that the RCMP already has a structure for enforcing discipline makes it a very attractive way of handling that problem.

My colleague from Bow River gave an example of creating discipline through the system of promotion. You start as a constable and work your way up through the system by means of promotion, a system of tried and true escalation of authority. There is a built-in force of discipline. Second, if somebody has done something wrong, there could be a court martial. There is an enforced procedural judicial structure within the force so that when somebody does something wrong there is a procedure in place that will deal with it in a non-political way. When things went wrong in Quebec the politicians who presumably asked them to do something wrong let them hang out to dry.

When you have a system that is separated from politics and any other kind of internal discipline, how do you handle it? That concept has some attractiveness for the civilian security force. Those two aspects that would seem to make it attractive would weigh very lightly in the face of the very positive attributes to the concept of leaving it with the RCMP. May I call it nine o'clock, Mr. Speaker.

• (2100)

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

PORNOGRAPHY—UNITED STATES LEGISLATIVE ACTION—CANADIAN POSITION. (B) GOVERNMENT PLANS

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, several weeks ago, on May 22 to be precise, I rose to ask a question of the Solicitor General (Mr. Kaplan) regarding the government's plans to introduce legislation that would deal with the very grave problem we are having with child pornography in our country. I had travelled to Ottawa the day before and on the airplane I picked up a copy of that day's issue of the *The Globe and Mail*. I saw a front page story entitled "U.S. porn law advocated for Canada". I found out that a gentleman in Toronto by the name of Mr. Scott who has organized an anti-pornography activist group has advocated that Canada adopt parallel legislation to that which Mr. Reagan in the United States has now endorsed.

The fact is, Sir, that the American legislation contains some very attractive features. First, it provides for a commission which will examine the link between pornography and obscenity. The new act will increase fines for trafficking in child pornography, raise the age of children covered by the law to 18 from 16 and will broaden some investigative and prosecutional powers of the U.S. Department of Justice.

In addition to that, the Americans did something that I think was very smart. Before they announced and promulgated signed legislation they held a two-day seminar on the production and dissemination of pornography. That seminar was sponsored by the Justice Department. The people who were invited to attend were U.S. Attorneys, 20 post office workers, 20 local law enforcement officers and 40 members of the Federal Bureau of Investigation. They were briefed on the new legislation and were told how to investigate and prosecute cases involving the distribution of pornographic material such as magazines and videotape cassettes.

That is the kind of serious action that our country ought to take when it comes to pursuing this particular issue. Frankly, we in Canada have taken a very milquetoast approach to the subject and to the destruction that child pornography wreaks across Canada. There are some grave problems.

When I asked the Solicitor General whether or not he would implement such legislation, he told me that a couple of years ago the Government had introduced legislation dealing with child pornography. However, I would remind the House that that legislation was drafted so poorly and badly the Government withdrew. There was no way it could handle that legislation. Every group in the country saw that legislation as being a big problem.

The Hon. Member for Provencher (Mr. Epp), the Hon. Member for St. John's East (Mr. McGrath), several other Hon. Members and I have been working on this theme for a number of years in the hopes that the Government would do something constructive and concrete to make sure that the lives of our young people would be protected from rather than contaminated by the kind of filth that is being sold for profit all across the country. You know, Mr. Speaker, that most of the pornography in Canada is imported from the United States. About 80 per cent of it comes from the United States, with another percentage from overseas. Very little child pornography is produced in Canada. However, the fact is that some of it is produced in Canada. If it comes in from the United States, it should be even more easily controlled, and it would be if there were some teeth in the Customs Act and the Post Office Act and if we had the kind of resources required to control it.

I would ask the Parliamentary Secretary who will respond to my question to urge his colleagues to do something constructive so there will be some kind of protection for our young people and our children.

There is another concern on my mind and in my heart, and that is that we are hearing contrary voices on the issue. I recall the former Member for New Westminster saying, "Look, if we pass that kind of legislation, you could not even read the Bible." Shucks, I do not see kids lining up to buy the Bible in order to read those passages. I wish they would. That is the issue. As a matter of fact, another somewhat stupid comment was made by a lawyer in Vancouver by the name of Jonathan Baker. He said that the local by-law would prevent people from reading Shakespeare. That is the kind of stupidity which is being promulgated by lawyers who want to sit on the sidelines and not to contribute to the protection of children.

• (2105)

There is another current which disturbs me. While groups across Canada are gathering their support for this kind of legislation—and I am speaking now of women's groups who fortunately are joining the battle and seeing it as an issue of violence against children and women—other organizations which have the respect of the large community are helping to create the problem. For example, I am thinking of Planned Parenthood. In a publication known as *The Great Orgasm Robbery*, they said:

> Sex is fun, and joyful . . . and it comes in all types and styles, all of which are OK. Do what gives pleasure and enjoy what gives pleasure and ask for what gives pleasure. Don't rob yourself of joy by focusing on old-fashioned ideas about what's "normal" or "nice". Just communicate and enjoy.

When that kind of hedonism is promoted through an organization that has some kind of credibility across Canada, and which receives government grants, how do we stop hedonism once it is moving? The kids who are taught that in school grow up to be teenagers who abuse other people. It is time that the Government quit giving grants to organizations which do that. As well, it is time the Government brought in legislation which would protect our youth.

Mr. Al MacBain (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, before proceeding with my formal remarks, I would like to pay tribute to the Hon. Member for Surrey-White Rock-North Delta (Mr. Friesen) for his genuine interest in this subject. It is imperative for Members of the House to remember the consistent efforts which have been made by the Department of Justice and the Government to combat pornography in all forms.

In 1978 the Standing Committee on Justice and Legal Affairs recommended that specific legislation be implemented to deal with pornography involving children. Following the tabling of that committee's report, proposals to deal with obscenity were contained in Bill C-51, which was introduced by the then Minister of Justice, the Hon. Ron Basford. Subsequently, those proposals were repeated in Bill C-21 which was introduced by the Hon. Otto Lang who as well was a Minister of Justice. The draft legislation adopted in substance the major recommendations of the Standing Committee on Justice and Legal Affairs. Unfortunately, both Bills died on the Order Paper due to the pressure of other business and the session coming to an end.

In January, 1981, the then Minister of Justice, the Hon. Jean Chrétien, introduced specific proposals to deal with child pornography in Bill C-53. With his colleague, the Minister of National Health and Welfare (Miss Bégin), he established the National Committee to Study the Sexual Abuse of Children and Youths which, among its tasks, was to consider the matter of child pornography.

During its consideration of Bill C-53, the Standing Committee on Justice and Legal Affairs debated at length the nature and form of such amendments. At the risk of the Bill dying in committee, the Minister agreed to split off the exploitation of children provisions of Bill C-53, which included measures to deal with child pornography from the sexual assault provisions. Bill C-53 died on the Order Paper at the end of the last session, in December, 1983.

The impasse over the proposals in Bill C-53 indicated the need to wait for the findings of the Committee on Sexual Offences Against Children and Youths which is due to report this July, as well as the Special Committee on Pornography and Prostitution which is expected to report in December, 1984.

To assist these committees in their efforts, the Department of Justice is completing extensive emperical research into pornography. It is expected that the results of these endeavours will provide much needed information on the best methods to control the distribution of obscene materials.

• (2110)

The Acting Speaker (Mr. Guilbault): Order, please.

FINANCE—PROPOSED MORTGAGE RATE PROTECTION PROGRAM. (B) INCREASE IN MORTGAGE RATES

Mr. Gerry St. Germain (Mission-Port Moody): Mr. Speaker, on May 10 I rose to voice my concerns about the devastation regarding the escalation of interest rates and what hardship it will impose on the housing industry and on jobs in particular. Since I posed my question to the Minister of State for Finance (Mr. MacLaren), the situation has deteriorated. Interest rates have risen 2 per cent since the February Budget to 14.5 per cent for five-year mortgages. The mortgage rate insurance plan is another prime example of what the Hon. Member for York West (Mr. Fleming) described as a Liberal fixation for smoke, mirrors and ballyhoo. There is no leadership. There is no tackling of the problem of higher interest rates. We must provide stability for the housing market. We must increase the incentive for lenders to participate in the mortgage market at reasonable rates. We must reduce the deficit.

There is no quick fix-all, Mr. Speaker. There is no magic potion. However, by tackling the problem, interest rates can be reduced. By gaining control of the country's debt and encouraging risk-taking and thereby revitalizing the economy,

all Canadians will be better off, and I mean "all Canadians". We have to rid ourselves of this regional disparity.

The housing market is crucial to the economy as a whole. Our goal on this side of the House is to help Canadian home owners and see more Canadians becoming home owners. Unlike the New Democratic Party, and the Liberals in some cases, we believe that the ownership of property should be entrenched in the Charter of Rights. We believe that every man or woman should have the right to own a part of this country. This is why millions of people emigrated to this country. The housing sector is a vital, important employer. Every housing start represents 2.5 jobs, and the lack of jobs is the main problem facing Canadians today. We cannot allow this vital sector to erode any more than it has.

Housing starts in 1983 were 179,000, and the projected rate for this year is only 135,000. For workers in the construction industry, the unemployment rate, seasonally adjusted for May, was 23.8 per cent. The five-year mortgage rate has climbed two points to 14.5 per cent since the February Budget. Two percentage points on the average Canadian 20-year mortgage means a home owner pays an additional $16,231. Yet, despite the severe limitations of the Bill, the bitter irony is that it should have been introduced six months ago. Even back dating it to March 1 is only providing token relief to Canadians.

Mainly the Government's mismanagement of the economy aggravates a worsening problem for the Canadian people. There is no relief in sight. Interest rates continue to climb. Unemployment climbs to above 11.7 per cent. The Canadian dollar falls to below 77 cents. High interest rates on mortgages have an impact on the price of housing in Canada. During the fourth quarter of 1983, the average sale price of a house in Canada was $76,800. If we look at a 10 per cent down payment, plus property taxes of about $1,200, while bearing in mind that total payments for principal, interest and taxes should not exceed 30 per cent of one's gross income, Canadians now need a family income of $36,200 to pay the average price for a home in Canada. In Toronto, Mr. Speaker, people need a family income of $46,000 to be able to afford the average price of a home at $100,300. A home in my area, in Vancouver, would cost $114,000, requiring a family income of $52,000. We do not even make that much.

• (2115)

In the face of all that, the much ballyhooed government assistance program, fraught with deficiencies, seems so inappropriate. It is a step in the right direction, but not enough. The maximum of $70,000 is not high enough, especially when you consider the various regions. The Vancouver area is one example. How was the 2 per cent limit arrived at? Could it be because only once in the last 33 years, that is from 1980 to September, 1981, did a five-year mortgage increase above 2 per cent? That may be the reason but we on this side of the House would like to know how it was arrived at. The fact that the protection fee of 1.5 per cent is the same whether you take out a one, three or five-year mortgage does not make sense either.

I take no joy in the fears I expressed on May 10, nor in what I am saying right now. Therefore, will the Government not admit to the serious problems faced by the housing industry and move to address them? Every Canadian has the right to a job and the right to the chance of owning a home. These are the pillars of our society. These are the dreams, the hopes and aspirations of every Canadian and they are being taken away because of mismanagement by the Government. I urge the Government to reassess its position. It has done nothing with the selection of its new leader from Bay Street. He is in bed with the banks and the CPR. I call on the Government to call an election immediately.

Mr. Ralph Ferguson (Parliamentary Secretary to Minister of Finance): Mr. Speaker, as you are aware, legislation for the Mortgage Rate Protection Program has been introduced in the House of Commons. Before its introduction, the Minister of Finance (Mr. Lalonde) and the Minister responsible for Canada Mortgage and Housing Corporation and their officials were actively involved in intensive consultations with the housing industry, with consumers' representatives and with lenders. This consultative process was surely the best way to develop and implement this budgetary proposal. the basic purpose of the Government's proposed Mortgage Rate Protection Program is to offer security against severe financial disruption due to sharp increases in interest rates. By limiting an individual's exposure to extreme volatility in mortgage rates, the program will help to encourage more individuals to buy houses, including newly-constructed dwellings, and will contribute to the stability and growth of the residential construction industry. The degree of protection provided by the program can be very large if mortgage rates should increase dramatically.

In considering this measure, the Ministers involved have attempted to ensure that the mortgage market remains as viable and responsive in the future as it has in the past. We certainly would not want to approve measures that would have the effect of increasing the cost of mortgages, decreasing the availability of mortgage funds or reducing the range of instruments available. Indeed, the various measures in the Budget related to mortgages are expected to improve the security of home owners and prospective home buyers and increase the flexibility of the mortgage market. In view of the extensive consultations and the wide support the Mortgage Rate Protection Program has received, it is hoped that the legislation will be passed expeditiously. In addition, the Mortgage Rate Protection Program legislation is to be retroactive to March 1, 1984, so that delays resulting from the consultation process would not prevent home owners from obtaining protection.

The Hon. Member mentioned that property rights should be enshrined inthe Constitution for every Canadian. I have to remind him that those rights are within provincial jurisdiction. If he wants those rights enshrined, he should have the provinces give up the authority to the federal Government so we can proceed with this provision for all Canadians.

Adjournment Debate

CO-OPERATIVES—TASK FORCE RECOMMENDATION ON WORKERS' CO-OPERATIVES. (B) CONSULTATION WITH CANADIAN LABOUR CONGRESS REPRESENTATIVES

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, on May 30 I asked some questions of the Prime Minister (Mr. Trudeau) regarding the May 29 task force recommendations on a co-operative development strategy for Canada. That report, which arose out of the Throne Speech last December and a committee financed by the federal Government in January of this year, produced an excellent report, the Report of the National Task Force on Co-operative Development. I would like to make the Government aware that both I and my Party are in strong support of many of those recommendations. The Government has had at least a couple of weeks to have an initial look at the report. We hope that it will perhaps give us a more clear and forthright response, at least in terms of direction, than was obtainable either from the Prime Minister on May 30 or from the Minister responsible for economic development when he was asked a question on May 29, immediately following the presentation of the task force report by my colleague, the Member for Prince Albert (Mr. Hovdebo).

● (2120)

The recommendations of the task force dealt with a number of areas. I will quote from their release of May 29. It reads:

> As priorities the task force recommends increased development in four areas of national concern where co-operatives have "significant undeveloped potential"—worker-owned enterprises, health services, fisheries, and housing.

One of the areas which I am most personally concerned with as a representative of an area of British Columbia with a very high level of unemployment and a very strong spirit of independence, which is suffering under a rather reactionary provincial government at this point, has regard to the lengthy sections of the task force report which refer to the success of worker co-ops in the Basque area of Spain. Anyone who comes from my region cannot help but draw certain parallels between the situation in which we find ourselves in the west Kootenays of British Columbia and that confronted by the people of the Basque for several years under Franco. By the process of worker co-ops, during that period of 30 to 40 years, they have been able to become one of the most industrialized and prosperous areas of that country, in spite of a Government which tended to victimize them on occasion.

Particularly I would like to make reference to the three major recommendations of the task force on worker co-ops. The report reads:

> The task force puts forward major recommendations to help spur the development of worker co-operatives:
>
> A support system should be created "under the direction of the co-operative system but in partnership with the federal Government and interested provincial governments".
>
> A steering committee should be set up with representatives of both the established co-operative movement and emerging worker co-operatives to formulate a plan for creating a regionally-based worker co-operative development agency. The plan would specify respective roles of the co-operative system, federal and provincial governments, and local worker co-op organizing groups.
>
> The federal Government should endorse worker co-operatives as a priority vehicle for employment generation. It should also make funding assistance available to the co-operative movement for the staff work of the steering committee, for regional development assistance agencies, and for the creation of a pool of start-up funds or start-up guarantees for individual employee-owned co-operatives.

There are a number of other recommendations. There are some 14 pages within the main report on the establishment of worker co-ops alone.

When the Parliamentary Secretary opposite replies, perhaps he could give some assurance in answer to the other question which I posed to the Prime Minister to which I got an interesting, but not particularly relevant reply. It has to do with the absence of consultation with organized labour by the task force. If we want to see the maximum utilization of the concept of worker co-operatives we must attempt to enlist the co-operation and support, because there will naturally be some suspicion, of those people in organized trade unions in order to facilitate the logical and orderly growth of a principle which I think many people on the Government side, as well as many of us in the Opposition, support. For years and years there has been a joint labour co-op committee within the Canadian Labour Congress. There are many other examples of long-standing, at least consultation if not always active, co-operation between those two sections of the popular movement in Canada. It would be very regrettable if we missed the opportunity to maximize the consent and support for such a worthwhile concept. It may indeed hold a lot of economic and political answers to maintaining democracy, both in the economic and political sphere in this country and to help resolve some of the problems of severe economic dislocation that some of our regions have suffered.

● (2125)

I look forward to hearing some assurance, not only this evening but in the upcoming campaign, that it will be one of the major subjects addressed by the Government. It will certainly be a subject to which we will give active discussion during that period. Hopefully, with whatever government we are blessed or obsessed following the campaign, we will be in a position to take concerted action to realize these constructive dreams that offer the best of all possible worlds for the benefit of the people of Canada.

[*Translation*]

Mr. Rolland Dion (Parliamentary Secretary to Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, it is a pleasure to have this opportunity to answer the question put by the Member for Kootenay-West (Mr. Kristiansen).

Mr. Speaker, the report ordered after the Speech from the Throne last December was published on May 29 and contains, of course, a number of recommendations. Tonight I would like to comment on the Government's position for a number of years on co-operative movements. In this connection, I would like to quote some resolutions adopted at the National Conven-

tion in Winnipeg in July 1980. At the time, one resolution from Saskatchewan urged and I quote:

(a) That the Liberal Party of Canada again recognize the uniqueness and desirability of the co-operative approach to organizing a large part of Canadian activities; and

(b) That the Government of Canada consult often with co-operatives, encouraging them to expand and promoting a strengthening of the role they play in this country.

Mr. Speaker, in the last two years the Government has responded to a number of initiatives from the co-operative sector. It has provided financial assistance to Canadian Co-Operative Implements Ltd., a farm machinery manufacturing company located in Winnipeg. By amending the Financial Administration Act, the Government—I think this is very important, and I am referring to a legislative measure that may not have received much publicity but was still very important—the Government removed a number of obstacles which for quite some time had prevented the Caisses populaires and credit unions from providing financial services, including holding federal Government deposits. The Caisses populaires and credit unions are co-operatives. The government has provided readier access to other Government services by making changes in administrative methods. The Government has always made a point of consulting with the private sector and co-ops. I am thinking particularly of the consultations on the Budget held by the Minister of Finance (Mr. Lalonde) and I am referring to the last two Budgets of the present Minister who held a number of consultations with the private sector, including co-operatives.

Mr. Speaker, I think the Government of Canada is very sensitized to the co-operative movement. It has demonstrated this in the past and it will surely continue to do so in the years to come.

The Acting Speaker (Mr. Guilbault): The motion to adjourn now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 2(1).

At 9.29 p.m., the House adjourned.

HOUSE OF COMMONS

Tuesday, June 19, 1984

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed from Monday, June 18, consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs; and Motions Nos. 10, 16, 20, 25, 26, 28 and 35 (Mr. Robinson (Burnaby)).

Mr. Speaker: Is the House ready for the question?

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I want to speak in support of the motion to delete Clause 3 from Bill C-9. Clause 3, Mr. Speaker, is the proposed Section setting out the establishment of the Canadian Security Intelligence Service. I have indicated in earlier remarks that I accept the fact that Canada, like every other country, needs a security service. It needs a security service which will protect the interests of Canada. I am not very concerned whether that security service should be a civilian security service or a part of the RCMP.

I recognize the fact that, for many years, and even today, the RCMP had and has an excellent reputation. It has earned the respect of most Canadians. Therefore I am not too worried about the question of where the new security service should be lodged, either as a civilian service or as part of the RCMP. What I am concerned about is that its mandate should be crystal clear. It should know what its job is, and what its responsibilities are. It should know what it can do and what it cannot do in order to fulfil its mandate.

• (1110)

For many years most people in Canada knew very little about the work of the security service. There were people in trade union movements, universities, student and church organizations who had a feeling that the security service was keeping an eye on them, infiltrating their organizations, even though they believed that the things that they were doing were quite legitimate and did not need to be spied upon. But they had no real evidence that this was happening until a few years ago.

I was a Member of this House when stories began to circulate about some of the activities in which the security service had been involved. I remember that, as each story came out, the then Solicitor General, first the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand), and later the present Minister of Communications (Mr. Fox), assured Members of this House, the media, and the general public that these were isolated cases. Well, either they had not been told what was going on or they did not want to know. The McDonald Commission looked into all these questions, and in fact they did not know what was going on.

Eventually we had the prosecution of a former RCMP officer, Mr. Samson, which, along with other things, led to the establishment of the McDonald Commission. It spent several years, heard hundreds of witnesses in public and in secret, and made a report which ought to have caused a great deal of hard thinking and anguish on the part of all Canadians. The situation was in fact very, very serious. The report said that the security service had been involved in the theft of membership lists of a legitimate political Party, involved in burning barns, and in the theft of dynamite, and wire tapping. Those are just a few of the activities in which the Security Service had been involved.

Eventually the McDonald Commission made a number of recommendations calling for legislation to set up a new security service to make clear what its job and responsibilities were, what its officers could and could not do, and what they should be able to do in order to fulfil their mandate. We have had at least two Bills from the Government supposedly dealing with the problems, and making proposals on how to deal with the recommendations. The first Bill died because there was so much opposition to it. It was clear that the Bill and the proposals were deficient.

• (1115)

Now we have this second Bill which was referred to the Senate and had a number of changes made to it, based on the recommendations of the Senate. The Minister has said repeatedly that it is only a small group of malcontents who are opposing that Bill for political reasons, or because they do not understand it. But the Bill is still being opposed by very important non partisan groups in the community. I will list them very briefly. They are the Canadian Conference of Churches, the Canadian Civil Liberties Association, the provincial Attorneys General, and organizations such as the Canadian Jewish Congress. Such organizations appeared before the committee and made very detailed critiques of the

Bill, which included a number of very specific recommendations on how the Bill should be amended to meet the standards of fairness which are required. Virtually all of their recommendations have been ignored.

I remind Members of the House that the Canadian Jewish Congress was very active in an earlier major debate which we had in Parliament on the question of the Constitution and the Charter of Rights. Its presentation was made at that time by its then president, Professor Irwin Cotler, a professor of law at McGill University. He is a leading spokesman on human and civil rights, and is legal counsel to Anatoly Shcharansky, the famous Soviet dissident.

Mr. Cotler was an assistant to the new Leader of the Liberal Party, Mr. Turner, when Mr. Turner was the Minister of Justice. A long article in yesterday's *Globe and Mail* said that Professor Cotler was one of the people Mr. Turner recruited when he became the Minister of Justice. Mr. Turner wanted small l liberals, progressive thinking people who were interested in questions such as civil rights. Professor Cotler was one of Mr. Turner's assistants. The article in the *Globe and Mail* reads:

> Prof. Cotler says at first he mistrusted his boss, figuring that he was not serious about the issues, such as civil liberties or poverty, he said he wanted to address.
>
> Mr. Cotler says his mind was changed when he watched Mr. Turner deliver a hard-hitting speech calling for justice to the poor—

I wonder what Mr. Cotler would think about the Bill we are discussing now. I wonder what the new Leader of the Liberal Party would think about this Bill. Mr. Cotler has not spoken on this Bill, but the organization of which he was the president until about a year ago, has spoken.

I will quote a few of the recommendations of the Canadian Jewish Congress which the Solicitor General has ignored completely. Dealing with threats to the security of Canada they proposed the following amendment to what is now in the Bill.

The Acting Speaker (Mr. Guilbault): The Chair regrets interrupting the Hon. Member, but his time is up. The Hon. Member for Vancouver South (Mr. Fraser).

● (1120)

Hon. John A. Fraser (Vancouver South): Mr. Speaker, the Hon. Member who preceded me was asking rhetorically what Mr. Turner or Mr. Cotler, the eminent lawyer on civil rights, would think of this Bill. What does it matter? It does not matter what Mr. Turner thinks. There is nothing new about Mr. Turner. It is not a new deal, it is the old deal writ large.

Mr. Turner is now the leader of the Liberal Party. We saw the unseemly haste with which all the sycophantic members of the Trudeau Cabinet jumped on his bandwagon early in the game, because they knew that the fix was in. The establishment was going to put him in office.

When the Hon. Member asks what would Mr. Turner think, I say that it does not matter what Mr. Turner thinks. What matters is is whether the public would buy a used Government from that man.

Alan Borovoy is not a kook, lunatic, or nut; he is one of the most sensible and intelligent critics on the question of civil liberties in Canada. He has said that this Bill in its present form is the most dangerous attack on civil liberties since Confederation.

When one talks of Mr. Turner, and reform, and the new Liberal Party, it is all a lot of garbage. The first thing that happened in this House after Mr. Turner became the Leader of the Liberal Party was the implementation of notice of closure on a Bill that is absolutely essential and integral to the civil rights of Canadians. What we listened to last weekend was absolute claptrap. There is nothing new. It is not the new deal. I said, it is the old deal, writ large.

The disgrace about this Bill is that the Government said at second reading stage that we could make suggestions at committee. That was a fraud. It was dishonest and was not intended. The Government has not made a significant acceptance of suggestions made by Hon. Members in committee or by those who came to the committee at great expense to the Canadian taxpayer.

All that we are listening to on the Government side is sanctimonious nonsense. The Solicitor General (Mr. Kaplan) is reported in today's Canadian Press as saying that this is all a filibuster, and even a child could understand that Hon. Members are just playing games. Are we playing games with Clause 2, subparagraphs (a), (b), (c) and (d) which define what are threats to the security of Canada, and trigger what a secret group can do secretly, in the dark, to other Canadians?

Some day someone will ask why some of us MPs did not say something. The fact of the matter is that we have been saying a lot, but because the media have been running around writing inane stories about an inane bunch of people, nobody has been reporting what we have been saying. One of these days the same reporters, the same graduates of the same crummy journalism schools, will be writing sanctimonious, pious editorials asking how did all of this happen in the House of Commons of Canada. When that happens, I hope some of them have their noses rubbed in some of the speeches that have been made here.

I am fed up to the teeth with the hypocritical claptrap of the Liberal Members. We are not even allowed to put most of the amendments in the House that would force them to vote. Even the Liberal Party's former Solicitor General does not agree with this Bill. They will not even listen to him. He is the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand). Unfortunately he is away, and I had to move his amendments yesterday. He was probably sent away.

The Hon. Member for Winnipeg North (Mr. Orlikow), who is an eminent Member of the House and has been here for many years, asks the rhetorical question: what would John Turner think of this Bill? John Turner knows all about the Bill and has thought about it. He said to get it out of the House as fast as possible because he does not want to be embarrassed by

it. Therefore yesterday the Solicitor General, who has been wandering around with a John Turner button on his lapel for weeks, if not months, said that he will move notice to cut off debate. I would not mind their cutting off debate if they would accept some amendments that would make this Bill safer for Canadians.

I practised law in courts for 17 years before I was elected in 1972. I worked in a logging camp and lived in a bunkhouse when I was 15. I do not come from a silver spoon background, and I have been about. I got out of law school and I went to the Yukon, and paid my debts by running a string of pack-horses. I have served in the Canadian army. There is not much I haven't done or haven't seen.

• (1125)

I do not come to this debate with some kind of ingenuous, rosy hued notion and fantasy out of the classroom. Of course I am a civil rights lawyer. Any lawyer who knows the common law has to be a civil rights lawyer. Common law is our pride and our tradition, because lawyers who went to court had the guts to get up and say some of the things that were not the conventional clap-trap wisdom and herd mentality of either the media or the cocktail party set. That is what this debate is about, Mr. Speaker.

The Government could accept some amendments to this Bill if it had any conscience or any sense. But the Government has dug in. The Liberals have been told by a group of so-called experts that that is what they have to have. The other people who come representing traditions and values that determine and guarantee our freedom have not been listened to. Those of us who talk about civil rights are looked upon by the Government as some kind of left-wing kook fringe.

I am ashamed at what is happening in this House. I am ashamed also that across the country the people who are supposed to be watching this debate, and supposed to be finding out what the issue really is, cannot seem to figure it out. I do not know what we have journalism schools for. What about the people in the ivory towers of the media who prate, rant, and preach, and tell us, MPs, how we ought to behave every once in a while, give us lectures about the price of food in the parliamentary restaurant, tell us that we should never have an increase in pay, or get so righteous? While all of this has been going on, where have they been? Sitting in their ivory towers, in their executive suites, while their underpaid minions have been dazzled by a party show that has gone on in the last few weeks. As a consequence this vital issue, as Alan Borovoy said, the most important issue in civil rights since Confederation, has been ignored.

I am ashamed for this place, and I am ashamed of the Government.

The Acting Speaker (Mr. Guilbault): Debate.

Mr. Kaplan: Question.

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Guilbault): The Chair would like to remind the House that Motions Nos. 10, 16, 20, 25, 26, 28, and 35 have been grouped for debate.

A vote on Motion No. 10 disposes of Motions Nos. 16, 20, 25, 26, 28, and 35.

The question is on Motion No. 10. Mr. Robinson (Burnaby), seconded by Mr. Althouse, moves that Bill C-9 be amended by deleting Clause 3.

Is it the pleasure of the House to adopt the Motion?

Some Hon. Members: No.

The Acting Speaker (Mr. Guilbault): Those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Guilbault): Those opposed to the motion will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Guilbault): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Guilbault): Pursuant to Standing Order 79 (11) the recorded division on the proposed motion stands deferred.

The Chair would like to remind Hon. Members that Motions Nos. 12, 13, and 14 have been grouped for debate. An affirmative vote on Motion No. 12 disposes of Motions Nos. 13 and 14. A negative vote on Motion No. 12 necessitates a vote on Motion No. 13. An affirmative vote on Motion No. 13 disposes of a vote on Motion No. 14. A negative vote on Motion No. 13 necessitates a vote on Motion No. 14.

• (1130)

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 12

That Bill C-9 be amended by deleting Clause 4.

Hon. John A. Fraser (Vancouver South) moved:

Motion No. 13

That Bill C-9 be amended in Clause 4 by striking out line 22 at page 3 and substituting the following therefor:

"appoint the Director of the Service, who, subject to subsection 6(1), has the operational responsibility for the Service."

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 14

That Bill C-9 be amended in Clause 4 by striking out line 22 at page 3 and substituting the following therefor:

"appoint the Director of the Service, after consultation by the Prime Minister of Canada with the Leader of the Opposition in the House of Commons of each party having at least 12 Members in that House."

The Acting Speaker (Mr. Guilbault): For debate, the Hon. Member for Burnaby (Mr. Robinson).

Mr. Robinson (Burnaby): Mr. Speaker, the purpose of this group of amendments is to deal with the question of the appointment of the Director of the proposed civilian security service. A number of questions were raised in that connection, including the proposed term of office of the Director, as well as the consultation which should be mandatory on the appointment of such an important individual and the powers which the Director of the service will hold.

I listened with considerable interest to the remarks of the Hon. Member for Vancouver South (Mr. Fraser) with respect to the previous motion. I only wish that his fire and brimstone had been applied equally vigorously in committee. This legislation might not have seen the light of day in its present form had his colleagues in caucus been a little more vigorous in their opposition to this legislation instead of co-operating with the Government in expediting its passage.

The first motion is Motion No. 12 which would delete Clause 4. However, I should like to talk for a moment or two about Motion No. 14 in particular. That motion would require that the Minister appoint the Director of the service only following consultation by the Prime Minister with the Leader of the Opposition in the House of Commons, as well as with the Leader of each Party having at least 12 Members in the House. This was one of the essential recommendations of the McDonald Commission, that in the appointment of such an important official whose powers are so sweeping under the terms of the legislation, there should at least be consultation if not a requirement for ratification of that appointment. Indeed, I believe a requirement for ratification would be preferable, but at least there should be consultation before appointment to such an important position.

What is the history on this question? Shortly after the report of the McDonald Commission was tabled, the Government announced that it intended to create a new civilian security service. The Solicitor General (Mr. Kaplan) went on to name the man he decided was to head the service. At that point it was Mr. Fred Gibson. There was no consultation whatsoever with either of the Opposition Parties, the Government having ignored that recommendation. Some time later Mr. Gibson was appointed to the position of Deputy Minister and yet another individual was named to be Director of the new civilian security service whenever it was created, Mr. Ted Finn from the Privy Council Office, a former crony of Michael Pitfield. There was no consultation whatsoever with the Opposition on the appointment of Mr. Finn, the new Director, despite the very clear direction on the part of the McDonald Commission that there should be consultation with the Opposition before the appointment of such an individual. The purpose of Motion No. 14 is simply to include in the Bill the requirement for that consultation. I cannot imagine how the Government could oppose such a reasonable suggestion.

I am sure we will hear from the Hon. Member for Vancouver South with respect to Motion No. 13 since that motion was moved in his name. However, with respect to Motion No. 12, the motion to delete Clause 4, I would note that it is one which deals with the question of the Director of the service and the powers of this new service. Those powers which will be granted to the new Director are sweeping and unprecedented in any democratic society. For the first time in Canadian history the Director of the new service will have the power to go before a court and seek a warrant to break into anyone's home, to remove anything—this is what some have called legalized theft—to break into an office or any other place, to instal bugs and to take away anything it wants to take away. In effect, we are seeing here the legalizing of what was documented as illegal by the McDonald Commission. If the security service breaks into the offices of the APLQ and steals documents, under this Bill that is now legal. If the security service breaks into the offices of the Parti Québécois, a legal party, and steals computer tapes with its membership records—and the McDonald Commission said that that was illegal—under the provisions of the Bill that is now legal.

The McDonald Commission documented a series of breaches of federal and provincial law. In virtually every instance the response of the Government has been to change the law to make what was illegal then legal now. Surely in a democratic society that cannot be acceptable.

The Director appointed under the provisions of Clause 4 will have the power to appear before a Federal Court judge and seek a judicial warrant, after having consulted with the Minister, to break into any place, to remove any thing or to open first-class mail. That power has never before been granted for any purpose to any police agency in the history of the country. The Government comes before Parliament and says that it is a power which it needs, despite the fact that the McDonald Commission clearly argued against extending the power to open first-class mail of Canadians suspected of so-called domestic subversion. The Director can seek the power to open the first-class mail of all Canadians. The Director can go before the courts and seek a warrant to invade the confidential medical records and confidential psychiatric records of Canadians, a power which is not in existence at the present time.

• (1140)

For the first time in the history of our country, the Director of the service will be able to go before the courts of this land and seek a warrant to access confidential income tax records which, once again, have never in the history of this country been made legally accessible to any police force or security service. The McDonald Commission documented the fact that the security service illegally had access to income tax records. The response of this Government is that while it may have been illegal then, we are telling Parliament that we are going to make it legal today. That is the power that is contained in this Bill and which is conferred on the Director under Clause 4. It is for that reason that we are seeking the deletion of Clause 4. Nowhere, in no other western other country in the world, whether it be the United States, West Germany, the United Kingdom, New Zealand or Australia, are the kinds of powers being sought in this legislation conferred.

What is so special about the threats to Canada? I suggest these motions should be supported. These draconian powers which are granted to this new super spy must be curtailed. On that basis, I urge the House to adopt Motions Nos. 12, 13 and 14.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I want to say a word or two about Motions Nos. 12, 13 and 14 which deal with Clause 4 of the Bill. In the original statute this clause was different. After having heard the witnesses, the Government agreed that it would accept an amendment. It prompts the comment that on many occasions the Government was prepared to accept the evidence of the Senate committee, the McDonald Commission and our own committee, yet in other clauses that were equally reasonable and upon which Government Members themselves could see the logic of the change, Cabinet has decided not to accept it. I think it is fair comment that if the thinking of the McDonald Commission was proper on several of these issues, surely it is just as proper on other issues. I do not understand why the Cabinet accepted some and not others. Likewise the Senate. I would like the Minister to comment on that. It is not this clause in particular but some of the others as well. I would like him to think about it. Maybe he could give us the benefit of his thinking as to what occurred within Cabinet that some of the McDonald Commission recommendations were accepted and some were not, in terms of judicial warrants and so on.

Mr. Kaplan: Why do you accept some and reject some?

Mr. Thacker: My acceptances and rejections are based on evidence that we heard in committee.

Mr. Kaplan: So are ours.

Mr. Thacker: We have a disagreement then as to the weight that should be attached to the evidence we heard. The Minister will agree that some of his own Members felt in their questioning of the Minister that a change would be acceptable if the Minister did not. Is that because he and the Cabinet have vastly superior access to information, even though they did not hear the witnesses? This is a general comment I have about the whole process which has broken down in Parliament.

We have second reading of the Bill. In a sense, second reading is premature. It is only after you hear the witnesses that you get the broad scope of the Bill. I agree with those who believe that after the Bill is introduced for first reading it should go directly to committee. We could then hear the experts from the various fields. The committee could then recommend changes. At that point the Bill could come back at second reading and be discussed on principle. It would be easier for the Government to accept amendments at that stage, before we have second reading debate and it has been passed in principle. The Government at second reading of this Bill stood and defended the principle of it. It then went to committee. When faced with the many changes suggested by the experts, the Government will not accept them. The Government and its caucus are convinced that the Bill has been approved in principle and therefore cannot accept any changes.

Clause 4 dealing with the Director originally stated that the Director shall be appointed to hold office during good behaviour for a term not exceeding five years. We immediately picked up on the fact that the Director could not be dismissed by the Government if the Director did something politically improper or improper for reasons other than conduct. We therefore proposed the motion that the Director hold office at pleasure. That makes him much more accountable and responsive to the government of the day. That was a good amendment and I commend the Minister for accepting it. I wish he would accept some of our other amendments at the same time.

The Director at the expiration of his first term of five years can be reappointed for a further five years and no person shall hold office as Director for terms exceeding ten years in the aggregate. That is good. We should learn from the United States situation when Mr. Edgar Hoover was director of the CIA. He was in office so long that he collected dossiers on all people in public life. He was able to block appointments of people to public office, promotion of officials within the hierarchy of the United States administration and actually perverted the political scene in the United States because of the power he had built up in the office. We do not want that to happen. I am glad that the Director, as good as he or she may be, will have to leave at the end of ten years. If I had my way, that same rule would apply with respect to the Prime Minister, the Premiers and indeed to all of us in public life. After ten years such a person would have to drop out for at least one term.

There is no doubt that the Hill is an unreal place. There is the very real possibility of losing touch with what those at the grassroots feel about issues. We would be much more responsive if we had to stand down for a term after ten years in office.

Motion No. 12, which is an attempt by the Hon. Member for Burnaby (Mr. Robinson) to have the whole clause struck out, is pursuant to his strategy that if he cannot have his changes, the whole Bill should be knocked out. I disagree heartily with his comments *vis-à-vis* the comments of my colleague from Vancouver South who presented his case in committee in a rational and logical way. If it would not have been for the Hon. Member for Burnaby, I feel the Government would have been more inclined to accept amendments. I think the strategy and tactics of the Hon. Member for Burnaby in committee so early on inflamed the Government and it took extraordinary remedies. The actions of the Hon. Member for Burnaby have been deleterious to the parliamentary process in dealing with this Bill. I know from talking with some of my colleagues on the Government side privately and off the record that they may have been inclined to accept more of these amendments had it not been for the actions of the NDP and the Hon. Member for Burnaby.

• (1150)

As I look at the further sections of the Bill dealing with the Director, I note that the Director has absolutely enormous

powers regarding the appointment and management of the employees of the service. The relevant clause states:

The Director . . . has the control and management of the Service and all matters connected therewith.

The clause dealing with appointments relates back to Clause 4. Clause 8 reads:

Notwithstanding the Financial Administration Act and the Public Service Employment Act, the Director has exclusive authority to appoint employees—

That is a very broad power. This Director is being given an enormous power over his own employees. If this Director were to have unlimited tenure, that power could very easily be used against the employees of the service.

I have one more minute left, Mr. Speaker. That is a part of my argument regarding why there should be a limit of ten years on the tenure of the Director. He has exclusive authority to appoint employees and, in relation to the personnel management of employees, to provide for terms and conditions of their employment. That is a very dramatic power and I think we would not want to have anyone with that kind of power hold an office for more than ten years.

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, very briefly, I am supporting the amendments that have been put forward by my colleague, the Hon. Member for Burnaby (Mr. Robinson), and particularly the motion to amend the clause that requires consultation with leaders of other Parties. In a case like this, it is of absolute importance that there be no veto power by other political Parties. That would be wrong and unwise.

The Bill gives this agency wide and sweeping powers. It gives it powers far in excess of those suggested by the McDonald Commission and far in excess of and much more sweeping than those suggested by virtually every major group that appeared before the committee. Therefore, there should at least be some consultation between the leaders of the Parties in this House of Commons, Parties which have received a substantial degree of support from the Canadian electorate.

I believe that the people of Canada have a right to the knowledge that the director of any agency that has the right by law to interfere in many aspects of Canadian life that have hitherto been considered well protected if not inviolate has been subject to a Parliamentary review. They have the right to the knowledge that the experience and character of such a person has been subject to a review by those people Canadians have chosen to represent their various legitimate interests in the House of Commons. I am not suggesting that the Government is not acting with the best intentions. We all have our own various ways of achieving what we think is good for society. However, I cannot understand why the Government and the Minister would have an objection to this kind of consultative process.

It has often been said that justice must not only be done but must be seen to be done. Nowhere must it be seen to be done more than in the choosing of a director and the setting up of an administration that is responsible for the very broad and sweeping powers for which this legislation provides. Even at this late date I would hope that the Minister, if he will not support the motion put forward by my colleague, will at least consider consulting with his other colleagues and perhaps returning to the House with Government amendments which would provide that what is seen to be done when setting up the administration of this service is beyond reproach and that every step is taken to ensure the consideration of all valid and legitimate expressions of political opinion in Canada. This is the very least that should be done when setting up an agency which has a mandate, as I have said many times before, that gives it very wide and sweeping powers.

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

Mr. Hnatyshyn: No.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Saskatoon West (Mr. Hnatyshyn).

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I am so glad to see members of the Government Party returning to the House to hear what I have to say about this particular legislation.

Mr. Orlikow: Because you're so good.

Mr. Hnatyshyn: No, I say this in all modesty. Any circumstance which would cause Liberal Members of Parliament to listen to those expressing their points of view is really an unusual circumstance. I am grateful for small mercies. Government Members have been silent on this bill. We have not had an opportunity to hear Members of Parliament representing the Liberal ranks defend, as I assume they should, the positions that have been taken by the Solicitor General (Mr. Kaplan).

We can only assume that the Solicitor General has now had an opportunity of clearing his positions with the new leader of the Liberal Party, Mr. John Turner. We know that the Solicitor General was one of the key workers for and advisers to Mr. Turner. I therefore must assume that this legislation and the tactics that are being employed with respect to the closure the Government has imposed on this legislation and its provisions have the full sanction and support of the new leader of the Liberal Party.

We are dealing now with provisions which affect the whole question of what kind of protection should be afforded to the civil liberties of Canadians generally. One of the things that has bothered me is that this legislation raises some serious questions about the protection of Canadians from unauthorized snooping and spying by an agency of the Government, the function of which is the collecting of files on individuals and the compiling of portfolios on people in Canada—

The Acting Speaker (Mr. Guilbault): Order, please. The Chair would like to remind the Hon. Member that we are dealing with report stage of the Bill and we are presently

considering the grouping of Motions Nos. 12, 13 and 14 which deal specifically with Clause No. 4 of the Bill pertaining to the appointment of the Director. Perhaps the Hon. Member would like to direct his remarks to that particular clause.

Mr. Hnatyshyn: Mr. Speaker, the point of these amendments which are before us is either to amend the position of the Director of this service that is proposed by this legislation or indeed to remove the provisions respecting the appointment of a Director. It seems to me that that is one way of manifesting our objection to the way in which the Government has dealt with this legislation. There has been a lack of sensitivity to the suggestions that we have made about the accountability of people who will be involved in this service and particularly about the person who will be primarily involved in the operation of the new security service, the Director. This person will play a pivotal role in carrying out the functions of the new security agency. Therefore, naturally we are concerned about what precisely will be the parameters of the powers of the Director.

● (1200)

Are we getting ourselves into the same situation which was subject to much criticism with respect to the operations and the arbitrary nature—according to all press reports—of the director of the FBI, J. Edgar Hoover, in the United States? We know through freedom of information sources in the United States about certain things which transpired because of the fact that the director of the FBI had limited accountability. The director of the Federal Bureau of Investigation deemed it appropriate to obtain the goods on certain people within the United States for purposes which he felt were justified. However, in the cold light of historic perspective, they turned out to be very much self-serving endeavours on the part of the director of that agency. We must guard against the availability of unlimited discretionary powers for the director of any agency in this country.

This agency will not be involved in the prosecution of criminals. It will not be involved directly in law enforcement as such. It is an agency which collects and deciphers information on people and on organizations. Its sole purpose is to garner information with respect to activities going on within Canada and outside of Canada. The question may be asked: If they are not in a position, as a police force is, to prosecute or lay informations, what difference does it make whether they collect information with respect to the citizens of Canada? There is a well-known axiom that knowledge is power. If certain groups in a free and democratic society have the function of advising government in terms of security matters and are able to develop files on individuals across Canada, and this information is made known without accountability to political sources within our country, the information has the possibility, indeed the probability, of being used for political purposes to the detriment of people in Canada.

I do not want to rehash old news, but I am still scandalized by the actions of the Minister of Finance (Mr. Lalonde) at the time of the election of our new Leader, the Hon. Member for Central Nova (Mr. Mulroney). The Minister of Finance instructed officials in his Department to go through files and to seek out information which might cause embarrassment to the Leader of the Opposition. People say that this could not happen in Canada. However, the Minister of Finance was forced to stand in his place and admit that that was precisely what happened.

Knowledge is power. The danger with this organization is that if it is able to obtain information with respect to individuals in our country through surveillance, authorized wire taps, investigation of income tax returns, investigation of medical records, information which may be embarrassing or damaging to the reputations of individual Canadians, think of the potential that that information could be put to by a government that is inclined to use that information for its own purposes.

When we talk about the appointment of this Director—and these motions precisely deal with that—do we not have the responsibility as a Loyal Opposition to indicate that we have many, many concerns about the accountability and the review process which is generally contained in the legislation? Our many concerns have been expressed and manifested in different ways—through motions, at second reading debate and also within committee—about the mandate which has been given to this agency. We are concerned about the scope, the breadth and the fact that there is a high element of discretion involved with respect to activities which could be carried out by this agency.

In conclusion, are we not entitled to look at the powers and the accountability which the Director of this new service should be given? I am in support of the amendments which are in this particular grouping because I think the Government has, with the weight of its majority, decided to ram this legislation through. It is insensitive to the representations which have been made, insensitive to the feelings of the people of Canada and insensitive to the whole concept of freedom in a democratic society.

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Guilbault): The question is on Motion No. 12. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Guilbault): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Guilbault): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Guilbault): In my opinion, the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Guilbault): Pursuant to Section (11) of Standing Order 79, the recorded division on the motion stands deferred.

The House will now consider Motions Nos. 17, 19, 22, 23 and 24 which have been grouped for debate. An affirmative vote on Motion No. 17 obviates the need for a vote on Moton No. 19. A negative vote on Motion No. 17 necessitates a vote on Motion No. 19. An affirmative vote on Motion No. 22 will dispose of Motions Nos. 23 and 24. A negative vote on Motion No. 22 necessitates separate votes on Motions Nos. 23 and 24.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 17

That Bill C-9 be amended by deleting Clause 6.

Motion No. 19

That Bill C-9 be amended in Clause 6

(a) by striking out lines 34 to 36 at page 4 and substituting the following therefor:

"to the service, and shall issue such written directions on general operational policies of the service including without limiting the generality of the foregoing subsection

(a) policies with respect to the use of undercover operatives by the service;

(b) policies with respect to the use of physical surveillance by the service;

(c) policies with respect to training of employees;

(d) policies establishing minimization procedures for warrants issued under this Act, and a copy of any such direction shall forthwith after it has been issued be given to the Review Committee.

(b) by adding immediately after line 40 at page 4, the following:

"(4) The director shall keep the minister fully and currently informed of all operations of the service."

Motion No. 22

That Bill C-9 be amended by deleting Clause 8.

Motion No. 23

That Bill C-9 be amended in Clause 8 by striking out line 23 at page 5 and substituting the following therefor:

"of their employment, provided that, subject to the reasonable factors permitted under the Canadian Human Rights Act, there shall be no discrimination on the basis of race, colour, national or ethnic origin, religion, sex, marital status, family status, sexual orientation, disability, political belief or conviction for which a pardon has been granted, and".

Motion No. 24

That Bill C-9 be amended in Clause 8

(a) by striking out line 23 at page 5 and substituting the following therefor:

"of their employment, without denying collective bargaining rights of the said employees, and"

(b) by striking out line 3 at page 6 and substituting the following:

"(4) The Governor-in-Council shall make".

● (1210)

He said: Mr. Speaker, the motions with which we are now dealing relate to two very important clauses of the Bill, Clause No. 6 and Clause No. 8, which essentially set out the functions, duties and responsibilities of the management of the Director of the service as well as the relationship between the Minister responsible, that is, the Solicitor General (Mr. Kaplan), and the Director. These clauses as well permit the Director to establish unilaterally terms and conditions of employment for employees of the new service.

There are four or five motions before the House, Mr. Speaker. These motions deal with a number of subjects because of the way in which the Speaker has chosen to group them. In ten minutes it is very difficult to explain adequately the full purpose of the amendments.

The first grouping of amendments is of those which deal with Clause No. 6, that is, Motion No. 17, which refers to the deletion of Clause No. 6, as well as Clause No. 19 and Clause No. 20. Speaking first, Mr. Speaker, to Motion No. 19, as Clause No. 6 is now worded, the Minister at his or her discretion may issue written directions to the Director of the service and, after those written directions are issued, shall forward a copy to the review committee. Nowhere in this Bill, however, is there any obligation on the part of the Minister to issue such written directions when dealing with important questions of policy. Therefore, the review process, which has already been effectively gutted by the provision in the legislation which would deny access to any documents which are referred to as Cabinet documents, is further weakened by the possibility that the Minister may not in fact pass on written directives to the review committee. The first purpose of this amendment is to require that directives be in writing when dealing with the broad, general operational policies of the service.

As well, Mr. Speaker, this Bill at the present time is totally silent on a number of very important policy questions which I believe must be addressed in the context of the legislation and, more importantly, must be addressed by the Minister and the review committee. These are set out in Motion No. 19. First, Mr. Speaker, Motion No. 19 requires that the Minister establish clear policies with respect to the use of undercover operatives—informers, if you will—by the service.

The placement of an informer can be one of the most intrusive and invasive technique which is available to a security service. It is far more intrusive in a number of instances, Mr. Speaker, and far more chilling in its impact on an organization, than even the placing of a telephone bug or the opening of mail. In a number of instances, as we know all too well, informers have been used not just to collect information, but to attempt to shape the decisions of the groups which they infiltrate. Yet, Mr. Speaker, this Bill is totally silent on the question of the role of informers. Indeed, there is not even a requirement that a warrant be obtained, the minimal requirement of a judicial warrant before an informer is placed in an organization by the security service.

The Keable Commission, which was established in the Government of Quebec, very strongly argued that there must be provision for judicial review before the use of undercover spies and informers in a democratic society. Yet, Mr. Speaker, not only is there no requirement for judicial warrant, but this Bill does not even address the issue of informers and the placement of informers.

Once again, we do not have to look very far; we do not have to look beyond the report of the McDonald Commission to see

the historic abuse of the placement of informers into groups which broke no laws whatsoever. Indeed, Mr. Speaker, right here in Ottawa Hon. Members will recall that the security service placed an informer, Andrew Moxley, into that subversive group which was attempting to persuade Canada not to test the Cruise missile. As well, informers have been placed into groups which are attempting to support liberation movements in Central America. This Bill, which purports to establish a statutory mandate for the security service, says not a word on this fundamental question.

My amendment would as well, Mr. Speaker, require that policies be established with respect to the use of physical surveillance by the service. Once again, there is no reference to that whatsoever in the Bill as it now stands. My amendment would require policies to be established with respect to the training of employees in order to ensure they are a little more sensitive to civil liberties.

It would, finally, Mr. Speaker, require that policies establishing minimization procedures for warrants issued under this Act be set out, and set out clearly. This Bill goes far beyond comparable American legislation in terms of the nature of warrants and the extent to which warrants can be used. Minimization procedures, Mr. Speaker, would require that if a tap is placed and it subsequently become known that the tap should not have been placed, then it would be removed immediately and any information collected would be destroyed. That minimal safeguard is totally lacking in this legislation.

As well, Mr. Speaker, there is a requirement—this is something which was proposed by many witnesses—that the Director must keep the Minister fully and currently informed of all operations of the service in order to avoid any suggestion of blindness, so that a Minister cannot suggest that he or she did not know what was going on in the service. This would require that the Director be fully and currently informed and thus could not use the excuse of wilful blindness.

As well, Mr. Speaker, there is a reference in this motion to the terms and conditions of employment, and a specific prohibition of discrimination of employment in the service, a discrimination on the grounds which are set out in the Canadian Human Rights Act, as well as on the basis of political belief or sexual orientation. Hon. Members will again recall that in appearing before the justice committee, the present Commissioner of the RCMP security service stated that "the security service at this time will not in fact hire individuals who may be gay or lesbian". That was indicated, Mr. Speaker, despite the fact that he admitted openly that there was no threat to security whatsoever in the case of individuals who are quite open about their orientation, but he said that other members of the service do not feel comfortable with these people around.

What kind of absurd rationale is that in a democratic society? It is the same rationale, Mr. Speaker, that we heard with respect to blacks and women not so long ago, with respect to Jews and other minorities, that they do not feel comfortable around them. Yet this Minister, Mr. Speaker, stands by and permits that kind of discrimination to take place. He should be ashamed of himself, Mr. Speaker, as a member of a minority himself, that that kind of discrimination would be tolerated in this society. This amendment, Mr. Speaker, would ensure that that kind of discrimination would not be permitted in the new civilian security service.

Indeed, the proposed Director, Mr. Finn, has said before the committee that he would not allow such discrimination and this amendment, Mr. Speaker, would ensure, in statutory form, there would be a bar on that discrimination which is not tolerable in today's society or, indeed, in any society.

Finally, Mr. Speaker, the amendment would require that the terms and conditions of employment of members of the service not deny them collective bargaining rights. As it stands now, the legislation would deny the fundamental freedom of association—a freedom which is supposedly contained in the Charter of Rights—to members of the new service. This amendment in Motion No. 24 would ensure collective bargaining rights for all members of the service. I want to commend the association of 17 Division of the RCMP for attempting to secure collective bargaining rights for all members of the force. Not the right to strike but the right to bargain collectively on terms and conditions of employment, a right which is denied even possibly to employees of this House.

• (1220)

I want to reiterate that the thrust of the amendments is clearly to establish the responsibility of the Minister to set out policies with respect to the use and placement of informers by the new security service, informers who can have such a chilling impact in a free and democratic society; policies with respect to training and minimization procedures for warrants. Secondly, it would prohibit discrimination in establishing terms and conditions of employment on the grounds set out in the Canadian Human Rights Act as well as on the basis of political belief or sexual orientation. Finally, it would deny the service the right to infringe on freedom of association and full collective bargaining rights. I strongly urge Members of this House to adopt these motions which would strengthen the service and bring the terms and conditions of employment in the service into the 20th century.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I would like to say a few words about Clause 6 of this Bill pursuant to these five motions grouped for debate. Clause 6, dealing with management of the service, states that:

> The Director, under the direction of the Minister, has the control and management of the Service and all matters connected therewith.

You will see instantly that the issue we have to deal with is whether the Minister is responsible politically for the actions of the Director, or whether he can somehow slip out of the noose, so to speak, if the service does something improper, as the RCMP did back in the 1970s. We had quite a debate in committee as to whether that was so. As I recall, the Minister felt that because the Director is under the direction of the Minister, the Minister would be on the hook for that type of wrongdoing. That may well be so. Clause 6(2) provides that:

Security Intelligence Service

In providing the direction referred to in subsection (1), the Minister may issue to the Director written directions with respect to the Service and a copy of any such directions shall, forthwith after it is issued, be given to the Review Committee.

My concern as a Member of Parliament is that if this section said the Minister "shall" issue to the Director written instructions which then have to be followed, it would be less easy for the Minister to somehow get out of the ultimate responsibility. All of this instructions would have to be in writing, copies would go to the review committee, and if the service did something outside of those written instructions then the Minister would be quite properly off the hook and the Director would be on the hook. We had quite a debate over whether the Minister "shall" issue directions, and if you review the minutes of the committee the Minister was saying that there are occasions when that is just totally inappropriate because he might be in Timbuktu or something like that and have to give telephone instructions. We accepted the Minister's point on that, but I think we would all agree that we want to have the Director responsible to the Minister, so that if anything goes wrong there is political accountability at the highest level for the actions of the Director.

Clause 6(3) goes on to say that the directions are not statutory instruments. That is in order to maintain secrecy other than through the established review mechanism, the Inspector General and the Review Committee. But it does raise an issue that Hon. Members should think about seriously. This review committee will be appointed by the Governor in Council and they will be Privy Councillors. At first we thought that would mean retired MPs and Senators, because the statute clearly states they cannot be active MPs or Senators. But we found in the evidence of the Minister that no, that was not necessarily the case and they may well pick someone off the street, appoint them Privy Councillor and then put them on the review committee. That completely changes the sense of direction and accountability.

We believe, and the witnesses were clear, that people who have served in public life, in elected office, whether MPs or Senators who at one time served in the House, have a much greater understanding of what Canadians are feeling than someone who might be appointed from a university, the academic community, or some Liberal who has served the Party in a minor role. Therefore, I wish Government Members would take another look at that because I believe we should be closer to the United States situation where the review committee is composed of elected officials.

The U.S. has a much more sophisticated CIA operation. There is a review body of elected officials, one from the Senate and another from the House of Representatives. Why is it that in Canada we distrust having elected officials as a review committee? The U.S. has no trouble with this and they certainly have no more leaks, I suppose, than other countries I believe the Minister should rethink this question.

The witnesses also felt that the Minister should be politically responsible for the CSIC on a day to day basis. That is why we got into this argument about "shall" as opposed to "may". The Canadian Jewish Congress proposed very extensive amendments to Clause 6(1). For example, they say:

The Director, under the direction of the Minister, has the control and management of the Service and all matters connected therewith, but the Director shall comply with directions issued by the Minister under subsection (2) and shall keep the Minister fully informed of the operations of the Service.

They have five other subsections of amendments, none of which was accepted by the Minister. I wish he would stand in the House and tell us why he did not feel disposed to accept the amendments of the Canadian Jewish Congress. They come at the problem with a very special and particular interest. They, more than anyone else, have been oppressed by secret service agencies in other countries, whether it be South America or Eastern Europe. Therefore we felt that their evidence had much more weight than that of myself, say, as a civilian having been born and raised on the western plains. I never have been exposed to any form of oppression, other than by the Grits here in Ottawa responding to central Canada, I suppose. I wish the Minister would stand and tell us why he was not disposed to accept the evidence of the Canadian Jewish Congress on this clause.

We are under time allocation and I wonder if the Minister should not respond on these major clauses particularly.

Mr. Kaplan: We are not there yet. I will as soon as we are.

Mr. Thacker: Will you respond on Clause 6? I felt the Canadian Jewish Congress had done a very good job. Those are the only comments I have with respect to Clause 6, Mr. Speaker.

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Guilbault): The question is on Motion No. 17. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

● (1230)

The Acting Speaker (Mr. Guilbault): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Guilbault): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Guilbault): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Guilbault): Pursuant to Standing Order 79(11) the recorded division on the proposed motions stands deferred.

The House will now consider Motions Nos. 30, 31, 32, 33, 34, 36, 37, 38 and 39 which have been grouped for debate. An affirmative vote on Motion No. 30 disposes of Motions Nos. 31 and 32. A negative vote on Motion No. 30 necessitates separate votes on Motions Nos. 31 and 32. An affirmative vote on Motion No. 33 obviates the need for a vote on Motion No. 34. A negative vote on Motion No. 33 necessitates a vote on Motion No. 34. An affirmative vote on Motion No. 36 disposes of Motion No. 37. A negative vote on Motion No. 36 necessitates a vote on Motion No. 37. An affirmative vote on Motion No. 38 disposes of Motion No. 39. A negative vote on Motion No. 38 necessitates a vote on Motion No. 39.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 30

That Bill C-9 be amended by deleting Clause 12.

Motion No. 31

That Bill C-9 be amended with Clause 12.

(a) by striking out lines 1 to 5 at page 7 and substituting the following therefor:

"12.(1) The service shall collect, analyze and retain to the extent only that is strictly necessary information and intelligence respecting activities that may on reasonable and probable grounds be"

(b) by adding immediately after line 9 at page 7 the following:

"(2) It shall not be a function of the service to carry out measures to enforce security."

The Acting Speaker (Mr. Guilbault): The Chair has some difficulty putting Motion No. 32 since the mover, the Member for Vancouver South (Mr. Fraser) is not in the House.

Mr. Thacker: I will accept it.

The Acting Speaker (Mr. Guilbault): The Chair would need unanimous consent for an Hon. Member to move on behalf of someone else. Is there unanimous consent for the Hon. Member for Lethbridge-Foothills (Mr. Thacker) to move the motion on behalf of the Member for Vancouver South?

Some Hon. Members: Agreed.

Mr. Blaine A. Thacker (for Mr. Fraser) moved:

Motion No. 32

That Bill C-9 be amended in Clause 12 by striking out line 3 at page 7 and substituting the following therefor:

"strictly necessary for the purpose of protecting the security of Canada, and analyse and retain".

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 33

That Bill C-9 be amended by deleting Clause 13.

Motion No. 34

That Bill C-9 be amended in Clause 13 by striking out lines 22 to 31 at page 7.

Motion No. 36

That Bill C-9 be amended by deleting Clause 15.

Motion No. 37

Security Intelligence Service

That Bill C-9 be amended in Clause 15 by striking out line 46 at page 7 and substituting the following therefor:

"section 13 or advice pursuant to section 14, utilizing only such techniques as are approved by the minister by regulation, such techniques not to include the use of undercover operatives or those for which a warrant is required under section 21 of this Act."

Motion No. 38

That Bill C-9 be amended by deleting Clause 16.

Motion No. 39

That Bill C-9 be amended in Clause 16

(a) by striking out line 8 at page 8 and substituting the following therefor:

"capabilities, intentions or activities of any foreign power or agent of a foreign power".

(b) by striking out lines 19 to 22 at page 8.

(c) by adding immediately after line 31 at page 8 the following:

"(4) The service shall cease immediately the use of any technique for which a warrant is required under section 21 of this Act when obtaining information pursuant to sub-section 1 when performing its duties and functions under sub-section 1 immediately upon learning that the interception involves a communication involves a Canadian citizen or a permanent resident within the meaning of the Immigration Act 1976 is a party.

(5) The service shall not for the purpose of this or any other section of this Act be authorized to receive information fro the communications security establishment which has been obtained by the interception of communications of Canadian citizens or permanent residents within the meaning of the Immigration Act 1976".

He said: Mr. Speaker, this group of motions deals with Clauses 12, 13, 15 and 16. These are the clauses which effectively establish the mandate of the new security service to deal with the so-called threats to the security of Canada, which we know have been drafted far too broadly, the mandate to provide security assessments, and the new and unprecedented mandate under Clause 16 of this Bill, the so-called foreign intelligence mandate, which would permit the new service to target foreign visitors to Canada who have broken no law whatsoever and pose no threat whatsoever to the security of the country.

In the 10 minutes available to me I will attempt to explain briefly the purpose of each of these amendments. My colleagues will deal more specifically with the threatening and unprecedented powers which are contained in Clause 16 of this Bill, which powers have been severely criticized by many witnesses appearing before our committee.

Motion No. 30 would delete Clause 12 and Motions Nos. 31 and 32 would amend Clause 12, failing deletion. Clause 12 is the clause which gives the service the power to "collect, by investigation or otherwise, to the extent that it is strictly necessary, and analyze and retain information and intelligence respecting activities that may on reasonable grounds be suspected of constituting threats to the security of Canada".

The purpose of this series of motions with respect to Clause 12 of this Bill is to ensure two things. Motion No. 31 would ensure that the service would only retain information which it is strictly necessary, in the pursuit of its mandate, to retain. The present RCMP security service has open files on over 800,000 Canadians. They have some 1.3 million files. Under the wording of this Bill as it is presently construed, it would not be a requirement that unnecessarily open files be closed.

This amendment would achieve that. The amendment would include the following:

(2) It shall not be a function of the service to carry out measures to enforce security.

This deals with the question of so-called disruptive measures which were clearly documented by the McDonald Commission, the countering and disruption of lawful political groups. A clause of this nature was strongly recommended for inclusion by the McDonald Commission and is contained in comparable legislation in New Zealand and Australia. Disruption of political groups has been well documented not just here in Canada but in other jurisdictions as well. That is why those other jurisdictions have seen fit to include a clause of this nature. Yet the Solicitor General of Canada (Mr. Kaplan) denies that such a clause should be included in this legislation.

● (1240)

There are many examples of the abuses of countering and disruptive techniques both before and after 1974. These include the so-called preventive security interviews or briefings which can jeopardize the employment of individuals, relations with the press when members of the service plant material in the press about events or persons, misinformation and smear campaigns, disruptive measures which mislead other Government officials, the abuse of double agents and informants. As well there is the conspicuous surveillance and technique of intimidation which is an attempt to discredit individuals and members of particular groups.

These are types of disruptive measures that the Solicitor General assures us will not be conducted by the new agency. Yet when he is put to the test and it is suggested that a clause be included which would specifically bar such disruptive measures, a clause which is contained in comparable legislation elsewhere and which was recommended by the McDonald Commission, the Solicitor General says that he will not do it.

Many of the witnesses who appeared before the committee have a real fear that such disruptive measures may indeed be permitted under the Bill. Indeed, Professor Peter Russell, Research Director for the McDonald Commission, said in a letter:

I strongly endorse your effort to persuade the government to adopt recommendation 33 of the McDonald Commission calling for a clause in the legislation establishing the security intelligence agency which 'expressly denies the agency any authority to carry out measures to enforce security'.

The Government snubs its nose at that kind of very sensible recommendation.

Clause 13 would permit the Government to exchange information, to use a euphemism, with intelligence agencies of other countries, the existence of which is not even acknowledged by a number of those countries according to the Solicitor General. What kind of banana republics are we sharing our information with? The new security agency would continue to share information with them under the terms of this legislation.

The proposed amendments to Clause 15 would deny the use of any of the so-called intrusive techniques for security assessment. Specifically, it would deny the right to plant an informer or the right to use physical surveillance in conducting security assessments. According to this Bill as it now stands, individuals who are applying for a job with the Government could be targeted by the service for purposes not dealing with a threat to the security of Canada but to determine whether or not they get a security clearance. Again, consider the chilling impact that that has in a free and democratic society.

The final series of amendments in this grouping deal with proposed Clause 16. I wish that I had more time to set out clearly the implications of Clause 16 because this is a new power which is not contained within any agency in Canada at the present time. The security service does not have the power to engage in foreign intelligence activities. The Department of External Affairs does not have this power. The Department of National Defence does not have this power. Nowhere in Canada today does such a power exist. Yet the Solicitor General comes before Parliament and says that the Government wants the power to be able to target visitors to this country, anyone who is not a Canadian citizen or landed immigrant. Why? It is not because they may be a threat to the security of Canada since that is covered elsewhere in the Bill. It is because the information they have might prove helpful to Canada in obtaining information about external affairs or national defence. This means that no foreign visitor to this country is immune from the use of the most intrusive techniques at the hands of the security service. Their hotel room can be broken into. Their phone can be tapped. Their office be broken into and documents seized. Their income tax records can be examined as well as their medical records, not because they are a threat to our security but because they might have information which is helpful to us.

A visiting businessman, a visiting delegation of American Congressmen or a visiting professor who is an expert on eastern Europe matters could be targeted by this new service. When I suggested to a witness from the United States who is an expert on intelligence policy that these powers were proposed for Canada, she could not believe that in a democratic society such as Canada the Government was seriously claiming that it wanted these powers. If a government in the United States came before Congress seeking this kind of power, there would be a national uproar. Nowhere in the western world, including the United States, do such powers exist. In the United States it is only in the case of a foreign power or an agent operating on behalf of that power that certain intrusive techniques can be used.

This Bill would indicate to anyone visiting this country from outside that they are fair game and can be targeted. I suggest that the implications of that kind of proposal not just on the academic community but on our reputation abroad are devastating.

In conclusion, I would urge the adoption of these motions which would tighten the mandate of the new service. They are motions which would deny the right to send information to repressive dictatorships about Canadians or refugees from those countries. They are motions which would deny the use of

intrusive techniques for security assessments and they would effectively exclude form the mandate of the service this very dangerous, unprecedented power to collect foreign intelligence against individuals who pose no threat whatsoever to the security of Canada.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, this is the set of motions that deals with the heart and core of the Bill, namely the duties and functions of the service. For that reason the Government must accept some amendments in this area. Surely, when the evidence of the witnesses is so clear, including that of the Canadian Bar Association, the Government would feel compelled to accept these amendments. However, I suppose I am blowing in the wind because the Government did not accept them at committee stage.

The duty of Members of Parliament is to take the Bill as reported back from the committee, study the recommendations and look at the proposals and report stage amendments so as to form an opinion and make suggestions to the Minister. I urge my colleagues opposite to look at the proposed amendments to Clause 12 because they are reasonable.

Clause 12 states: "The Service shall collect, by investigation or otherwise . . ." What do those words "or otherwise" mean? We discovered from the evidence that they mean that the service can do virtually anything. It will be able to do to citizens of this country far more than the FBI can do in the United States, which is a world power and a world source of technology and inventiveness. There are far more spies in that country pursuing their industrial secrets and military secrets. Yet the FBI in that country will not have the intrusive powers that the Canadian Liberal Cabinet will foist and impose upon the citizens of Canada. There should be people rioting in the streets over the incredible power Cabinet is seeking to impose on them. It is simply wrong. I am not sure why we are so complacent. So many of our people seem to have this incredible trust in the Government. Clearly on the evidence it is not warranted.

• (1250)

When you look, Mr. Speaker, at the powers governments have taken in this country in the last ten or 15 years, what do you find? You find the imposition of Crown corporations to an incredible extent, taxes that are extracted directly through the income tax system, sales taxes and energy taxes, and then taxes indirectly on the people by way of the deficit and inflation. To my mind Canadians should be marching in the streets.

It all comes back to Clause 12 of this Bill which was agreed to by the Liberal Cabinet without adequate review by the Government's own back-benchers. If a Cabinet of which I was a back-bencher put some of these clauses in the Bill, I would be standing in this House pursuant to the mandate that I received from my constituents and I would say: "No way, I am going to vote against you. I do not care if you are the Cabinet. You are responsible to the House. As a back-bencher on the Government side, I have a duty to hold you accountable. If you do not, then I will vote against you and if it brings on an election, so be it." I honestly believe that many of the Government Members on the back-benches are not performing their duty. I know if they sat with their uncles and aunts and went through this Bill, their uncles and aunts and other relatives would be saying to them: "That is too much power in the hands of a Cabinet. It is too much power in the hands of a director. You, as my Member of Parliament, should be diluting it."

Clause 12 reads:

The Service shall collect, by investigation or otherwise, to the extent that it is strictly necessary—

At that point our Motion No. 32 puts forth an amendment suggested by the Canadian Bar Association. The Canadian Bar Association consists of men and women who looked at Bill C-157, made their submission to the Senate committee and had some of their recommendations accepted. They then looked at Bill C-9 and again throughout the process consulted lawyers across the nation who deal with this matter daily. They came up with the proposed amendment which would have Clause 12 read, after the word "necessary":

—for the purpose of protecting the security of Canada, and analyse and retain.

Those words, Mr. Speaker, are a real check on the abuse of power by the service. Yet the Liberal Cabinet has rejected the suggested amendment by the Canadian Bar Association. This clause goes on to read:

—and analyse and retain information and intelligence respecting activities that may on reasonable grounds be suspected of constituting threats to the security of Canada—

We put forth the amendment at committee stage and it was rejected. We wanted the words "and probable" added. Within our common law jurisdiction we have jurisprudence built up around the words "reasonable and probable". They are in the Criminal Code. Lawyers have been using these words and judges have been making decisions on these words for hundreds of years throughout the common law tradition. The Government tells us that the words "reasonable and probable" are exactly the same as the individual word "reasonable". That is not so, Mr. Speaker. When judges look at a case, if the test is reasonable and probable grounds, that means something. If a new section says "reasonable grounds", that means the standard has been lowered and therefore people can be scrutinized for a much lower position by the Director and his agents than if the words were "reasonable and probable grounds". The Government itself should at least be maintaining the standards set under the Criminal Code of reasonable and probable grounds with which we have all lived for many hundreds of years.

Do you think that we could get the Liberals to accept this amendment, Mr. Speaker? No, because they got a statement from some lawyer, one of the 600 they canvassed in the department. Finally one gave them an opinion that "reasonable" was exactly the same as "reasonable and probable". All of us with common sense, let alone those who have some legal training, know that if instead of the words "reasonable and probable", which have been interpreted, as a conscious act of

Parliament, a new clause uses only the word "reasonable", it is a much lower test.

What are the consequences of a lower standard? Our citizens can be investigated using such means as opening first-class mail, entering cars and houses, installing bugs in cars and houses and intercepting communications with lawyers. This can be done even though in common law there is a solicitor-client privilege, which is not the privilege of the lawyer but the privilege of the client to be able to deal with a lawyer in confidence. Indeed, lawyers' offices can be broken into at night and documents removed without leaving copies. Agents can destroy a man. It is the same as when the President of the United States destroyed good people who were innocent by turning the IRS on them. That situation could happen here.

Suppose you went to your doctor, Sir, to have a test for some condition that you want kept confidential for business or personal reasons or whatever. Agents can go into your doctor's office, take documents away and use them against you. That is not the tradition of this country.

That is not what our ancestors came here for. They came here to get away from that kind of conduct, for God's sake! But here we have a Liberal Cabinet making that a real possibility. I just do not understand why each generation continually has to refight the battles of 1215 and 1776 to try and get freedom. Let me come to the entrenchment of constitutional rights. In spite of the fact that our ancestors fought and died for the right to own property, the Liberal Government would not entrench that as a right, and that issue the NDP has to take some heat. Members of the NDP are not standing up for the rights of people to own property. They are just as glad that they do not.

Mr. Fulton: What about the Premiers? Of course, they are Tory Premiers.

Mr. Thacker: We understand, but this is the Parliament that sets those rights. If the provincial Premiers of whatever political stripe are opposed, we should be standing up and saying that we speak for the people. We know that some of our people come from Eastern European countries. As I said yesterday, I have sat around the kitchen table with many Eastern Europeans, people with marks and tattoos on their arms. They tell me this Bill is dangerous, and I believe them.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have an opportunity to say something about a piece of legislation that strikes me as nothing short of treasonous. Regarding the duties and functions of this service, Canadians from coast to coast must wonder why not one single Liberal has stood up to support it. Not one single Liberal who is actually representing his or her constituents has got up even to make a comment on one of the most draconian unCanadian, treasonous pieces of legislation that has ever come before this House. As far as I am aware, it is endorsed only by the Solicitor General (Mr. Kaplan), who as I have said before will not be the Solicitor General for very long.

Let me deal quickly with Clauses Nos. 12, 13, 14 and 15. With only ten minutes I want to spend some time on Clause 16 and on why that particularly draconian measure should never see the light of day outside this Parliament.

Before I do that, I want to add to the words of other Members in this House today. It is peculiar that the press have somehow been muzzled in this country on a Bill that portends to change the face and nature of Canada totally in terms of freedoms which many of our forefathers fought very hard to gain. It seems very few Members of Parliament are prepared to stand up and fight for that today. I can say only one thing, Mr. Speaker. This Parliament is dying as a result of the way this kind of legislation is going through where no one on the Government side gets up to defend a piece of legislation. The Opposition are always in a position of having to educate themselves on every piece of legislation and of getting up and fighting to try and change legislation. We have an occasional loudmouth on the other side. They never have the guts to rise and say that they stand for these particular clauses and why they stand for them. Not even the Solicitor General (Mr. Kaplan) has the gumption to stand and explain why he supports a piece of legislation which is clearly treasonous in terms of Canadian history.

• (1300)

The duties and functions of the service in terms of collection, analysis and retention are improperly worded. The clause is far too broad. Clause 13 in terms of security assessments is far too broad. I would encourage Canadians, who have some interest in what is about to happen to their rights now that closure has been invoked and this legislation is to be jammed through, to take some time to read this. Only those who are watching television or listening to this debate on the radio will learn about it, because the press has never bothered to come in here to cover any of the ongoing debate. The press does not even understand that if it starts writing articles opposed to this sitting Government or to some Minister, it, above and beyond all others—

Mr. Deputy Speaker: Order, please. The Hon. Member for Vancouver South (Mr. Fraser) is rising on a point of order.

Mr. Fraser: Mr. Speaker, I rise on a point of order. I hesitate to interrupt my hon. friend who is talking about the press not being here. The Canadian public should know that there is not a single member of the Press Gallery, numbering several hundred persons, in the Chamber at this time. Probably none of its members are watching this debate.

Mr. Deputy Speaker: Obviously that is a contribution to the debate. The Hon. Member for Skeena (Mr. Fulton) should continue his remarks.

Mr. Fulton: Mr. Speaker, that was an important and timely point of order. As I said, I will focus my comments on Clause 16. With only 10 minutes left and with closure having been invoked, it is not possible for me to cover Clauses 12, 13 and 15. I do not think many Canadians recognize what we are

being asked to give up. We are gaining nothing with this guts part of the legislation that relates directly to spying techniques. Not only will it affect Canadians but, as my colleagues have pointed out, it will affect those tens of millions of foreigners who come to Canada every year. Very few Canadians realize that about 30 million Americans per year come to Canada and that there are literally tens of millions of others who travel through Canada either for the purpose of visiting relatives or for the purpose of carrying on some kind of business.

I should like to focus upon the wording of Clause 16. Very specifically it reads:

> Subject to this section, the Service may, in relation to the defence of Canada or the conduct of the international affairs of Canada, assist the Minister of National Defence or the Secretary of State for External Affairs, within Canada, in the collection of information or intelligence relating to the capabilities, intentions or activities of
>
> (a) any foreign state or group of foreign states; or
>
> (b) any person other than
>
> (i) a Canadian citizen,
>
> (ii) a permanent resident within the meaning of the Immigration Act, 1976, or
>
> (iii) a corporation incorporated by or under an Act of Parliament or of the legislature of a province.

What is being proposed here is to allow spying, not only in relation to defence. At the very least this clause should be broken into two parts to remove the distortion so that those who would quickly read it will not think that it is only for the defence of Canada. This was designed by the Solicitor General. I suppose the Liberals opposite know that. I am no longer so sure because none of them will rise and speak. This is clearly intended to be a very broad-ranging power to allow spying on anyone who comes into Canada, whether they are coming here to visit a relative, for commercial purposes or for teaching.

I should like to deal very quickly with the teaching aspect. The Canadian Association of University Teachers made a very excellent presentation to the committee, which was scoffed at by Liberal Members. It was supported very broadly by those associated with universities and colleges in Canada. Referring to Clause 16, Mr. Donald Savage of CAUT wrote:

> We find this section . . . seems to say, for instance in he university context, that two Ministers of the Crown can sign a document which will allow the security forces to collect intelligence relating to the capabilities, intentions or activities of any visiting foreign professor or any foreign student at a Canadian university. It does not require that this be triggered by reasonable suspicions of involvement in terrorism, espionage or subversion. It need only be done pursuant to the conduct of international affairs of Canada. Nor does this section indicate how this intelligence will be gathered, but I assume that it would allow telephone tapping, mail opening and any other similar means to gather the information.
>
> It is true that the section then goes on to say that such information will not be directed at Canadian citizens, permanent residents or corporations. However, no safeguards are provided for the foreign visitor. If our interpretation is correct, . . . I suspect that some foreign academics may well have qualms about coming to our country as visiting professors if they can be subjected to intelligence operations in the casual manner suggested in section 16. We in Canada wish, of course, to have programs concerning other parts of the world of the highest possible quality. This necessarily involves invitations to distinguished foreign academics to come as visiting professors. By the nature of things, internationally respected foreign area programs must be able to attract such scholars.
>
> We are not, of course, suggesting that such visiting scholars be immune from security legislation. They should be subject to investigation on charges of terrorism, espionage or subversion in exactly the same manner as other Canadians.

As I indicated, it was signed by Mr. Savage, Executive Secretary of CAUT. His suspicions and those of academics in Canada are absolutely correct. As a result of the desire of the Solicitor General to be able to spy on anyone anywhere at any time, to bug their telephones, to break into their homes, to break into their cars or do whatever he pleases, ultimately it comes down to base, crass politics. Certain people who are so taken by their own power demand that they be protected from any kind of forces of change. The ultimate reactionary conservative sits there as the present Solicitor General.

As I said several times in my speech, I consider these sections to be acts of treason against the people of Canada, nothing short of that. It changes what my family came here for 300 years ago and what they fought for in every war since then. That man and that Party intend to take it away. The press sits on its hands absolutely mute. Its members are sitting across the street drinking beer and drooling in their own froth. They do not have the guts to write a single editorial in the country to cover any of the debate here or to give the kind of round, sound condemnation which there should be of the Liberals over there. Those people are not fit to govern this country. In fact, they are not fit to live in this country. They should not be sitting in the House of Commons if they are not prepared to rise and tell us why they want these kinds of powers which can be put against anyone who comes into the country and which can be put against any foreign state. The Solicitor General should rise and explain. He should get one of jackals on his back-benches, who are only interested in their pay cheques and their pensions, to rise on this one piece of legislation and for once in the history of the country explain why they intend to take away all the rights for which I, my family and my forefathers have fought. I say that it is an act of treason and he should not be in this House of Commons.

Mr. Kaplan: And people call us arrogant!

Mr. Deputy Speaker: The Hon. Member for Vancouver South.

Hon. John A. Fraser (Vancouver South): Just a minute, Mr. Speaker. The Hon. Solicitor General (Mr. Kaplan) is well and favourably known to me. We have been good friends on honourable causes on a number of occasions.

Mr. Deputy Speaker: Perhaps I could clear up one matter with the Hon. Member. I recognized him to make a speech. Is he making a point of order?

Mr. Fraser: I am making a speech, Mr. Speaker. As I said, the Hon. Solicitor General and I have been allies on honourable causes. When he says that the Hon. Member for Skeena (Mr. Fulton) is just talking a lot of claptrap—

Mr. Kaplan: I did not say that.

Mr. Fraser: —with great respect I say he is wrong. The Hon. Member for Skeena is saying exactly what I said a couple of hours ago in this Chamber. The fact is that the media of the country are asleep at the switch on this Bill. They do not want to be told that. There is only one member of the several hundred person Press Gallery of Canada in the Press Gallery right now.

A couple of days ago this Bill was called by Alan Borovoy, general counsel to the Canadian Civil Liberties Association, hardly a left-wing twit or some kind of screwball nitwit, "one of the greatest threats to civil liberties Canada has seen for many years". That got reported; Lord knows how, but it got reported. The Hon. Member for Skeena is not in the same Party as I am, but he talked about his ancestors fighting for the liberties we have had for over 300 years. So did mine. We came here in 1759 with the Scottish Regiment that was forced to enlist because we were pushed out of our Highland home. All those years we were loyal to the flag and to the Crown of this country. My friend from Skeena is right when he talks about the traditions that are bound up in the principles of this Bill. I am fed up to the teeth with this limp-wristed, hand-wringing, sanctimonious lecturing and preaching we have been getting from the Government side and some kind of vacuous minded editorial writers.

• (1310)

What is all this talk about Bill C-9 being debated endlessly? They go back to the Mackenzie Commission in 1969, the 1977 revelation of wrongdoing in the late sixties and early seventies, the McDonald Commission, Bill C-157 and the Senate committee. They say it has all been settled.

Where are these twits who say it has all been settled? Who are these people who comment like that, who cannot understand that, under our system of government, when you pass a piece of legislation the words rule you? It is the words in front of us now in Bill C-9, not in Bill C-157, the McDonald report or the Mackenzie report. It is these words that rule us. When somebody like Alan Borovoy can say that this Bill is the greatest threat to civil liberties this country has ever seen, somebody in the country should know about it.

I am fed up with the fact that all the reporting has been about a filibuster in the committee or in the House. What is wrong that these people cannot understand why we are indignant? I will tell you why. This Bill could have been and should have been a better Bill. The Government absolutely refused to accept a single amendment. The only amendment we got through committee, which would give to the review committee the right to look at Cabinet documents relating to the security service, went through because the Chairman of the committee, a Liberal, the Hon. Member for Rosemont (Mr. Lachance), a damn good Member, voted with the Opposition. We got it through, and what does the Solicitor General do? He has an amendment, that he is going to present, wiping out the only thing we got in committee. That is what they are doing.

The media of this country, the several hundred people who sit around here and criticize us for the price of food in the restaurant or the cost of the rug or MPs who did not pay their bills on time, all go to the restaurant. That is probably where half of them are right now instead of being here. I do not care whether every one of them campaigns against me in the next election. In the last couple of days on this issue the media have been a disgrace to a free country. As I said earlier, one day they will be writing editorials when something goes wrong because the proper amendments were not put in. It is absolutely appalling. I do not know how many deans of journalism there are, but this ought to be compulsory reading for every one of their students from now on. The media have absolutely copped out on this. I do not care whether they like me for saying it. The fact is that the Canadian public does not realize that the only time these guys and women come in here is during Question Period when you have the show. The rest of the time they do not cover this stuff. It is no good their coming now and saying "Well, we covered it months ago, we wrote some in-depth articles some months ago".

The issue is the fact that Canadians came to committee with suggestions for change, not suggestions to destroy the Bill, not suggestions to destroy the security service, not suggestions saying that we should not have lawful mandates that constrain, regulate and overview the security service. Canadians said the wording is faulty, it can be better. There are dangers in the loose wording that is there and in some of the concepts. What is appalling is that since the day we got into second reading debate, months ago, the Government has had no intention of accepting any amendments, nothing. That is what should be in the headlines of every paper.

As for John Turner and his reform Liberals, as I said earlier, it is not the old deal but it is the old deal writ large. I have to say one other thing about Mr. Turner, who is supposed to be a lawyer. This is the guy who has never told us why he brought in the War Measures Act. Once upon a time when I was 20 and Mr. Turner was in his mid-fifties I would have been impressed, but I am not anymore. I say in conclusion, knowing that nothing has changed, that everybody ought to be asked: Do you really want to buy a used government from this fellow?

Mr. Kaplan: Mr. Speaker, I am very reluctant to participate in the debate, given its tenor. I will explain in a moment. I cannot refrain from rising to comment on some of what I just heard. I totally reject the superiority that Members opposite want to draw from the fact that their ancestors came to this country so many generations before mine. I think I am just as good a Canadian as they are whether my ancestors did or did not come here in the 1700s, as the Member for Vancouver South—

Mr. Fulton: Mr. Speaker, I rise on a point of order. There was absolutely no reference by myself or by the Hon. Member for Vancouver South (Mr. Fraser)—and I sat here during the whole speech—to the period of time in which the Solicitor General (Mr. Kaplan) came to Canada. He is trying to abuse the process of debate.

Mr. Kaplan: Mr. Speaker, I gather from you that that was not a valid question of privilege, so who is abusing the rules of the House? It is the Member opposite, trying to make a question of privilege out of a statement that is not.

Mr. Fulton: Mr. Speaker, a point of order.

Mr. Kaplan: Now we have a point of order. I think I should be allowed to speak.

Mr. Deputy Speaker: Will the Hon. Member for Skeena (Mr. Fulton) allow me one comment? I invite Hon. Members—and this is somewhat at the discretion of the Chair—to stick as much as possible to the contents of the motions now before the House. The Chair has listened to Members on both sides of the House with some leniency. Hon. Members have been allowed to digress from time to time to make personal points. But at this time we ought to strive once again to make every effort to debate the motions now before the House. I will be glad to enumerate them for Hon. Members once again. Having said that, I will recognize the Hon. Member for Skeena on a point of order.

Mr. Fulton: Mr. Speaker, I just want to make it clear that I did not rise on a question of privilege but on a point of order. It demonstrates once again that the Solicitor General does not listen to what goes on in the House of Commons.

Mr. Deputy Speaker: The Hon. Member is quite right. The Chair had recognized the Hon. Member for Skeena on a point of order. At this time I invite the Solicitor General to continue his remarks on the motions before the House.

Mr. Kaplan: Mr. Speaker, I gather it was not a valid point of order either. The Member opposite did accuse me of treason. He did say that we should be kicked out of the country. He can check the record on that. He did put on the record how many generations he and his ancestors have spent in this country defending our liberties, for which I am very grateful. This is a great country. I only want to say, perhaps for those in the Gallery who think the Government has been reticent to listen to reason on this Bill, that there has been a great deal of process associated with this Bill already. Notwithstanding what the Hon. Member for Vancouver South (Mr. Fraser) said, the Government has accepted over 5 major amendments since the—

Mr. Fraser: Not on this Bill.

• (1320)

Mr. Kaplan: May I finish? It has accepted that number of amendments since the introduction of Bill C-157, which was the Government's initial response.

Mr. Fraser: That was not in the House of Commons.

Mr. Robinson (Burnaby): Mr. Speaker, I rise on a point of order. It is my understanding that at this point in the debate we are dealing with a number of motions that refer to Clauses 12, 13, 15 and 16. Not a single member on the government side stood to support those clauses. On a number of occasions, the Speaker has called Members on this side of the House to order because they did not deal with the motion before the House. It is about time that the Solicitor General (Mr. Kaplan) finally did so.

Mr. Deputy Speaker: Order. I would invite the Hon. Member not to reflect on the Chair's comportment in this debate.

Mr. Robinson (Burnaby): Apply the same standards to them as you apply to us.

Mr. Deputy Speaker: The Hon. Member for Burnaby (Mr. Robinson) should listen for a moment. I sat down just a moment ago and I did request of the Hon. Solicitor General of Canada (Mr. Kaplan) that he confine his remarks to the motions now before the House. I will invite him to do so again, and I rise as often as is necessary, as I have been doing to invite all Hon. Members on either side of the House to do just that.

Mr. Kaplan: Mr. Speaker, I will just wrap things up. I gather that I have hit a sensitive nerve opposite. I do not wish to delay debate. In fact, I will simply indicate that all of the reasons for which Members on this side of the House support the clauses of the Bill have been explained at very great length in committee and on second reading. Those reasons have been explained by me in speeches that I have made across the country and in interviews that I have given to journalists.

We do not want to see this debate prolonged unduly and repetitively. That is the reason why we are not standing up. It is not because we are arrogant or because we feel that there are no good answers; it is because we recognize that we have been elected to act and action in the legislature produces legislation. We would like to see this legislation, which has been very much improved by public debate, by discussions and by amendments, moved forward and become law. That is why we are not standing up. All of the other improper imputations that have been hurled across the floor to explain our failure to rise are just baloney.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I am amazed by the remarks that were just made by the Minister. It was just yesterday that the Minister and his Government moved closure.

Mr. Kaplan: Order. What has that got to do with the debate?

Mr. Orlikow: The Minister knows that the debate on this Bill will end on Thursday evening. Members on this side of the House who disagree with the Government cannot hold the Bill up. We cannot filibuster the Bill.

If he had the courage, which he does not, the Minister could rise in his place and explain his reasons for the legislation that he is proposing. The Minister does not rise, not because he does not want to prolong the debate. He knows that the debate will end. The Minister does not rise because he knows that the

individuals and organizations for which he has worked over the years are completely opposed to many important clauses of the Bill which the Minister has brought before us. He knows that these organizations and individuals have made specific proposals for improving the Bill and have made specific recommendations for amendments to plug what they consider to be important loopholes in the Bill.

The Canadian Association of University Teachers, the Canadian Civil Liberties Association, the Canadian Jewish Congress and the Canadian Conference of Churches are all groups with which the Minister and his Party have worked for many years on many subjects including the Constitution. These organizations have now come forward with objections. Why does the Minister not use the opportunity he has here in the House to answer these—

Mr. Kaplan: I already did. I have answered all of those briefs. You know that perfectly well.

Mr. Orlikow: I was not a member of the committee—

Mr. Kaplan: But you can read.

Mr. Orlikow: Like other Members of Parliament, I was attending other committee meetings when that particular committee met. Now is the time when the Minister—

Mr. Kaplan: This is the time for action, not the time for slicing baloney.

Mr. Orlikow: Now when some Members have brought forward specific objections and reservations to the legislation that have been stated by responsible organizations and individuals is the time for the Minister to stand and explain the Government's position. Perhaps one of his colleagues could do so. I have never seen Liberal Members of Parliament so silent. I can only assume that they do not wish to be on record so that if and when they are questioned and if and when they are criticized, they can say: "Well, I was not very enthused about that Bill. I did not speak for it, I did not speak against it. I had to vote for it because that was what the Party Whip required." I sat on a committee with the Hon. Member for Mississauga North (Mr. Fisher)—

Mr. Deputy Speaker: Order. Could the Hon. Member please inform the Chair of the way in which his general comments are pertinent to the motions now before the House?

Mr. Orlikow: Mr. Speaker, I was simply trying to give some specific illustrations of the groups that oppose specific clauses. I would invite the Hon. Member for Mississauga North to speak on this Bill. I know that he has spoken frequently about his belief in freedom of speech.

Several Hon. Members have put on the record the views of the Canadian Association of University Teachers with regard to the clause of this Bill which gives the security service the right to put under very aggressive surveillance foreign academics who come to the country even though there is no evidence that those foreign academics are or may be involved in espionage activities. Let me put on record two of the letters which were received by the Chairman of the committee. These letters were written by university professors who—

Mr. Kaplan: They are on the record already, David. They are part of the record.

Mr. Orlikow: They are on the record. Suddenly the Minister has found his tongue. For days he has been silent, and now suddenly he has found his tongue. I wish—

Mr. Kaplan: You have nothing new to say.

Mr. Orlikow: Mr. Speaker, instead of interjecting—although I do not mind his interjections—I would invite the Minister to stand and give me an explanation—

Mr. Kaplan: My answer is on the record as well.

Mr. Orlikow: I would invite the Minister—

Mr. Deputy Speaker: Order. The Chair finds these repartees from either side of the House disruptive to the process of debate, and they must certainly be annoying to the Hon. Member who has the floor. I invite the Hon. Member to continue his remarks.

Mr. Orlikow: Let me read a portion of a letter which was received by the Chairman of the Standing Committee from the President of the Canadian Association of Slavists, Nicholas Zekulin. The letter reads in part:

> We are, of course, aware that not all the activities of all visiting academics, professors or students, are legitimate, but this does not mean that some safeguards should not be built into the legislation specifying that there should be grounds for suspicion of activity inimical to Canada before the provisions of the act are invoked.

That seems to me to be a very reasonable proposal. As well, I have in my possession a letter addressed to the Chairman of the committee from Dr. Peter Bly, Professor of Spanish and President of the Canadian Association of Hispanists. He has written the following:

> Obviously, we could not countenance the activities of foreign professors and students detrimental to Canada's security and would publicly support all attempts to prohibit the entry into Canada of such undesirable people. But we feel that indiscriminate surveillance and monitoring of bona fide visitors will adversely affect our attempts to establish links with Spanish-speaking academics as well as being a gross injustice to these individuals in question.

Those are just two of the many letters which I am sure were received by the Government. We are, as we should be, encouraging professors in Canadian universities who wish to learn more and wish to be able to teach their students more about countries in South America, in Africa, in China, in Eastern Europe and elsewhere. If they are to learn more, there must be an exchange of academics. Our professors must visit those countries and their professors must visit Canada.

● (1330)

Let us be realistic. Professors in communist countries are, in all likelihood, members and supporters of those regimes. Otherwise, they could not be professors. We know that when we invite them and when we permit them to come to Canada.

We should certainly be able to assure them that, as long as they are here for legitimate academic reasons and are not involved in espionage or any other aspect which is inimical to our security, they will not be spied upon, have their mail opened or their telephones wiretapped. We would expect the same kind of treatment for our professors who visit those countries.

I would urge the Minister, or any Member of the Liberal Party who is in the House, to rise and explain how this proposal, which will affect university professors and their organizations, could be viewed as being impractical. Why did the Government not accept that proposal? I would say that there is a very simple reason. The Minister has forgotten the things he knew before he took his present appointment. The Minister has sloughed off all the principles in which he supposedly believed. He is ignoring the advice and urging he receives from the people he has worked with over the years. He has become a complete captive of his bureaucracy and has caved in to it. That is why he has taken this view.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I would like to deal with a number of clauses in the Bill. But I would first like to refer to a problem with Clause 12, which I think is typical of a great many other areas in the Bill, that is, the very poor English in which it is written. The language could be misinterpreted. If and when this legislation goes before the courts, it is the wording that will decide justice. It is not the way someone else interprets it. It is not the way it is discussed in the House of Commons. It is the way in which it is written in the law that will decide justice. It will decide whether we have justice, or whether we have an unfair type of law.

For example, in Clause 12 a sentence appears which reads as follows:

> The Service shall collect, by investigation or otherwise,

The first thing I would like to know is: What does "otherwise" mean? Does it mean the bugging of cars, the bugging of telephones or the bugging of the telephone of a person from another country? What does "otherwise" mean? It is like saying *et cetera, et cetera.* It can mean everything and anything. That is the first thing which I object to in the Bill. I would like to know what the service can collect by investigation and by what other means. "Investigation" is a pretty big word. It pretty well covers the slate.

The Government added the words "or otherwise". Therefore, it can collect in formation by investigation or it can do so "otherwise". The words are not "and/or"; the words are "or otherwise". Therefore, if the service cannot do it by investigation, it can do it "otherwise", whatever that is.

I have not heard anyone explain that. It is a matter to which I take objection. If this legislation is sound, why are the Members on the other side of the House not taking their proper turn in defending the legislation?

Mr. Kaplan: Because we want to vote on it, that is why.

Mr. Taylor: Because you want to vote on it. You want to get it through before people even know what it means. That is what the Solicitor General (Mr. Kaplan) says.

Mr. Kaplan: Before the session ends.

Mr. Taylor: He wants to vote on it. He does not care what it means. He does not care how it will treat human souls, not a bit. He wants to vote on it. This Party wants to do more than vote on it. When we vote on it, we want to know what it means. We want to be able to explain to our constituents what the legislation means. But the Government is not giving us that explanation. The back-benchers sit there like a bunch of clones—pardon the expression. They are simply going to accept anything that the Minister puts into the legislation.

I ask Hon. Members on the other side: What does "otherwise" mean? Instead of standing up and giving us a lecture, as the Solicitor General did a few moments ago, why does he not explain the legislation? That is all we are asking. A simple explanation. It is like a teacher who says to a class: "You are doing it wrong. You are doing it wrong". That does not help the youngsters. They will not learn anything. The pedagogue who knows what he is doing will mark it on the board to show why it was wrong in order that the youngsters will not make the same mistake again. That is pedagogy, not dictatorship.

I would like to make a further comment about Clause 12, which reads:

> The Service shall collect, by investigation or otherwise, to the extent that it is strictly necessary,

What is strictly necessary, "the investigation" or "otherwise"? to what does it refer? It is simple English. If the youngsters, who are sitting in the Gallery today, were asked to analyse that, they would tell us that it could not be properly analysed. We do not know to what the "it" refers. "The Service shall collect, by investigation or otherwise, to the extent that it is strictly necessary". "It", what in the world is that?

No wonder the committee is befuddled. No wonder an amendment was put forward in an attempt to have that wording changed. The committee proposed that the service's collection of information and intelligence should be limited to what is "strictly necessary for the purpose of protecting the security of Canada". That is what it should say. We are talking about the security of Canada, but the legislation does not indicate that. It says "it". Whatever is that supposed to mean?

The vote on that amendment in committee was: four in favour and five against, with the Chairman not voting with the Government. The Chairman said:

> The chairman regrets that the government could not see fit to accept that amendment.

Is that not strange? The committee voted four in favour and five against. The Chairman is a member of the Liberal Party and I believe a lawyer, but I am not sure. I know he is well learned. He said that!

Is it not a simple amendment which attempts to clarify the law? Is that not why we are here, to clarify the law in order to be fair to those people who are charged under the law? All we are asking for is a simple clarification.

That Clause is enlarged by adding words which cannot be defined—"otherwise" and "it". That is supposed to be draftsmenship? Whoever drafted this should enlist the help of a few good school teachers. They could do better.

Mr. Kaplan: It was the Senate committee.

Mr. Taylor: It should read, "for purposes which are strictly necessary, and "for purposes of protecting the security of Canada". That is the proper enlargement of that phrase—not "it" and not "otherwise". We are talking about the protection of the security of Canada.

• (1340)

It is too bad, Mr. Speaker, that for some reason we are not hearing from Hon. Members opposite. I do not know whether the new Leader has told the Liberal Members not to talk. Perhaps he has put a zipper on their lips. Perhaps he feels the legislation is so bad he does not want them to talk about it, and now he is going to bring in closure so that even we cannot talk about it. As the Hon. Member for Vancouver South (Mr. Fraser) said, the press just looks at the Bill and does not even bother dealing with the inequities, the poor draftsmanship and what this will mean to the security of human lives later on. That is all we are asking the Hon. Members opposite to do, to think about what this is going to do perhaps to their sons, daughters or grandchildren. Imagine what the courts will do because of the way this legislation is worded and then you might be willing to accept an amendment which is sensible and sound.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I was inspired by the comments of my colleague, the Hon. Member for Bow River (Mr. Taylor) who has a reputation in this House for telling it as it is. He speaks because he consults. He speaks because he represents his constituents with great distinction and because he is prepared to listen to what people are saying on the streets of this country. I commend that attitude to the Solicitor General (Mr. Kaplan) and to Hon. Members of the Liberal Party, because what we are dealing with now in this particular clause and the motion which has been put forward by my colleague, the Hon. Member for Vancouver South (Mr. Fraser), is a provision which would put some precision into the definition of the operations of the new security service.

What we have now is a very wide-ranging and vague mandate for this new security service. What we have now under the terms of Clause 12 is authority given to the service to go about this country and collect information on Canadian citizens, community groups, church groups, action committees and political groups as the service deems necessary.

I have never seen a better recipe than what is contained in this legislation, put into statute form, which would provide any secret service agency with the ability to conduct witch-hunts, politically motivated investigations, and wide ranging irresponsible investigations into the affairs of the people of our country. What our Party has been trying to impress upon the Government is that when one deals with legislation of this sort, which in effect impacts negatively on the civil liberties of Canadians, and for purposes of security allows an agency to go about opening up files on Canadian citizens, to investigate their backgrounds, their social, business and other activities, which gives authority to this group to look at our income tax returns, which allows this service to go into our medical records, then one must say to oneself, "What about Canada which I always understood to be a country where freedoms and privacy are respected?"

So we said to the Solicitor General in committee that we think there should be some more precision in the wording of this Act, that the people of Canada would expect no less in a free and democratic society. We told him that if he is going to bring in legislation which is going to allow an agency of the Government to snoop into our affairs, there should be a very precise definition of those powers. I do not believe that is an unreasonable request to make of any government. I am not trying to be troublesome or controversial. I am simply saying to the Government, "Let us have common sense in this. Let us make sure there is a balance in the wording of this legislation". And that is what happened in the Standing Committee on Justice and Legal Affairs.

I will tell you, Mr. Speaker, how delicate the situation was. People did vote on Party lines, so the motion put forward by my colleague, the Hon. Member for Vancouver South, was defeated in the committee five votes to four. That was because the Liberals had the majority in the committee. As my colleague, the Hon. Member for Bow River, pointed out, the Chairman of the committee—who will admit it himself—is a partisan Liberal who sits on the Liberal benches. He was appointed by the Government and owes his position to government support. But I say to you, he has some common sense and some sensitivity with respect to matters of this import and has demonstrated himself to be a fair and competent chairman, and he has my respect. He was not required to break the tie. He was not required to cast the deciding vote because, I suppose, in that instance, the tradition required that he vote for the government position. However, he made what I consider a telling statement in committee. He said that he regretted that the Government did not see fit to accept this sensible amendment.

The amendment is exactly as was stated by my colleague, the Hon. Member for Vancouver South. It gives precision to the provision. It does not say that the agency shall not have the ability to obtain information by these various devices it deems necessary in its own discretion and opinion. We just suggested that there be some tangible criteria established within this Bill and within this clause under which it would be possible for an aggrieved citizen to go to a court of this land and say, "This is not within its mandate because it cannot establish that the investigation was in the interests of the security of Canada". It

is a very simple definition of what the parameters should be in this clause.

We have been bringing forward suggestions, and it is an example of the intransigence and the blockheadedness, if you will, of the Government and of the Solicitor General in particular, that he will not accept any reasonable amendment. The Solicitor General is the captive of his bureaucracy, but he is not capable of making a decision on his own without advice from his bureaucracy. It has told him not to put too many constraints on the service, not to give it too many difficulties so that it will have to be accountable. For heaven's sake, that would make it difficult for the service. It would have to work for a living. I am not alone, Mr. Speaker. I will tell you who else thought that this motion was required—

An Hon. Member: We are with you.

Mr. Hnatyshyn: Over here we have quality as opposed to quantity, and I say to the House Leader of the New Democratic Party that I appreciate the fact that that Party is always willing to learn. I am trying to help the NDP—

Mr. Deans: When we come to vote on your motion, we will rise with you.

Mr. Hnatyshyn: I know you will be with us. However, do not make it public, because every time you vote with us it causes me great political embarrassment back home.

What I want to say to you, Mr. Speaker, in conclusion, is that the people who are in support of this kind of amendment are responsible citizens of Canada. They include the British Columbia Law Union, the Canadian Bar Association—not exactly a revolutionary crowd—the Attorney General of Saskatchewan and the Attorney General of Ontario. These people are involved in law enforcement and legal matters in their own jurisdictions. The Canadian Bar Association represents the legal profession across the country. Indeed, I believe I can go back to the Senate committee which looked at this matter. It indicated that it would like more precise language with respect to the mandate of this agency. All of these groups and the individuals whom I have mentioned have been supportive of the amendment, which our Party supports and which has been presented by the Hon. Member for Vancouver South.

Therefore, Mr. Speaker, you must ask yourself a question: What is so wrong with this proposal? Why is the Government so adamant in its refusal to accept as an amendment an eminently sensible recommendation? Is there not someone over on the government side who can stand up and give a rationale? Let it be just one Member, I do not care who. I would even accept the Solicitor General standing up and telling us why he thinks he cannot accept our proposal. But all we get is silence. It does not augur well for Parliament when Members on the government side refuse to defend their own legislation. Let us assume the agency got out of control; what would happen? We would have a repeat of what happened in early 1970. There would not be one person on the Liberal side with the courage to stand in his or her place and say that the legal processes of Canada are being abused. They are used to silence, to standing by like patsies and to doing what they are told. If that is the kind of government we are going to have under the Liberals, you can well imagine how the people of Canada will respond. They will see the cavalier and cynical attitude taken by government Members who do not have the courage of their convictions. They will not stand up and tell us why they refuse to accept the amendment.

• (1350)

Mr. Kristiansen: They are training for the secret service.

Mr. Hnatyshyn: Secret service is right. It should be called the "secret (silent) service". That is the way these people are operating with respect to this legislation. They do not have the courage of their convictions and they do not deserve to be on the Government side.

Hon. Bud Cullen (Sarnia-Lambton): Mr. Speaker, it was my privilege to serve under the chairmanship of the Hon. Member who just spoke on the Standing Committee on Justice and Legal Affairs. A more fair, adept and appropriate chairman I do not think anyone could ask for. The Hon. Member for Saskatoon West (Mr. Hnatyshyn) talked about why we do not support this amendment, or why the Minister would not listen to the amendments. The facts are of course exactly opposite. Before Bill C-157 was brought in, the McDonald Commission held over 300 hearings, saw 150 witnesses and read 124 written submissions. Then Bill C-157 went before the Senate committee. It heard testimony from over 30 individuals and groups and over 50 submissions. A significant number of changes were made to that Bill. Ultimately it resulted in Bill C-9. Therefore, to suggest that the Solicitor General (Mr. Kaplan) is not prepared to listen to amendments is just not in accordance with the facts.

The problem we have is that we have another amendment put forward by the Hon. Member for Burnaby (Mr. Robinson). We have been subjected to a farce. For example, at the very last minute we had presented to us in committee something like 300 amendments of the kind being produced here today. The attitude is: If we cannot have it our way, we are not going to play. We are not going to help with legislation and we are not going to have debate.

Mr. Forrestall: What debate can you have with closure?

Mr. Cullen: The Hon. Member for Lethbridge-Foothills (Mr. Thacker) hit the nail right on the head. The fact is that in participating in this debate one feels one is participating in a farce. There were some amendments put forward in committee on which we could have had good debates. We could have expressed our point of view and then had our vote. Unfortunately, as a result of the tactics adopted by the NDP—

Mr. Deputy Speaker: Order. I invite the Hon. Member for Sarnia-Lambton (Mr. Cullen) to indicate to the Chair what motion he is presently debating. His comments appear to be of a general nature and of a very wide-ranging scope. I invite him to confine his remarks to the motions before the House.

Mr. Cullen: Mr. Speaker, I accept your admonition. I was responding to the Hon. Member for Saskatoon West and the farcical approach being adopted by the NDP.

There are merits in many of the amendments put forward both by the Government and by Opposition Members. This one is probably a good case in point. On its face it appears to be not a bad amendment. But those of us who sat on the committee know that every one of the amendments put forward here was put forward at committee stage. They were answered by the Solicitor General and all the reasons were given why this amendment or others are not appropriate at this time. Sadly, when we get a decent amendment, one that has been carefully thought out, such as this particular one put forward by the Hon. Member for Vancouver South (Mr. Fraser), one feels hamstrung because, by endeavouring to bring the parliamentary process to bear, ond finds that one is participating in a farce orchestrated by the NDP, primarily by the Hon. Member for Burnaby. I am more concerned about the manner in which legislation and amendments such as the one produced by the Hon. Member for Vancouver South cannot be adequately and properly debated and then voted upon. The fact of the matter is that we are participating in a farce.

Mr. Robinson (Burnaby): A point of order, Mr. Speaker. The motions before the House are clear and explicit and I invite the Hon. Member to address his mind to the motions before the House and not to attempt to justify the shameful inaction of government Members—

Mr. Deputy Speaker: Order. The Hon. Member for Sarnia-Lambton (Mr. Cullen), in the Chair's opinion, is relating to the motions at hand. He is explaining his position. I find his remarks to be relevant. They may be generally relevant but they are relevant.

Mr. Cullen: Mr. Speaker, if there is a person from whom I do not need lecturing on parliamentary procedure it is the Hon. Member for Burnaby. The position taken by the NDP on this motion and others is much more dangerous to Canada and to the parliamentary system than amendments of the kind the Hon. Member for Vancouver South is putting forward here today. We have had a muzzling of Parliament on motions like this one because of the tyranny of the minority. We saw it in committee and we are seeing it here. I think this is a good amendment, one I would like to have debated, one I would like to have the Solicitor General participate in as well. But when you get 50, 60, 70 or 80 amendments designed primarily to destroy the parliamentary process from Members who "if we in the minority cannot have it our way, nothing is going to happen in Parliament", then that is much more dangerous than the legislation itself. I ask the NDP to get back to the principles brought to this House by the Hon. Member for Winnipeg North Centre (Mr. Knowles). Show some respect for this place so we can have a legitimate debate on this amendment and others and then have a vote. I do not intend to pursue any more of this particular farce orchestrated by the Hon. Member for Burnaby.

Some Hon. Members: Hear, hear!

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: The question is on Motion No. 30 in the name of the Hon. Member for Burnaby (Mr. Robinson). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Section 11 of Standing Order 79, the recorded division on the proposed motion stands deferred.

The House will now proceed to statements under Standing Order 21.

• (1400)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

AGRICULTURE

DESIGNATION OF WESTERN BEAN CROP UNDER AGRICULTURAL STABILIZATION ACT

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I rise on a matter of great concern to western Canadian coloured bean growers. In the gallery today we are pleased to have the presence of a delegation from the Western Canadian Pulse Growers Association. They are here in the capital to meet with representatives of Agriculture Canada and the Agricultural Stabilization Board.

For the past three years these bean growers have been trying to get their crops recognized as designated crops under the Agricultural Stabilization Act. Their request for 1981 was basically refused, and they are still trying to receive a reply to their application for 1982. So far they have only seen and experienced the revolving door. This matter is made more serious by the fact that white bean growers in the Minister's own riding had their white bean crops designated under the Stabilization Act, to the tune of some $22 million for the 1982-83 crops.

In a communication which I received from the Minister, he stated "that the need for assistance will be evaluated in light of other government economic priorities at the time". Clearly the western farmers' plight should be an economic priority of the Government. Or is the plight of white bean growers a priority while that of the coloured bean growers is not? I thought we had an entrenched Charter to handle this type of thing. This type of discrimination is clearly not conducive to national unity, nor in accordance with the way Canadians expect to be treated by their elected representatives.

The plight of western Canadian coloured bean growers is critical. They are faced with depressed prices for their commodities due to a lack of demand, caused by over-production in the U.S. along with the inability of Third World markets to import because of the high U.S. dollar.

Mr. Speaker: The Hon. Member's time has expired.

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THE FRANCHISE

OPPOSITION TO EXTENSION TO PRISON INMATES

Mr. Garnet M. Bloomfield (Parliamentary Secretary to Minister of State (Small Businesses and Tourism)): Mr. Speaker, I have received communications in my office objecting to the introduction of legislation that would give prisoners the right to vote in elections. In my view, extending this right is utterly ridiculous and the proposal should be nipped in the bud immediately.

We continuously give more and more rights to inmates, while doing very little to help victims of crime. Often these victims go through a great deal of suffering and pain, and are sometimes handicapped for the rest of their lives. Meanwhile the criminal does his time in an institution where he, in many cases, he has access to excellent sport facilities and eats better food than some Canadians living on the outside.

And now some are suggesting that the right to vote should be extended to these offenders, to murderers, thieves, rapists, and defrauders, to name just a few. Instead of giving the voting right to inmates, we should be improving the rights of victims. Such legislation has been before the House since February 7, and I urge all Hon. Members to work towards its passage and not to pursue legislation giving prison inmates the right to vote in elections. To extend this right would be adding insult to injury. These people are not confined for a paid holiday. They are confined because they broke Canadian laws, and therefore forfeit the privilege of voting.

* * *

ENVIRONMENTAL AFFAIRS

ACID RAIN—SUGGESTED RECONSTITUTION OF SUBCOMMITTEE

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I draw to the attention of the House the plight of the subcommittee on acid rain. The subcommittee of which I am, or was, a member, fulfilled its mandate as prescribed by Parliament earlier this month with the tabling of its report. There are presently no provisions to reconstitute this valuable subcommittee. I fear it will fade into a polluted sunset when it is most needed.

Members of every political stripes sitting on the committee agreed that working on the problems of acid rain gave them as much, or more, satisfaction as anything they have done since becoming Members of Parliament. So long as the serious problems of acid rain persist, should the subcommittee not persist in finding solutions to this, Canada's worst environmental blight?

Our report is now in the hands of the Minister of the Environment. Sixteen recommendations appear in the report. Only a subcommittee composed of all Parties represented in this House can monitor the results of those recommendations. Should the subcommittee be dissolved, no single Member will have the clout required to urge the Minister to follow the recommendations. After all the miles travelled, and thousands of hours spent on research, it would be a moral crime to deprive Canada of the follow-through needed to stop acid rain.

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EMPLOYMENT

LIBERAL PARTY LEADER—POSITION ON YOUTH JOB-CREATION MEASURES

Mr. George Baker (Gander-Twillingate): Mr. Speaker, it was a breath of fresh air to listen to John Turner on Saturday night talk about the relevant employment issues in the country when he spoke about young people being given an opportunity to compete for government sponsored jobs. I know, the Canadian people know, and John Turner knows what the Opposition Members do not know, and what they should know.

I pointed out on three occasions in this Chamber since January that young people, new and re-entrants into the workforce, were placed in the lowest of four categories for referral to job-creation projects started by agreements with provincial Governments. I pointed that out, and asked opposition Members to intercede. Not one of them followed through to bring about a change. It is unfortunate that government backbenchers and John Turner have to do the job of the Official Opposition in the House. John Turner will be the turning point in the fortunes of these young people.

* * *

FORESTRY

IMPORTANCE OF FOREST INDUSTRY TO ECONOMY

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, across Canada our forest industry is in crisis. More than 300 Canadian communities depend on our number one industry to provide jobs. Municipal, provincial, and federal

Governments all look to the forest industry for tax revenue. However, the Liberal Party, like the Liberal Government, is blind to this industry. In the formal nomination speeches last Friday, of the seven candidates for the Liberal leadership, only one made any explicit reference to the forest industry. Who was that? You guessed it, Mr. Speaker. The candidate who mentioned forestry in his speech was the one who came in last with 83 votes, the Minister of Agriculture (Mr. Whelan). We would have hoped that at least John Turner, with his corporate involvement in MacMillan-Bloedel and Canadian Pacific, would have known how important the forest industry is to the Canadian economy.

Hundreds of forestry workers have been laid off by both MacMillan-Bloedel and Pacific Forest Products. Considering this crisis, Mr. Turner should appoint a full-time Minister of Forests to ensure that our number one industry receives proper attention. Apparently the new Liberal leader, like the old one, sees neither federal opportunity nor responsibility in forestry. Mr. Turner cannot see the forest for the balance sheet.

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DISARMAMENT

LIBERAL PARTY LEADER—STATEMENTS ON PEACE ISSUE

Mr. Jesse P. Flis (Parkdale-High Park): Mr. Speaker, in the Standing Committee on External Affairs and National Defence this morning the Hon. Member for Simcoe South (Mr. Stewart) stated that he was saddened that not one Liberal Member running for the Liberal leadership mentioned anything about peace and security. Such a statement cannot go unchallenged. I would like to remind the Hon. Member for Simcoe South, and all Hon. Members in the Official Opposition, that all seven candidates stressed the importance of pressing for the international peace initiative begun by the Prime Minister.

The future Prime Minister emphasized that he will put his energies towards issues related to international peace and security, with emphasis on defence, arms control, disarmament, and conflict resolution. In Toronto on April 24 the future Prime Minister said:

> I will follow in the footsteps of our last three leaders in the search of peace and international stability. I will seek ways to take advantage of the momentum generated by the initiatives of Prime Minister Trudeau—ways to give it a new thrust.

On the CBC program *The Journal* in March of 1984 the future Prime Minister said:

> Peace is a concern to all of us. The old fears of war have been replaced by an even greater fear—fear for the survival of the human race. The devastation of modern weaponry defies the most fertile of imaginations.

Mr. Speaker: The Hon. Member's time has expired.

ENERGY

ATLANTIC OFFSHORE DEVELOPMENT—POSITION OF PROGRESSIVE CONSERVATIVE PARTY

Miss Pat Carney (Vancouver Centre): Mr. Speaker, I rise to inform the House of the Atlantic Offshore Energy Accord, the bold initiative that our Party has taken which will encourage the timely development of East Coast resources for the benefit of the region and for all of Canada. An important component of our approach is the promotion of a positive and constructive climate of co-operation between the national Government and the provinces.

When Atlantic Premiers sit down with the Leader of the Opposition (Mr. Mulroney) to negotiate, they will get a new deal, a fairer deal, and a better deal than that put forward by the Liberals in Ottawa. The agreement in principle between the Leader of the Opposition and Brian Peckford, the Premier of Newfoundland, proposes that a province will be the principal beneficiary of its oil and gas resources. Newfoundland will be a full partner in its own economic development and the management of its reserves.

● (1410)

A joint agency, consisting of three provincial and three federal appointees and a neutral chairperson, would manage the offshore. The province would have the ultimate decision in matters affecting the manner of development, as long as the attainment of self-sufficiency is not delayed. The federal Government will possess paramountcy if energy security is threatened.

Importantly, a province will be entitled to establish and collect resource revenues as if those resources were on land. There will be no discrimination with inshore provinces. Through a series of special offset payments, equalization payments will be protected for a generation.

The proposals of a Progressive Conservative administration outlined here are evidence of the conviction that the energy resources of the Atlantic region must be developed—

Mr. Speaker: Unfortunately, the Hon. Member's time has expired.

* * *

INDUSTRY

PROPOSED MOBILE ARCTIC ISLAND ENGINEERING CONCEPT

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, yesterday both the Minister of Regional Industrial Expansion (Mr. Lumley) and the Minister of Finance (Mr. Lalonde) refused to state their support for small-scale oil production in the Arctic by using the mobile Arctic Island concept. Millions of dollars have been spent to prove the viability of this proposal, yet the Minister, who has known about it for several years, still procrastinates and is studying it.

Anyone who has examined this scheme would be baffled by the Government's negative reaction. The project would benefit several small Canadian firms that were hard hit by the National Energy Program. It would increase Canada's domestic oil supply, and it would create thousands of jobs, most notably through the construction of a major drydock facility in Nanaimo, B.C.

As I say, the Government's opposition is baffling unless one takes into account the fact that approval of this project would require Liberal Ministers, such as the Minister of Finance, to admit to a major mistake. Of course the mistake is that the National Energy Program includes a regulation and incentive structure that is only beneficial for companies looking for a mammoth oil discovery in the North, a discovery which in all likelihood will not be made.

There is no incentive system to produce tens of millions of barrels from small-scale deposits which have already been found. When there is a choice between a project that means thousands of jobs, increased oil production, and help for Canadian companies, or saving Liberal Cabinet Ministers from humiliation prior to an election, it is obvious how the Government will act.

Mr. Speaker: The Hon. Member's time has expired.

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REGIONAL DEVELOPMENT

BRITISH COLUMBIA NORTHEAST COAL PROJECT

Mr. Sid Parker (Kootenay East-Revelstoke): Mr. Speaker, despite heated warnings, and sound advice from a western Senator on August 6, 1980, the Liberal Government decided to proceed with the development of Northeast Coal. I have opposed this project from the very beginning, and presented over 2,000 petitions to the House of Commons, stating that these new projects will result in an overproduction of coal in terms of markets available to southeastern British Columbia.

I have called for a united front in the communities throughout the riding, urging the coal producers, workers, and municipal representatives to meet on a regular basis to protect the interests of the coal producers and the workers. Despite this, the Government of Canada and the Province of British Columbia signed an agreement in February, 1981, to proceed with the development of Northeast Coal.

I have also called upon the communities to endorse a resolution for the sale of western Canadian coal to central Canada markets. The New Democratic Party and the United Mineworkers of America called for a joint federal-provincial task force to be created. This was rejected by the Minister of Energy, Mines and Resources.

The Province of Alberta has now recognized the importance of this resolution and has taken steps to ensure that it is fully investigated, which leaves out the producers of southeast British Columbia and the workers involved in the coal mines.

An executive of Fording Coal has described the situation as an economic crisis, and I plead with the Minister to use his influence with the Minister of Energy in the Province of British Columbia to ensure that the coal producers and the workers of southeast British Columbia have equal opportunity of supplying the coal markets of central Canada, especially since the whole problem was created by the untimely development of the Northeast Coal project by both the federal and provincial Governments.

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POOLS

CANADA SPORTS POOL CORPORATION—CALL FOR EXAMINATION OF BOOKS

Mr. John Bosley (Don Valley West): Mr. Speaker, I take advantage of this opportunity to give the new Leader of the Liberal Party a piece of advice. Since he maintained throughout the campaign that he could not tell Canadians or members of his own Party anything about his fiscal policies until he had seen the books of the Government of Canada, and since he claims that he will bring a new breath and a new life to the affairs of government as managed by the Liberal Party, I suggest that his first act within the next 24 hours should be to order that the books of the Sports Pool Corporation be opened to the House of Commons.

The House of Commons knows full well that that operation is riddled with incompetence, patronage, and every arrogant misuse of power for which the Liberal Party is famous. I suggest in all sincerity that the future Prime Minister clearly put his stamp on his Party immediately and open the books of the corporation to let the House of Commons see the contracts and finally find out whether the Minister of State (Fitness and Amateur Sport) (Mr. Olivier) has been telling the whole truth and nothing but the truth. Otherwise, Canadians will have every reason to believe that the new Leader of the Liberal Party is no better than his predecessors.

ORAL QUESTION PERIOD

[*English*]

THE ADMINISTRATION

LIBERAL PARTY LEADER—ACCESS TO CABINET DOCUMENTS

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, my question is directed to the Prime Minister. Could he tell the House of Commons whether the new Leader of the Liberal Party will be privy to any confidential Cabinet documents during the period that he remains a director of Canadian Pacific Limited, Bechtel, Massey-Ferguson, and other corporations?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have authorized the Secretary of the Cabinet to brief the future Prime Minister of Canada for the purposes of the transition period. I have complete confidence in the Secretary of the Cabinet. I know that he will not put any possibility of conflict of interest in the way of the new Leader of the Liberal Party.

CONTENT OF BRIEFING

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, just so we might be more precise, will the briefing that will be made available to this serving director of Canadian Pacific Limited, Bechtel, Massey-Ferguson, MacMillan-Bloedel and other corporations, contain confidential information, confidential Cabinet documents?

Right Hon. P. E. Trudeau (Prime Minister): I would think it would, Mr. Speaker. I would hope it would.

POSSIBLE DISCUSSION OF TRANSPORTATION POLICY

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, will the Prime Minister tell the House of Commons whether the Minister of Transport will be discussing any aspect of transportation policy with Mr. Turner while Mr. Turner remains a director of Canadian Pacific Limited?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know what the Minister of Transport is going to discuss with Mr. Turner.

CONFLICT OF INTEREST GUIDELINES

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, in the interest of respecting the spirit of conflict of interest guidelines, will the Prime Minister ensure that no confidential Cabinet information is made available to a serving director of those Canadian corporations or other corporations while that person remains a director of those corporations?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe that Mr. Turner has offered his resignations to those corporations as a director of those corporations.

Mr. Hnatyshyn: They have not accepted them.

Mr. Trudeau: I am sure they plan to accept them. Therefore, I do not see what the former Leader of the Opposition is worried about.

STATEMENT ATTRIBUTED TO SEAGRAM CORPORATION CHAIRMAN

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, in the absence of the Minister of Finance I will direct my question to the Acting Minister of Finance. As he will know, the Chairman of Seagram Corporation, in reference to the reappointment of Mr. Turner to the board of Seagram Corporation during the Liberal Leadership campaign, said: "From a Seagram's standpoint it would not be a bad thing to have a future Prime Minister on our board".

Would the Acting Minister of Finance assure the House that in any briefing given to Mr. Turner, no material dealt with will have any relevance to matters which could affect the profitability of that very large and powerful corporation, Seagram's, of which Mr. Turner continues to be a member of the board?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, I do not know of any such material going to Mr. Turner.

DIRECTORSHIP OF MASSEY-FERGUSON

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, my supplementary question is directed to the Minister of Regional Industrial Expansion. In view of the fact that Mr. Turner is a member of the board of Massey-Ferguson, which is largely dependent upon support of the federal Government, can the Minister give the assurance that none of the material in any briefings given to Mr. Turner during the transition period while he is still a member of the board of Massey-Ferguson will deal with any matters which are relevant to the profitability and future of Massey-Ferguson?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, I am not the Minister responsible for the shares of Massey-Ferguson which are held by the CDIC, but I will pass the Hon. Member's comments on to the responsible Minister.

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● (1420)

BILINGUALISM

EDUCATION OF IMMIGRANT CHILDREN

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I would like to direct a question to the Secretary of State, if I can get his attention. The Secretary of State knows that in many cities of Canada, such as Toronto, Vancouver, and Winnipeg, to mention just a few, a very large percentage of students attending our schools comes from families in which the language spoken at home is neither English nor French. They are having great difficulty adjusting to our school system and to our society.

Given the fact that their parents came here as a result of an immigration policy adopted by Liberal Governments, given the fact that the school districts in which they go to school, and the provinces in which they reside, are finding it impossible to provide the financial resources to upgrade their education, would the Minister give consideration to the federal Government helping and co-operating with the school districts and the provinces to improve educational facilities so these children as

they pass through our schools can really fit into Canadian society?

Hon. Serge Joyal (Secretary of State): Mr. Speaker, that is a very important question. In fact I would like to inform the Hon. Member that we already have agreements with the ten provinces of Canada. We signed an agreement with the Province of British Columbia more than a year ago. These are agreements under which we provide to the provinces half of the cost for the equipment, the material, and the cost of teaching one or the other of the official languages in Canada. My colleague, the Minister of Employment and Immigration, has already notified his provincial colleagues to reopen those agreements in order to reflect the needs of the provinces better, especially the needs of the new Canadians who have access to the school systems and to the labour market, to make sure that new Canadians have all the facilities with which to join the labour force, to join the educational system, and so have their fair share in Canadian society.

Mr. Orlikow: Mr. Speaker, it is not a question of just helping new Canadians learn one of the official languages. It is a question of all the difficulties they have because they are just not ready for one of our languages. What is needed is not teaching in another language. What is needed is new text books, new work books, and teaching aids. In fact a whole range of things are required. That is very expensive and that, we have been told by school districts, they simply cannot provide.

NATIVE INDIAN CHILDREN—ACCESS TO ABORIGINAL LANGUAGE EDUCATION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in the absence of the Minister of Indian Affairs and Northern Development may I direct my question to the Secretary of State which he might discuss with the Minister of Indian Affairs. The same problems apply in many Canadian cities to native children who are now attending schools in the cities in very large numbers. Would the Secretary of State and the Minister of Indian Affairs and Northern Development give consideration to what is needed and the kind of help which the provinces and the school districts require so that our Indian children, who are attending schools in cities, can at least have a chance to fit into society, a chance which they have not had up until now?

Hon. Serge Joyal (Secretary of State): Mr. Speaker, I would like to remind the Hon. Member that the Throne Speech of last December contained a provision through which the Government of Canada expressed its intention to favour the teaching of heritage languages and among them, of course, aboriginal languages.

I have negotiated an agreement recently with the Government of the Northwest Territories through which we will teach, and make available, seven aboriginal languages in the Northwest Territories. My colleague, the Minister of State for Multiculturalism, is in continuing discussion with the provinces to favour the teaching of native languages. There are at least four provinces in Canada which have included in their curricula the teaching of native languages. It is a domain of public interest, and it is a domain to which the Canadian Government has already devoted large sums of money. There is no doubt the preoccupation which the Hon. Member has expressed recently will be taken up by the Minister of Indian Affairs and Northern Development to make sure that aboriginal languages remain part of the teaching of languages in Canada.

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THE ADMINISTRATION

LIBERAL PARTY LEADER—ACCESS TO GOVERNMENT DOCUMENTS

Mr. John Bosley (Don Valley West): Mr. Speaker, I have a supplementary question for the Prime Minister. Would he quite clearly tell us whether he believes it is appropriate for Mr. Turner to see briefing documents before he has resigned all of his directorships?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not intend being overly technical with this. Obviously if the Opposition is concerned about a possible conflict of interest, in my first answer I indicated that I had confidence in the Secretary of the Cabinet in making sure there would be no possibility of such a conflict. That was answer number one. Answer number two is that, if Mr. Turner has resigned, I do not imagine the CPR or any of those other companies are going to hold a meeting of the board of directors in the next few days at which Mr. Turner will be in a position to use the very secret knowledge that he has from the Secretary of the Cabinet in a way which is detrimental to the people of Canada or beneficial to the CPR. The whole thing seems so far-fetched and preposterous, Mr. Speaker, that I am not seeing—

Mr. Bosley: How do you know?

Mr. Trudeau: —the problem as tragically as the Hon. Member. Mr. Turner is an honourable man, and I am sure he is not going to exploit any information he has, for devious purposes.

Mr. Hnatyshyn: What about the conflict of interest guidelines?

Mr. Trudeau: The Opposition should realize that he as Prime Minister designate is entitled to have access to the workings of the Government and to prepare the succession. He is entitled to have the knowledge which is even made available to the Leader of the Opposition when it comes to preparing the mechanics of a changeover. The Hon. Member is coming back on the same technical point as the one the Right Hon. Member for Yellowhead raised.

Mr. Clark (Yellowhead): Ha, technical.

Mr. Trudeau: Ha, yes. The Right Hon. Member for Yellowhead says ha, technical. That is what it is—ha, technical, Mr. Speaker.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

Mr. Hnatyshyn: That is what you tell Alastair Gillespie.

Mr. Bosley: Mr. Speaker, The Prime Minister, I take it, continues to regard conflict of interest rules as simply a technical matter.

Some Hon. Members: Oh, oh!

CONFLICT OF INTEREST GUIDELINES

Mr. John Bosley (Don Valley West): My question to the Prime Minister, Mr. Speaker, is very simple. Since we know the standards of the Prime Minister on this matter, let me ask him another question.

Mr. Hnatyshyn: I sense a certain nervousness on the other side.

Mr. Bosley: Will the Prime Minister undertake to discuss this matter with the Prime Minister designate and report to this House what the standards are of the Prime Minister designate with regard to conflict of interest? In other words, will he tell us, after talking with Mr. Turner, whether Mr. Turner believes it is reasonable while he maintains his directorships to see confidential briefing documents?

Right Hon. P. E. Trudeau (Prime Minister): I will be happy to take notice of the question on behalf of Mr. Turner, Mr. Speaker.

CORPORATE DIRECTORSHIP RESIGNATIONS

Miss Pat Carney (Vancouver Centre): Mr. Speaker, my question is addressed to the Prime Minister. If you exclude the activities of the companies with which Mr. Turner is connected, the briefing books will be pretty thin indeed.

Some Hon. Members: Oh, oh!

Miss Carney: I have one simple question for the Prime Minister. Has he himself suggested to Mr. Turner that Mr. Turner should resign the corporate directorships before taking office—like now?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, no, I have not suggested that to Mr. Turner. It seems to me self-evident that Mr. Turner is not going to be serving the CPR or any of these other companies.

Mr. Stevens: How do you know?

Mr. Trudeau: He has been elected Leader of the Liberal Party.

Mr. McDermid: And elected to the boards, too.

Mr. Trudeau: He will be Prime Minister in a very short time.

I take it that the only reason his resignations are effective at the end of the month is only a technical reason, once again.

Some Hon. Members: Oh, oh!

Mr. Stevens: It is pay day.

Mr. Hnatyshyn: He doesn't get a cheque unless he resigns.

Mr. Trudeau: The Members opposite seem to be very aware of the technical and financial aspects of that particular date.

Some Hon. Members: Oh, oh!

Mr. Stevens: And the nation be damned.

Mr. Trudeau: That is their chosen field, Mr. Speaker, It is not mine. If it is for some—

Mr. Hnatyshyn: Wait a minute. You might end up on one of those boards.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. Hnatyshyn: They are looking for somebody—anybody.

Mr. Trudeau: I have got to be gentle on the CPR.

Mr. Stevens: You have always been gentle on the CPR.

Mr. Trudeau: After all they may be looking for a replacement for Mr. Turner.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. Hnatyshyn: You have done enough already.

Mr. Trudeau: All I can say, Mr. Speaker, is, if drafted, I will not stand.

Some Hon. Members: Hear, hear!

Miss Carney: Mr. Speaker, we are sorry that the Prime Minister finds questions and issues of public morality to be a laughing matter.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

● (1430)

POSITION OF PRIME MINISTER

Miss Pat Carney (Vancouver Centre): Mr. Speaker, changes are being proposed to the National Energy Program to correct some of its more glaring errors. Does the Prime Minister feel that it is all right or acceptable for Mr. Turner to

be informed of these changes while still in the pay of Canadian Pacific and Bechtel?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know that Mr. Turner is in the pay of anyone. I imagine if one is a director of a company, one does not advise the company on a day to day basis. I imagine one goes to a board meeting once a month, once every three months, or once a year. I do not know.

I repeat, Hon. Members opposite are making representations. If there is some concern on the part of Mr. Turner as to the appropriateness of that date, I am sure he will reconsider it. If there is some concern on the part of the Secretary of the Cabinet on the appropriateness of briefing Mr. Turner, he will reconsider it too. The only effect of it is that Mr. Turner will not be able to be briefed until the end of the month. Therefore I will not resign until after the Queen comes, and then I will be happy and everybody will be happy.

Some Hon. Members: Oh, oh!

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EMPLOYMENT

ENVIRONMENT 2000 PROGRAM—REQUEST FOR INCREASED FUNDING

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. It will be a grim summer for many young people in British Columbia. In regard to the Environment 2000 Program, of which I am sure the Minister has some knowledge, some 450 applications have been made in British Columbia under the environment aspect of the program. Only 50 of those applications have been approved, and all the funding has run out.

In view of the importance of those projects and some of the anger generated by the refusal of applications, is the Minister aware of any additional funding which could go not only to British Columbia but nationally to the Environment 2000 Program, to put many young Canadians back to work over the summer months?

Hon. John Roberts (Minister of Employment and Immigration): Mr. Speaker, of course I am very much aware of the Environment 2000 Program. I think the Hon. Member is aware of the recent addition to funding which was announced for the program earlier this month, or at the end of last month. I am not responsible for the administration of the program. It is in the hands of my colleague, the Minister of the Environment. I can neither attest to the accuracy of the statements of the Hon. Member nor can I tell him how much funding remains in the program. However, I will be happy to forward his representations to the Minister of the Environment who no doubt will be in touch to provide him with accurate information as soon as possible.

CREATION OF JOBS IN FOREST INDUSTRY

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, in view of the absence of the Minister responsible for forestry who, I understand, will not be back before the end of the session, I will direct my question regarding the forest industry to the Minister of Employment and Immigration. There are two million people out of work in Canada, and we have a very seriously depleted forest resource. Our most important renewable resource is in need of great reforestation and intensive management.

Would the Minister commit himself to joining with the Minister responsible for forestry to call a national conference on forestry, including the federal and provincial Governments as well as labour and management, to work out a comprehensive strategy for reforestation and employment on a permanent basis for the many forest workers who are out of work and will not be getting back into the manufacturing aspect of the forest industry, but who could certainly serve in reforestation and in intensive management of our most important renewable resource?

Hon. John Roberts (Minister of Employment and Immigration): Mr. Speaker, I am really a little startled by the Hon. Member's question. He should know—perhaps he does, and does not care to say it directly—that there have been continuing meetings between the Ministers of Forestry at the provincial level and their federal counterpart. Indeed, as a result of those meetings a federal forest strategy was brought forward and was discussed with the provinces. We are in the process of signing individual agreements with each of the provinces to focus on reforestation and silvaculture problems and responses.

The fact of the matter, as he should know, is that in his own province it is the failure of the provincial Government to support those activities, and indeed the withdrawal of the provincial Government from some programs such as the Employment Bridging Assistance Program, which have undermined those efforts. There has been a continuing, firm, and constant effort on the part of the federal Government to respond exactly to those problems within the framework of the forest strategy which has already been developed. His criticisms, and I hope he would make them with great vigour, should be directed toward provincial authorities in his own province, not toward this side of the House.

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TRADE

POSSIBLE UNITED STATES ACTION TO LIMIT IMPORTATION OF CANADIAN STEEL

Mr. Benno Friesen (Surrey-White Rock-North Delta): Mr. Speaker, my question is directed to the Minister for International Trade. While the Minister was having polite discussions with Mr. Shultz of the United States regarding free trade, Congress was very busy with legislation labelling Canada as a nation which is dumping steel into the United States. That involves 5,000 jobs and almost $1 billion worth of export

L'hon. Gerald Regan (ministre du Commerce extérieur): Monsieur le Président, selon moi, il s'agit là d'une question extrêmement importante. Il est également crucial que les députés intéressés soient bien informés. Étant donné l'importance que le député attache à cette question très grave, permettez-moi de lui signaler que ce n'est pas avec M. Shultz que j'ai discuté du libre-échange sectoriel, mais bien avec M. Brock, le représentant commercial des États-Unis. C'est la première chose qu'il doit comprendre.

Il doit savoir, ensuite, que ce n'est pas le Congrès qui a jugé que le Canada faisait du dumping sur le marché de l'acier aux États-Unis ou nuisait à ce secteur. L'étude du projet de loi en question n'a pas progressé au Congrès. Il est sur les tablettes. Ce n'est pas la principale menace à l'heure actuelle. Ce qui nous inquiète plutôt, c'est la requête que la société Bethlehem Steel a présentée en vertu d'une procédure en vigueur aux États-Unis, qui prévoit que l'on doit procéder à une enquête lorsqu'une industrie est durement touchée par des importations dont le prix est si bas que les produits américains sont invendables. Cette enquête est menée par l'ITC. Il s'agit d'une procédure quasi-judiciaire. Dans cette requête, on ne s'en prend pas au Canada, mais bien aux importations en provenance de tous les pays.

Ce qui s'est passé, c'est que l'ITC, au premier stade de son enquête, a découvert que ce secteur avait été victime des importations. Il y a plusieurs autres étapes à franchir avant que cette question ne soit soumise au Président qui devra décider si l'on doit restreindre les importations.

Des voix: Règlement!

M. Regan: Entre-temps, le Canada présente ses instances au gouvernement américain au sujet de l'importance des ventes d'acier canadien aux États-Unis et il lui signale que les Américains ont déjà les moyens de déterminer si un pays en particulier pratique le dumping et de prendre des mesures contre ce pays. Les États-Unis n'ont pas à prendre une mesure générale qui nuirait aux exportations canadiennes vers les États-Unis. Nous continuerons de présenter nos instances à cet égard.

M. Friesen: Avec ce genre de charabia, j'aimerais autant que le ministre ne passe plus son temps au États-Unis, afin qu'il ne nous mette pas davantage dans l'embarras.

ON DEMANDE DES MESURES POUR PROTÉGER LES EMPLOIS AU CANADA

M. Benno Friesen (Surrey-White Rock-Delta-Nord): Monsieur le Président, je ne parle pas de la pétition 201. Je parle du projet de loi. La pétition 201 peut constituer un jugement contre le Canada, mais le projet de loi met le Canada dans le même sac que tous les autres pays qui eux pratiquent le dumping, alors que le Canada n'en fait rien. Pourquoi le ministre n'a-t-il pas fait des démarches aux États-Unis pour veiller à ce que la réputation du Canada demeure sans tache, pour protéger 5,000 emplois et des échanges commerciaux d'un milliard?

En outre, lorsque le ministre convoquera ses homologues provinciaux à une réunion, va-t-il veiller à ce que toutes les provinces y participent, contrairement à ses plans antérieurs où la Colombie-Britannique et cinq autres provinces en étaient exclues? Veillera-t-il à ce que toutes les provinces puissent faire entendre leur voix quand il s'agira de discuter d'un plan commun pour contrer ce genre de stratégie aux États-Unis?

Des voix: Bravo!

L'hon. Gerald Regan (ministre du Commerce extérieur): Monsieur le Président, je crois que les députés applaudissent trop facilement. Ils ont le devoir de veiller à ce que l'on pose une question intelligente avant de réagir de cette manière.

Voici maintenant que le député parle du projet de loi qui a été présenté au Congrès, plutôt que de la pétition 201.

M. Friesen: C'était l'objet de ma première question.

M. Regan: Il devrait savoir que c'est la pétition 201 qui constitue l'initiative dangereuse pour les intérêts de l'industrie sidérurgique canadienne à l'heure actuelle. Le projet de loi n'a été que présenté au Congrès où son étude n'a pas vraiment avancé. En réponse à nos protestations à ce sujet, le gouvernement américain a très clairement fait savoir qu'il s'y opposait tout comme il s'était opposé à d'autres mesures protectionnistes similaires qui ont fait long feu à propos de la participation du Canada à la fabrication des automobiles ou à d'autres encore qui auraient pu avoir des répercussions fâcheuses sur l'industrie canadienne. Nous protestons auprès des Américains de la même façon qui s'est révélée appropriée. Nous avons gagné notre cause dans le cas du bois d'œuvre et dans le cas de la pomme de terre. Nous ferons encore beaucoup mieux dans ce cas-ci si le député suivait la voie que les gouvernements provinciaux et le secteur privé ont suivie avec nous dans le cas du bois d'œuvre et qu'ils se proposent de suivre avec nous dans le cas de l'acier, c'est-à-dire de travailler ensemble, calmement et efficacement, dans les intérêts des travailleurs canadiens.

* * *

● (1440)

QUESTIONS OUVRIÈRES

LE TAUX DE CHÔMAGE—LA COMPARAISON AVEC LES ÉTATS-UNIS

M. Doug Lewis (Simcoe-Nord): Monsieur le Président, j'ai une question à poser au ministre de l'Emploi et de l'Immigration. Aux États-Unis, le taux de chômage est de 7.5 p. 100. Il a baissé de .3 p. 100 le mois dernier. Ici le taux de chômage est de 11.7 p. 100. Il a monté de .3 p. 100 le mois dernier. Comment le ministre explique-t-il cette différence et cette tendance?

L'hon. John Roberts (ministre de l'Emploi et de l'Immigration): Monsieur le Président, j'ai souvent répondu à cette question à la Chambre. Ce qui explique la différence des taux entre le Canada et les États-Unis, à mon avis, c'est la différence des arrivées sur le marché du travail. Si par exemple on remonte à 1970 et qu'on tienne compte de la croissance de la population adulte au Canada, on constate que la force de travail s'est accrue beaucoup plus vite que la population adulte. Je dirai même que si la force de travail ne s'était pas accrue plus vite que la population adulte, le taux de chômage se situerait au Canada entre 2 et 3 p. 100, au lieu de dépasser largement les 11 p. 100. Il faut tenir compte non seulement des créations d'emplois, auquel cas notre taux n'est pas pire que celui des États-Unis, mais aussi de la situation difficile qui est causée en partie par des facteurs démographiques et en partie par le grand nombre de femmes qui cherchent du travail, ce qui explique l'ampleur du problème.

levels in Canada would be between 2 per cent and 3 per cent, not well over 11 per cent. One has to look not only at the creation of jobs, in which case our rate does not compare unfavourably with that of the United States, but one has also to look at the degree of challenge which is caused partially by demographic factors, partially by the high rate of entry of women into the labour force, to see the extent of the problem we face.

The problem we face in creating jobs really is extraordinary and in a sense unique because of the very high entry into the labour force that we have had up to the present time. As one looks ahead toward the end of the decade, the demographic factors shift and we will not have to the same degree the factor of entry of young people into the labour force as we have had over the last few years. The Hon. Member asks me to explain the divergence between the Canadian rate and the American rate. The essential explanation lies in the facts as I have described to him.

Mr. Lewis: Mr. Speaker, I suggest that the 1.5 million Canadians who are out of work are not prepared to wait to the end of the decade.

* * *

FINANCE

INCOME TAX—COMPARISON WITH UNITED STATES

Mr. Doug Lewis (Simcoe North): Mr. Speaker, I have a supplementary question for the Minister of State for Finance. In the United States personal income taxes have been cut 28 per cent in the past three years. That tax cut has produced consumer spending, industrial growth, and created jobs. Will the Minister agree that the accumulation of huge deficits, started in the early seventies by Mr. Turner and continued by the present Government, has eliminated the Government's ability to cut taxes and thus create jobs?

Hon. Roy MacLaren (Minister of State (Finance)): No, Mr. Speaker. the Hon. Member opposite has overlooked the fact that in Canada, unlike the United States, income tax is indexed. Therefore we have an automatic and built-in means of restraining tax increases in Canada which is unavailable in the United States. Further, we in Canada have the opportunity to write off certain expenses and costs which is not present in the United States, and which also can provide an additional stimulus to economic growth.

* * *

CANADIAN NATIONAL RAILWAYS

APPLICATION TO CLOSE NORTHERN STATIONS

Mr. Rod Murphy (Churchill): Mr. Speaker, I have a series of questions for the Minister of Transport. My questions are with regard to the attempt of CN and VIA to reduce safety, service, and employment in Canada's railway system. As the Minister knows, today in Churchill the CTC is holding a hearing on CN's application to tear down local stations and to remove station agents from nine northern communities. This is an action which CN is also taking in a number of other communities throughout western Canada and northern Ontario.

One method that CN uses to decrease service is not to advertise the local telephone number in the phone book in a community. For example, in the community of Cranberry Portage there are ten numbers for CN and VIA, but not one of them is the local number. After doing this for a number of years, it applies to the Canadian Transport Commission to take away the station and the job of the local agent. Is that fair, Mr. Minister, and what are you going to do about it?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I would point out to the Hon. Member for Churchill that in the last three or four months we have taken a number of new initiatives to improve service in northern Manitoba substantially. I particularly draw to his attention the inauguration of the new rail bus demonstration which is a highly innovative and new attempt to provide an effective means of rail transportation for northern residents. That has been part of the new railway transportation package that we signed by way of agreement with the Government of Manitoba, and to which CN is a party.

In addition, as the Member knows, we have committed a substantial number of dollars for the improvement of the Port of Churchill and the development of the new freight rate system and freight car system in that area. It would be proper to say that we are paying a high degree of attention to the transportation interests of the North. What is taking place in terms of the CTC hearings is the opportunity for residents, the railways, and all other interested parties to present their case on how we can provide those transportation services at an efficient level.

Rather than raising somewhat spurious comments, as the Hon. Member has done in the press, he would be much better off to present his case to the CTC which has been able to make judgments based on a proper assessment of all points of view rather than trying to play politics in the local press or in the House of Commons, because the CTC is there to make those decisions.

NON-ADVERTISING OF LOCAL SERVICE TELEPHONE NUMBERS

Mr. Rod Murphy (Churchill): Mr. Speaker, if the Minister read the local press and the *Winnipeg Free Press,* perhaps he would recognize that the remarks quoted in the *Winnipeg Free Press* were from my submission to the Canadian Transport Commission. I am now going to the Minister in his role as the Minister to whom CN and VIA Rail report, and asking him directly why those Crown corporations do not advertise the number of the local station in the local telephone book. How does he expect local people and tourists to do business with local station agents if the local number is not listed in the

phone book? Why is there an unlisted number for those stations?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I just pointed out to the Hon. Member that the representations that will be judged are those that will be made to the Canadian Transport Commission. It is there to assess the various claims and propositions put forward by Members of Parliament, local residents, or whomever, and to judge whether effective service is being provided. The Hon. Member for Churchill is less than charitable and less than informative in his unwillingness to recognize the major investments being made in northern Manitoba by CN and VIA Rail, substantially improving transportation and passenger services. If he were doing his job as a Member of Parliament he would be prepared to offer a full range of services, rather than picking out one particular point with which he happens to disagree.

* * *

[*Translation*]

SOCIAL SECURITY

REQUEST THAT GOVERNMENT PAY 50 PER CENT OF INCREASED SOCIAL BENEFITS FOR YOUNG QUEBECERS

Mr. Louis Duclos (Montmorency-Orléans): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. The Minister is probably aware of the fact that young welfare recipients in Quebec are asking to have their benefits of $152 per month raised to the same level as benefits received by welfare recipients over thirty years old.

Could the minister inform the House whether under the Canada Assistance Plan, the federal Government would be prepared to pay 50 per cent of the cost of increasing welfare benefits paid by the Government of Quebec to young welfare recipients in Quebec?

Hon. Monique Bégin (Minister of National Health and Welfare): Mr. Speaker, the answer is yes, the federal Government would automatically pay Mr. Lévesque's Government, in other words, Quebec, 50 per cent of any increase the Government of Quebec decides to give young welfare recipients. However, although the present monthly amount of $152 is very low, the federal Government does not have the right, according to the Constitution, to ask or suggest that Quebec increase that amount. On the other hand, if the Government of Quebec, through Mrs. Pauline Marois, should take the initiative, it does not need our permission, and we would automatically reimburse 50 per cent of the amount involved.

[*English*]

CANADIAN NATIONAL RAILWAYS

CONSEQUENCES OF REMOVAL OF LOCAL STATION AGENTS

Mr. Rod Murphy (Churchill): Mr. Speaker, my supplementary question is for the Minister of Transport. In responding to his last remarks, I recognize the importance of the agreements in northern Manitoba.

If you take away the local agent, which is what the application by CN is, how do you make use of the improvements? What do the people who live in those communities do when the local agent is taken away and the local station is taken down? What do tourists who come to town do when there is no local service?

● (1450)

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I expect that that decision would be made once a decision has been made by the CTC. Unlike the Hon. Member who seems to see everything in a pessimistic and negative way, I am confident that the Canadian Transport Commission will carefully weigh all of the evidence presented to it. If, in its judgment, it feels that the station agent should not be removed, it would so decide. If it decides otherwise, then we would obviously take whatever action is required to make sure that there is a full range of services.

The unfortunate part of the Hon. Member's question is that he is already making an assumption what the decision will be before the CTC has had a chance to hear the evidence or make a judgment. I would expect that we would all be much better off if we allowed the CTC to listen to the evidence. If some form of remedial action is then required, I would assure the Hon. Member that I will act in the best interests of the people of the area of Churchill, as I have in the past.

* * *

AGRICULTURE

REQUEST THAT MEAT IMPORTS BE CURTAILED

Mr. Arnold Malone (Crowfoot): Mr. Speaker, my question is directed to the Minister of Agriculture. Bearing in mind that the red meat industry is in some difficulty with respect to prices and that the long and historically established western packing industry is certainly in some considerable stress, I would like to ask the Minister what action is he taking with respect to curtailing the dumping of northern European beef into Canada, and particularly that from the country of Ireland.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, if I understand correctly, the inquiry which is deciding whether or not countervailing action should be taken should be finished soon, if it is not finished already. I have not had time to check on it in the last couple of days. I will return to my office shortly and check to see what the situation is at the present time.

Mr. Malone: Mr. Speaker, I would trust that the Minister would add to that that he will check on it and report back to the House.

CONTAMINATED MEAT INQUIRY

Mr. Arnold Malone (Crowfoot): Mr. Speaker, by way of a supplementary question I would ask the Minister if he would report back to the House after giving his consideration to the import of contaminated meats. My understanding is that some 40 per cent of meats imported into Canada have levels of contaminant chemical contents higher than the levels that are allowed in domestic packing plants. I would ask the Minister to give his consideration to that and cease the import of those meats so that our western packing industry might continue to survive.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I have seen nothing concerning the contamination of imported meat. I understand it goes through a pretty rigid inspection process. The only thing I am aware of is that some meat was actually shipped out of Canada to Great Britain and returned to Canada. I have seen nothing like the kind of situation to which the Hon. Member referred, dealing with imported meat coming into Canada. It is inspected very thoroughly.

* * *

THE ADMINISTRATION

LIBERAL PARTY LEADER—TRANSPORTATION BRIEFINGS

Hon. Don Mazankowski (Vegreville): Mr. Speaker, I would ask the Minister of Transport a supplementary question arising from earlier questions with respect to briefings to his new Leader. May I ask the Minister how he plans to conduct briefings to his new Leader with respect to transportation when in fact his new Leader still holds a corporate directorship in the CPR? Can the Minister assure the House that such briefings will not take place prior to the time when the new Leader's resignation will take effect?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I do not know if the question of briefings of the new Leader of the Liberal Party is a proper subject for discourse in the House of Commons. However, I would suggest to the Hon. Member that, like he is with most of his questions, he is a little out of date. Mr. Turner, as the new Leader of the Liberal Party, has already submitted his resignations which will take effect at the end of this month.

TIMING OF CORPORATE DIRECTORSHIP DESIGNATIONS

Hon. Don Mazankowski (Vegreville): Mr. Speaker, that is precisely the point of my question. Can the Minister assure this House that briefings with respect to transportation, particularly as it relates to CPR, will not take place while the new Leader of the Liberal Party is in effect still holding directorships, since his resignations do not take effect until the end of the month?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, again I would like to remind the Hon. Member for Vegreville, because it is quite obvious that he has forgotten, that the new Leader of the Liberal Party is also a Privy Councillor. Therefore, he has taken a very serious oath which he respects, and which I hope the Hon. Member opposite also respects when we take him into our confidence. Most times that confidence is honoured. I would not say that it is always honoured, but it is most times. Therefore, I would assume that the same kind of discretion in judgment shown by all Privy Councillors in respecting the confidence of the Crown would again be respected.

Mr. Mazankowski: Supplementary, Mr. Speaker.

Mr. Speaker: The Hon. Member has already asked a supplementary question.

Mr. Mazankowski: Supplementary, Sir. In the spirit of that confidence which the Minister is willing to share—

Some Hon. Members: Order!

Mr. Mazankowski: Perhaps he may—

Mr. Speaker: The Hon. Member has already asked a supplementary question.

Mr. Mazankowski: They got two over there.

Mr. Speaker: To put the record straight, there was an initial question put by a member of the New Democratic Party and only one supplementary question was requested. The second supplementary question was accorded as a courtesy to a later questioner in that Party. The Chair has scrupulously observed the proprieties of fairness in this situation. I recognize the Hon. Member for Kamloops-Shuswap.

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LABOUR CONDITIONS

UNEMPLOYMENT RATES IN MANITOBA AND BRITISH COLUMBIA

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I have a single question to put to the Minister of Employment and Immigration. It would appear that there must be something of a bias in the job-creation programs, or perhaps some discrimination is taking place, because the Province of Manitoba has such a relatively low unemployment rate when compared to the national average, and the unemployment rate in British Columbia is twice that of Manitoba. Does this reflect some type of discriminatory practice on behalf of the federal Government in terms of its job-creation programs, or does it have something to do with the nature of the Government in that province?

Hon. John Roberts (Minister of Employment and Immigration): Mr. Speaker, I am not sure from the Hon. Member's question whether he is talking about the Government of Manitoba or the Government of British Columbia.

Mr. Riis: Manitoba.

Mr. Roberts: He is talking about the Government of Manitoba. I would like to assure him that our programs show no particular discrimination against the Government of Manitoba, or indeed against Manitobans. I do not have the figures with me, but a couple of months ago, when the matter was very much under discussion in this House, we reviewed the over-all percentage of allocations and compared them with the levels of unemployment that existed over the past year. We found that when looking at all of the job-creation programs of the Government of Canada, the over-all percentage of allocations roughly reflected the percentage of unemployment, with some discrepancies which I think can be accounted for by the fact that some provincial Governments have more resources with which to tackle unemployment within their own provinces than others. In effect, there was a parallel allocation which pretty well reflected the unemployment percentage levels. If I can find the information easily, I will bring the figures up to date and forward them to the Hon. Member.

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AGRICULTURE

SUGGESTED ESTABLISHMENT OF TOBACCO NATIONAL MARKETING AGENCY

Mr. Bruce Halliday (Oxford): Mr. Speaker, my question is directed to the Minister of Agriculture. The Minister will recall that yesterday over 1,400 tobacco growers came to Ottawa to make an urgent representation to the Minister for an amendment to the Farm Products Marketing Agencies Act which would permit the establishment of a national marketing agency for tobacco. The Minister will also recall that my colleagues, the Hon. Member for Elgin and the Hon. Member for Haldimand-Norfolk, have likewise pressed the Minister, as have some of his own colleagues.

Back in May the Minister promised us that we would see such an amendment introduced in the House in the first part of June. Could the Minister tell us why he has reneged in honouring his commitment? Does he plan to bring this amendment to the House for first reading in the immediate future?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the Hon. Member has made some statements about the tobacco growers who want an amendment to the Farm Products Marketing Agencies Act. As we see it at the present time the Act is discriminatory because it gives some farmers the rights to supply and management, particularly poultry farmers, and does not give farmers producing other products the same rights.

I would not be in favour of bringing the Bill before the House simply for the benefit of the tobacco growers, and I have made that clear in all instances. The Act should be open and non-discriminatory for all farmers of all products. Farmers are not forced into using the provisions of that Act. They use the democratic action of deciding for themselves if they wish to fall under that kind of plan. If I can get the unanimous consent of the House that the plan could be that broad kind of a plan, I am pretty sure that we could bring the amendment to the House very quickly, particularly if we had the agreement of all Parties to pass it.

Mr. Halliday: Mr. Speaker, our House Leader is very anxious to see that amendment. We are anxiously awaiting its introduction.

POSITION OF MINISTER OF CONSUMER AND CORPORATE AFFAIRS

Mr. Bruce Halliday (Oxford): Mr. Speaker, my supplementary question is directed to the Minister of Consumer and Corporate Affairs. I wonder if the Minister could tell us whether or not it is true that she is being subjected to very heavy lobbying against this amendment to the Farm Products Marketing Agencies Act and that this is the reason it is being held up in Cabinet.

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): No, Mr. Speaker.

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● (1500)

CORPORATE AFFAIRS

PETRO-CANADA—TREATMENT OF INDEPENDENT GASOLINE DEALER

Mr. Girve Fretz (Erie): Mr. Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. Recently Petro-Canada informed an independent gasoline dealer in my riding that he no longer qualified for a minimum margin should the price of gasoline fall below a predetermined level as a result of gas wars. However, the outlets which deal directly with PetroCan and have the PetroCan signs are entitled to a minimum spread of two cents per litre. Therefore my question to the Minister is this: what will she do about this unfair practice which could drive this dealer out of business?

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am not familiar with the case, but I can assure the Hon. Member that if he were to provide me with the details I would direct my officials to look into the matter.

Mr. Fretz: Mr. Speaker, I appreciate the reply of the Minister. Indeed, I will favour her with that information.

TREATMENT OF GAS STATION OPERATOR

Mr. Girve Fretz (Erie): Mr. Speaker, yesterday I received a telephone call from a woman who operates a store and a gas station. She is an independent dealer who sells PetroCan gasoline. Her margin was cut from 2.8 cents per litre to 2.2 cents per litre as a result of being an independent dealer. I would note that the margin of the other dealers was not cut. Therefore I would ask the Minister to respond as well to that question.

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Indeed, Mr. Speaker, I will.

Mr. Speaker: That kind of question might well be on the Order Paper in terms of the level of detail requested.

* * *

PETITIONS

MR. KRISTIANSEN—CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Speaker: I have the honour to inform the House that the petition presented by the Hon. Member for Kootenay West (Mr. Kristiansen) on Monday, June 18, 1984, meets the requirements of the Standing Orders as to form.

MR. RIIS—VIOLENCE IN AMRITSAR, INDIA

Mr. Speaker: The petition presented by the Hon. Member for Kamloops-Shuswap (Mr. Riis) on Monday, June 18, 1984, does not meet the requirements of the Standing Orders as to form.

ROUTINE PROCEEDINGS

[*Translation*]

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

TABLING OF AGREEMENT ON NATIVE RIGHTS

Mr. René Gingras (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I have the honour of tabling, on behalf of the Minister of Indian Affairs and Northern Development (Mr. Munro), in both official languages, copies of the Agreement concluded by the Committee for Original People's Entitlement, representing the Inuvialuit of the area designated, commonly referred to as the COPE Agreement, and the Government of Canada, on June 5, 1984.

Introduction of Bills

[*English*]

PETITIONS

MS. McDONALD—CANADIAN SECURITY INTELLIGENCE SERVICE

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I have the honour to present a petition from members of my riding of Broadview-Greenwood. In the opinion of the petitioners, the Liberal Government has attempted unreasonably to stifle debate by using closure at second reading and committee stages on the proposed Bill to establish a civilian security service. They feel that the Government has refused to allow for broad public input into this process by denying cross-country hearings, and that the proposed Bill poses a profound threat to the civil liberties and privacy of all Canadians.

Wherefore the petitioners humbly call upon Parliament to demand full and extensive public hearings across Canada on the proposed Bill to establish a civilian security service. They ask that the Bill not be proceeded with before such hearings have taken place.

MR. LEWYCKY—RIGHTS OF THE UNBORN

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, I have a petition signed by 503 residents from the communities of Dauphin, Swan River and Sifton, who express their concern that there are over 60,000 abortions annually in Canada. They state their opposition concerning the commercial experimentation on unborn fœtuses. They call for legislation to recognize the rights of the unborn.

MR. WADDELL—PENSION BENEFITS FOR PART-TIME WORKERS

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I have a petition which was signed by Mr. Shawyer, who lives on Rupert Street in Vancouver, and other people showing that whereas there are no pensions provided by the Government of Canada for individuals who work less than 20 hours per week, and whereas Canadian citizens who work a 15-hour to 20-hour week perform jobs which are an integral part of our economy, and whereas the citizens who perform this work are hardworking and deserve recognition for their contribution to Canadian Society, and whereas those Canadians who perform part-time work for less than 20 hours per week and who wish to contribute to the Canada Pension Plan should be entitled to receive pension benefits from this program, therefore the Canada Pension Plan should be amended to provide pension benefits for these part-time workers.

* * *

CANADA ELECTIONS ACT

AMENDMENT RESPECTING SERVING OF ALCOHOLIC BEVERAGES

Mr. Otto Jelinek (Halton) moved for leave to introduce Bill C-250, an Act to amend the Canada Elections Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Jelinek: Mr. Speaker, the purpose of this Bill is to abolish the existing prohibition to sell and to serve alcoholic beverages during polling hours on a federal election or by-election day. It is believed by many, including the Chief Electoral Officer, Mr. Jean-Marc Hamel, that the present law is archaic and unnecessary, and in fact, among other things, creates substantial revenue losses for the already ailing tourism industry, restaurants and other service sectors. Therefore, I hope that the House will see the wisdom to make this long overdue change.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

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HARBOUR COMMISSIONS ACT

AMENDMENT RESPECTING REPRESENTATION ON QUEBEC COMMISSION

Mr. Ian Deans (Hamilton Mountain), for Mr. Benjamin, moved for leave to introduce Bill C-251, an Act to amend the Harbour Commissions Act (Port of Quebec Harbour Commission).

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Deans: Mr. Speaker, on behalf of my colleague the Hon. Member for Regina West (Mr. Benjamin), I would like to thank the House for giving its consent for me to introduce this Bill.

The purpose of the Bill is to provide for a more proper representation on the Port of Quebec Harbour Commission. It is to ensure that elected representatives in the municipalities being served by the Commission are, in fact, entitled to serve on that Commission.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read that second time? At the next sitting of the House?

Some Hon. Members: Agreed.

BUSINESS OF THE HOUSE

ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-9

Hon. Bob Kaplan (Solicitor General of Canada) moved:

That in relation to Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, one sitting day shall be allotted to the consideration of each of the report stage and the third reading of the said Bill; and

That fifteen minutes before the expiry of the time provided for government business on those days, any proceedings before the House shall be interrupted, if required, for the purpose of this Order and, in turn, every question necessary in order to dispose of the stage of the Bill then under consideration shall be put forthwith and successively, without further debate or amendment.

● (1510)

He said: Mr. Speaker, I must confess, and I know it is no secret, that the Government always acts with great regret when any time allocation resolution must be introduced. Under a properly working House of Commons, one would hope that a debate would be proceeded with seriously and in good faith by all sides of the House and, having exhausted all of the reasonable arguments and exchanges which ought to take place in parliamentary debate, that Hon. Members opposite would be prepared at a certain point to see the question put, to express their views through the procedure of voting, and see legislation proceed. Regrettably, virtually all serious legislation of this Government and this Parliament has needed the assistance of some form of time allocation at some stage or other in order for that legislation to be carried forward. It has regrettably become a necessary role of the Government at a certain point in the proceeding of every major piece of legislation to introduce time allocation. Therefore, with regret, I rise to introduce time allocation at this point in the consideration of this very important piece of legislation.

Let it not be said, as the Opposition has been attempting to do, that this legislation, the ideas and concepts, and the question of national security, have not had adequate debate or adequate public consideration. Nothing could be further from the truth. This is an issue which has been on the front burner before the Canadian people in many ways, I can say, for the past 17 years.

A royal commission on security known as the Mackenzie Commission was established in 1966 and its report was published in June of 1969. At that time there were 175 hearings and 250 witnesses who all recommended that a separate civilian security service be established in Canada. Mr. Tommy Douglas, a distinguished Member of this House at the time, reported in this House, and I quote:

Without any reflection whatsoever on the very excellent service the Royal Canadian Mounted Police have performed, there is a great difference between law enforcement and the carrying out of the duties of a security service... Therefore, I think the recommendation of the royal commission for the setting up of a civilian non-police agency has a great deal of merit.

There was then the McDonald Commission which was established in 1977. That commission held over 300 hearings and heard nearly 150 witnesses.

Mr. Hnatyshyn: And we have had about three hours.

Mr. Kaplan: It received 124 written submissions. It made its report and recommended as well that there should be established a separate civilian security service.

[*Translation*]

As my hon. friends will recall, the Government tabled Bill C-157 in the House in May 1983. A special committee of the Senate was asked to examine and consider the subject-matter of the Bill and the Canadian Security Intelligence System. The Committee also held many public hearings, heard more than thirty submissions and received about fifty briefs. As the Leader of the Official Opposition in the House said earlier, the Committee proceeded with a clause by clause examination of the Bill. The members of this Committee declared unanimously, and I quote:

That legislation dealing with Canada's Security Intelligence System is necessary, and that it should be enacted in the near future. The *status quo* is not acceptable.

[*English*]

This special committee of the other place reported in November of 1983, and in January of this year the Government tabled Bill C-9 which is now before the House for third reading. On the second reading debate there were six days of debate and 57 speeches. The Standing Committee on Justice and Legal Affairs received the matter at committee stage. There were over two months of meetings, 43 meetings, and 85 hours of debate.

Mr. Hnatyshyn: And closure! You did not mention closure!

Mr. Kaplan: Testimony was received from 25 individuals or groups and over 50 written submissions were presented to the committee. I appeared for approximately 59 hours before the committee at 24 different meetings.

I have been sitting patiently in this House through this debate on report stage. I have noted the continued representations from Hon. Members opposite, including those from the Opposition House Leader just now, that there has been insufficient hearing. I would quote the respected journalist and former New Democratic Member of Parliament, Douglas Fisher, who characterized the Hon. Member for Burnaby (Mr. Robinson) as having "the gall and effrontery", to use his words, to say that this issue has not yet been fully discussed and debated.

Mr. Robinson (Burnaby): Point of order!

Mr. Hnatyshyn: Take it easy. It takes one to know one.

Mr. Deputy Speaker: The Hon. Member for Burnaby (Mr. Robinson) rises on a point of order.

Mr. Robinson (Burnaby): Mr. Speaker, I believe the honourable and distinguished Minister is quoting from a document. In accordance with House rules, I believe he should table the whole document which, indeed, contains some very interesting references to the Minister.

Mr. Deputy Speaker: Does the Hon. Minister wish to comment on that matter?

Mr. Kaplan: Mr. Speaker, I am not reading from the column. I am quoting one or two words from it.

Some Hon. Members: Oh, oh!

Mr. Kaplan: I do not actually have it here to table.

Mr. Waddell: Table it.

Mr. Kaplan: I do not have it.

What has clinched it for the Government, in fact, in making it obvious that time allocation was absolutely necessary, was a press release, which I am prepared to table because I have it right here in my hand. It is a news release from the New Democratic Party on June 5, 1984 which is headed; "NDP to block spy bill". The Hon. Member for Burnaby is purported to have said in this document produced by his Party: "If the Government refuses to act on these important amendments being proposed by the New Democratic Party, and called for by many witnesses across Canada, then the caucus will do everything in its power to prevent the proposed security legislation from being enacted in this session.

Mr. Waddell: Table it.

Mr. Kaplan: I would be delighted to table it.

Mr. Robinson (Burnaby): Point of order.

Mr. Deputy Speaker: The Hon. Member for Burnaby on a point of order.

Mr. Robinson (Burnaby): Mr. Speaker, I suggest that this document be appended to today's *Hansard*.

Mr. Hnatyshyn: No, no. We are not going to waste the taxpayers' money.

Mr. Deputy Speaker: Order, please. The Hon. Solicitor General of Canada (Mr. Kaplan) is seeking to table a document. Is it agreed?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: A request has also been made by the Hon. Member for Burnaby (Mr. Robinson) that that document be appended to today's *Hansard*. Is there unanimous agreement?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Deputy Speaker: There is not unanimous agreement.

An Hon. Member: Kaplan said no.

Mr. Parent: I said no. Point of order!

Mr. Deputy Speaker: Order, please. The Hon. Member for Welland (Mr. Parent) on a point of order.

Mr. Parent: I would like to point out, so that it will be in *Hansard*, that I was the one who said no in this House to that request.

Some Hon. Members: Oh, oh!

Mr. Deputy Speaker: Order, please.

Mr. Kaplan: In summary, Mr. Speaker, it is clear that the New Democratic Party is not interested in responsibly stating its position and seeing Parliament function. It is simply interested in delaying the passage of this Bill and preventing Parliament from carrying out its responsibilities.

● (1520)

We are very close to the end of the session and the end of a Parliament. I would like to end my brief remarks with a recent quote of Professor Peter Russell, research director of the McDonald Commission. He commented as follows:

I cannot think in living memory of legislation coming as close to a Royal Commission's whole set of recommendations as C-9 now does. Let's get on with the job.

[*Translation*]

That is exactly what this Government is trying to do. For the first time in this country's history, it is seeking to enact legislation that would define the framework, mandate and powers of a Security Intelligence Service and make each of its activities subject to judicial control and a system of external monitoring. This would be a major step, but the New Democratic Party members have, through their actions, not only discredited their Party, they have also made it difficult to pursue the very debate they were demanding.

[*English*]

This Government, in the tradition of our Prime Minister (Mr. Trudeau), will shoulder its responsibility and, with the assistance of this House, complete the final chapter of this long book and bring in legislation that represents a great step forward in this important area of public concern.

Hon. John A. Fraser (Vancouver South): Mr. Speaker, the Solicitor General (Mr. Kaplan) indicates that he has run out of patience with the process. Well, isn't that too bad! Let me tell you what we have run out of. We have run out of patience with a Government that, on second reading, says that when the Bill goes to Committee it will consider the representations brought to it and, where appropriate, make amendments. That is what this Government said, but it had no intention of keeping that commitment. It has put everyone through a fraudulent process on Bill C-9 which has gone on for some months. The Minister said 25 witnesses appeared at committee and there were 50 briefs filed. True. The one amendment of any substance passed in committee was one which got past Government Members and allows the review committee to see the Cabinet documents which directed the security service. What is the Solicitor General doing now? He is bringing in an amendment to wipe that amendment out! That is what we are impatient with. We are more than impatient; we are fed up to the teeth.

The Minister talks about the Mackenzie Commission. Lord love a duck! Half the reporters in this town were in knee pants or in the cradle when that Commission came in. The so-called terrible things which created the need for the McDonald Commission were done 13 and 14 years ago. I asked the Minister questions in committee about the RCMP. I said:

The fact is, Mr. Minister, that for many months now—for many years in fact—since the revelations in the House of Commons in 1977 and the action which was taken consequently, the security service has been working as a part of the Royal Canadian Mounted Police. The commissioner has been reporting to the Solicitor General effectively, competently and in a manner in which I am sure you would agree meets with your approval. You testify that this has been done in a manner which meets the appropriate sensibilities of the Canadian public. Is that not so?

What did the Solicitor General reply? He sat there and meekly agreed. He said:

Yes, that is so.

So much for his argument that the security service has to be removed from the RCMP. As for the argument that this is some brand-new security service being invented by the Bill, that is the most errant nonsense. It is exactly the same people, same typewriters, paper, cupboards, floor and rugs. The same everything. All this Bill does is set out an appropriate mandate and more rules within which that security service is to be constrained.

It is very interesting that the first act of this Government after the great convention that was going to reform the Liberal Party with the great new leader, John Turner, is to move closure on a security Bill which Alan Borovoy, the distinguished and eminent leader of civil rights in this country, says is the greatest threat to civil liberties since Confederation. But it is not surprising. Mr. Turner talks about a new deal. I tell you, Mr. Speaker, this is the old deal writ large. Mr. Turner was part of the Government that used closure in 1968 to impose the rules under which this closure is taking place. So much for civil liberties.

As for this pack of fellow travellers on the Government side who, with unseemly haste, bounced over to Mr. Turner when the Liberal establishment told them to many weeks ago, the question that should be asked the Canadian public is: Would you buy a used government from John Turner?

Under other circumstances and on other occasions the Solicitor General is a good personal friend of mine, but what he is saying today cannot go unchallenged. The reason we in the House are still fighting this Bill is that the Government has not accepted a single suggestion made by all of the competent people who came in front of the committee. Not one. That process has been made fraudulent by a Government that was not going to listen or accept suggestions. Clause 2(a), (b), (c), and (d) are the definitions of what constitutes a threat to the security of Canada. Those are the key sections which trigger all of the activities of the security service. The language is loose and does not adequately constrain the activities of a security force acting in secret. But this Government will not

accept a single amendment. The Government does not want a parliamentary review committee.

Interesting, isn't it, that our neighbour, the United States, has a Senate review committee for security matters as well as one in the House of Representatives. But this Government, which just spent all last weekend talking about reform, does not want Members of Parliament to have anything to do with reviewing security in this country. That is the Government that does not want the review committee to see even the Cabinet documents that direct the security service because that would be a breach of Cabinet solidarity. Well, one of the American witnesses said that your review committee has to be a watch-dog committee and it better not be a sleeping dog committee. Well, if you cannot see what the Cabinet is directing the security service to do, the committee is a sleeping dog committee.

These are substantive and important amendments. It is no good that the Government or some nameless person in a editorial office somewhere is talking about the Mackenzie Commission, the McDonald Commission, Bill C-157 and the Senate committee, saying that there has been debate. Why can these people who are supposed to be educated in the journalism schools of this country not understand that what rules us is the wording of the legislation here in the House of Commons, not in the Senate, the Mackenzie Commission or the McDonald Commission? What is wrong with a fundamental and elementary understanding of our system? That fact does not seem to pervade the editorial boards of this country, and it certainly has not pervaded the cranium of the Solicitor General.

As for the pack of sheep on the Government side, with the exception of the Chairman of the Standing Committee on Justice and Legal Affairs and one former Solicitor General, the members of the so-called reformed Party have sat there in dumb obedience week after week after week. Then they wonder why we are impatient. The whole process has been traduced by a government which put a Bill into committee and never intended to make one change to it.

It is all very well for the Solicitor General to talk about the 25 witnesses whocame in front of him. How do you think those witnesses feel knowing what is going on here? I talked to some of them. They asked what it was all about and why they bothered. Trust and reform are incredibly easy words to use. When you have a majority at your back for a limited period of time and the arrogance of appearing always to be in power, trust is dissipated like a will-o'-the-wisp at the first notion that someone may raise something which would mean you cannot have your own way absolutely. In 1688 we traded the Divine Right of Kings for the Divine Right of a Prime Minister with a majority at his back for a period of years. This is a brutally powerful system. When it is coupled with the attitude which has been exhibited on this Bill by the Government, the Solicitor General and the new leader, Mr. John Turner, there are no checks and balances in the system whatsoever.

• (1530)

Let there be no doubt about why the Opposition is arguing about this Bill. It is because the Bill is not as good as it could be. It is a flawed Bill. We know there must be a security service, but eminent, intelligent and capable people came before us and made suggestions which would make this Bill better and more trusted by the Canadian people. The Government accepted none of it. This is not a day to be very proud of in the House. Every Member of the Government should be ashamed, as I am ashamed, of what is happening here.

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, in rising to address the motion of closure before the House I would seriously suggest to members of the Chamber that this represents one of the darkest days for democracy in the history of this country. I remind members of this Chamber and those Canadians who are observing our proceedings that it is the same Government that brought forward the proclamation of the War Measures Act in 1970 that now brings forward legislation which constitutes nothing less than a massive assault on the fundamental civil liberties and privacy of all Canadians and anyone visiting our country. In the guise of protecting our national security the Government would take a sledge-hammer to our civil liberties. In the pretext of fighting totalitarianism and totalitarian governments characterized by an atmosphere of oppression and the suppression of dissent, the Government would itself adopt those totalitarian tools.

It has been argued that the status quo is not acceptable. I agree. One need look no further than the litany of horror stories documented by the McDonald Commission which reported in 1981. However, let there be no misunderstanding. Far from being an improvement on the status quo, this Bill represents a very serious step backward. Given the alternative between the status quo, flawed though it may be, and the provisions of this Bill, many Canadians would certainly say that we should not move forward with this flawed legislation.

The debate on some of the provisions which are of greatest concern has been stifled consistently. The Bill was introduced in January and the Government cut off debate at second reading. After having begun a discussion at the clause by clause stage in committee, the Parliamentary Secretary to the Solicitor General (Mr. Gourde), the Minister's number one flunky on the committee, brought forward a motion of closure to shut down debate. I filibustered that motion of closure for three days and I make no apology for having done so. The essence of that debate was that by moving in that heavy-handed manner, the Government was denying the committee the right to debate, in a full and informed manner, the provisions of this Bill. The Government denied the committee the right to hold public hearings across the country on legislation which so fundamentally affects the rights, liberties and privacy of Canadians.

If there had been public hearings, perhaps there would have been a little more attention paid by the members of the press. I accuse them of blatant disregard of one of the most important pieces of legislation to come before the House. The gallery was

empty this morning and yesterday and is virtually empty today. They move around in their discussions, debates and great analyses of the flim-flam of leadership and completely ignore one of the most important pieces of legislation to come before the House.

Some Hon. Members: Hear, hear!

Mr. Robinson (Burnaby): That is a shameful denial of their obligations to the people of the country for which they stand condemned. I suggest that it is indeed members of the press who may be victims of their own negligence down the line.

The Government denied public hearing, cut off debate at second reading and choked off debate in committee. The chairman of the committee was forced to resign after having taken action to shut down debate in committee, which is unprecedented in the history of this country. We come before the House for debate at report stage and third reading and the Government once again brings in the guillotine. The Government shuts the debate down using closure. So much for democracy! So much for the rights of Canadians to a full and informed debate on this Bill.

We in this Party said that we would do what we could to block the Bill if the Government did not accept amendments which would narrow the powers of the new security service and prevent it from having the right to target Canadians who have broken no law whatsoever. The McDonald Commission would have denied that power to the security service. That power is not granted to any security service in any western country in the world. That power is unprecedented in the United States. It is the power to target Canadians suspected to be subversives or spies. That power should not have been granted. We in this Party said we would not tolerate that power.

We said that there must be a role for Parliament, as did the McDonald Commission. We said there must be effective parliamentary oversight to prevent this new security service from becoming a political weapon in the hands of the government of the day. Yes, we said we would block this Bill if the Government did not move in that direction. We said we would not stand idly by as the Government brought forward a bill which would brutally suppress civil liberties and expand the powers of the service. The expanded powers include the right to open first-class mail, the right to access confidential medical records, the right to break into one's home and steal from it, and the right to access all government records. Nothing is sacred in this country.

With regard to foreign intelligence, the Government proposes new powers which are again unprecedented in any western country in the world. The Government proposes to have the power to spy on anyone who visits this country. This is all in the name of protecting the national security of Canadians.

We in the New Democratic Party make no apologies for standing up for the civil liberties of Canadians. I can only express my profound regret that we did not have more support from my colleagues in the Conservative Party in this fight against this repressive Bill. They stood by in committee as this Bill was being debated. They certainly have not put up the kind of fight which they put up against the National Energy Program or the Crow Bill. This bill is certainly one of the most important Bills to come before this Parliament. This closure motion effectively denies the right of Members to debate this Bill in an orderly and comprehensive way.

● (1540)

The Bill has been condemned by witness after witness who appeared before the committee. The Reverend Clarke MacDonald, Moderator of the United Church of Canada, indicated that church and community representatives have detailed the flaws of this Bill and suggested alternative ways of serving the legitimate security needs of Canadians. He states: "We urge you to withdraw the Bill in its present form". These are the views of church groups, academics, labour groups and civil liberties organizations. To whom is the Government and its future Prime Minister, John Turner, prepared to listen as it proceeds to ram this legislation through the House of Commons? This is a dark day for democracy in this country.

I would like to conclude my remarks with a quote from Mr. Justice Powell of the United States Supreme Court, who said:

> The price of lawful public dissent must not be a dread of subjugation to an unchecked surveillance power. Nor must the fear of unauthorized official eavesdropping deter vigorous citizen dissent in discussion of government action in private conversation. For private dissent, no less than open public discourse, is essential to our free society.

This Bill must be stopped in the interest of democracy, liberty and freedom in this country.

Hon. Bud Cullen (Sarnia-Lambton): Mr. Speaker, unlike the two previous speakers, I make no apologies for the use of the rules of Parliament, namely time allocation, when it becomes very obvious from pamphlets and edicts put out by the NDP that they were going to do everything possible to delay this Bill. It is interesting to note that the time allocation rules provide for an opportunity of discussion with Opposition Parties, then with the Official Opposition, and if no agreement can be reached on the appropriate allocation of time for a debate, the Government is required to take its responsibility and ensure that a Bill it has initiated sees the light of day and has a vote in the House of Commons.

The Hon. Member for Burnaby (Mr. Robinson) is really condemned out of his own mouth. The fact of the matter is that if he had a legitimate argument in this particular instance he would not have had to resort to name calling, referring to people as flunkies and using other such terminology. It is not becoming of a parliamentarian to talk in that way. I think he degrades himself when he uses that kind of language.

None of the witnesses who came before us and no honest, right-thinking person would deny the necessity for having a security service in Canada. We have been singularly fortunate that we have essentially been spared the problem of terrorist activities such as those that have taken place in so many countries around the world. However, we are not totally immune and have had our own incidents, and we need this security service. It should be in civilian hands. We need this

service in order to have proper accountability so that our civil liberties might be protected.

As a former member of the rules committee, a high priority for us was to enhance the role of the Private Member. The way this can be done is through the committee system. It is in the committee that the ordinary Member of Parliament has an opportunity to participate in debate and to make necessary changes. However, after the approach adopted by the NDP at second reading and committee stage, I wonder if they have not set back rule changes and the enhancement of the role played by the individual Member of Parliament.

Mr. Waddell: That is inconsistent and you know it.

Mr. Cullen: As a result of the tactics that have been adopted by the NDP—

Mr. Waddell: You want the Private Member to be good and when he does something you give him hell.

Mr. Cullen: This is typical of an NDP member. I am expressing a point of view and the Hon. Member is endeavouring to shout me down. At least get in your own seat if you are going to shout me down, so that if you have a point of order you can raise it. Frankly, I found the approach adopted by the NDP at committee reprehensible.

I basically disagree with the position taken by the Progressive Conservative Party which indicated that it would like to see this security service returned to the RCMP despite the decision of the McDonald and Mackenzie Commissions, and the decisions made by the Senate and the Government, for that matter.

What approach did the Conservatives take? I thought that the Member for Vancouver South (Mr. Fraser) asked a series of very pertinent questions at the committee stage. He raised the issue and it was debated at committee. Although they lost the vote, they made their point. We were able to have a reasonable debate. But what did we see from the NDP? They sought amendments to delete clauses of the Bill. There were 300 amendments brought in at the committee stage. What does that do for democracy? It ruins any opportunity for any kind of debate.

I basically disagree with the judgment of the Progressive Conservative Party on this particular Bill. I do not believe the service should be returned to the RCMP. No one has more respect for that particular agency than I. I had the privilege of working with the RCMP when I was Minister of Employment and Immigration. We had to deal with security matters and had to rely in large measure on the judgments and decisions of the RCMP. I was satisfied that we received excellent briefings and that the reports which I received had been carefully thought out before I was asked to make a decision.

In order to complement that particular protection of civil liberties of Canadians or of others coming to the country, I saw fit to appoint a board. It was made up of three members, a former civil servant, a former Cabinet Minister and a former judge of the Supreme Court in Quebec. They were to study the evidence that had been presented to me to determine what weight I should give to this material. I had no other way to check other than relying on the RCMP and the judgment of these three senior Canadians whose judgment I respected.

That is what we are looking for in the security service. We are seeking a "delicate balance", as I believe it was put by the Senate committee. We must have an indication that the information that comes before us has received all the necessary screening. I believe the report from the Senate committee was one of the better reports from the Senate that I have had the privilege to read. That Senate committee and the McDonald Commission indicate that a civilian agency is the proper medium for this particular service in Canada.

Hon. Members opposite say that they did not really have an opportunity to study this matter at committee. The fact of the matter is that the Minister has indicated that he was at approximately 24 committee meetings. In each instance the Minister indicated why the Government could not accept a particular amendment. Those reasons made eminently good sense, which Hon. Members opposite knew. In some instances they could not accept those reasons and they appropriately brought forward amendments when they could not accept that reasoning. I know that in many instances they accepted the Minister's reasons. However, likely in an attempt to delay the Bill, they saw fit to move a whole series of amendments. I am specifically referring to the New Democratic Party. We discussed many of these amendments at committee stage. Again, it was a complete waste of members' time. What is the point in having committees if every amendment that is presented at the committee stage is presented again at the report stage?

I hear Opposition Members talking with approbation about the American experience. American witnesses appeared before the committee. We had a particularly good witness from the security section of the American Government. She told us that they tried to introduce a Bill which provided for everything necessary to protect all rights and prevent any interference. That Bill collapsed under its own weight. There were so many qualifying phrases in the Bill in an attempt to protect civil liberties that the Americans ultimately had no Bill at all. Therefore, that country has a presidential edict. The Attorney General of the United States indicates what is to be done.

• (1550)

We do have accountability in our Bill. I think the individuals who will be called upon to look into the actions of the other security service will recognize their responsibilities. They will be well respected Canadians, I am certain. They will require the approval of the Leaders of the Parties in the House of Commons, so there is significant accountability in this Bill.

I for one am happy that, after some five years, we will have another look at this Bill. Others will do that because I will not be here. They will look at whether it has worked. They will look to see if there have been any infringements of or intrusions into the civil liberties of Canadians. I do not think we have to quote other individuals to tell us whether this Bill is good or bad. I think we are hired and retained by our

constituents to come here and look at legislation. What Members opposite, particularly those in the New Democratic Party, do not recognize is that Bills are gone over and over again at the caucus stage before they see the light of day. We have long, serious and sometimes it might be called great debate before a Bill sees the light of day. This lets us do all that is possible to apply the necessary delicate balance to the necessity for having a security service and yet not encroaching upon the civil liberties of Canadians, at least beyond that provided for in the Bill. As well, the committee can say to the security service: "You are accountable to us and we will be reporting to Parliament".

Bill C-9 is a good Bill. It is sad that we had to use time allocations, but frankly, there was no other way to get this Bill through given the farce presented by the New Democratic Party.

Mr. Vince Dantzer (Okanagan North): Mr. Speaker, I am truly glad to lend my voice of opposition to this procedure which the Government has imposed upon Parliament, namely closure on an important Bill. I think every Member of this House should be opposing this motion for closure. As voiced by other Members, this Bill is not a normal Bill. It is not a usual bill of administration, of economics, social services, or any of the other millions of things with which this House is concerned. Bill C-9 concerns the rights, the privacy and the freedoms of Canadian citizens.

Some Hon. Members: Hear, hear!

Mr. Dantzer: Earlier on in the term I have been here, this Government introduced civil liberties legislation and enshrined it in the Constitution. The Liberals were very pleased with themselves. This same Government is now ignoring all of those civil liberties which they enshrined in the Constitution. They are bringing before the House a Bill that will restrict those liberties.

Some Hon. Members: Hear, hear!

Mr. Dantzer: I find it very difficult to understand that kind of thing happening. Normally people on the Government side of the House are pretty rational, but several times in the past four or five years they have thrown away all good judgment and imposed this type of thing on Parliament. If I were their leader, I would be very unhappy to be, I suppose, catalogued for the rest of a short career as the leader of the Liberal Party who imposed closure on a Bill which restricted the rights, liberties and freedoms of Canadians. If that man is not Mr. Yesterday, I do not know who is.

Earlier a Member talked about the committee system and how this Government tried to improve it. This legislation was first before a committee in the other place, before many commissions, and was examined in long hearings of the Standing Committee on Justice and Legal Affairs. It is precisely because of the way the Liberals have used that committee system that we on this side are so upset. The Government has received representations right across the country from very august groups, universities, church groups and civil liberties groups. The Government has paid absolutely no attention to those representations.

This set of circumstances reminds me very much of the committee hearings on the National Energy Program. That particular committee sat longer than the committee that considered Bill C-9 and it heard more witnesses. Every witness—and I say *every* witness—who appeared before the committee concerned with the National Energy Program opposed the legislation and found fault with it. But what did this Government do? It did not accept one recommendation of the committee. If you want to know the history of the National Energy Program, Mr. Speaker, which turned into an economic disaster, I would ask you to read the projections made by the witnesses in those committee hearings as well as the reports which outlined in detail the effect of that legislation. The Government paid no attention to them.

This same thing is happening with Bill C-9. The Government heard representations in the committee hearings. The Government listened to briefs. But the Government has not acted. Why do we have a committee system if the Government intends to impose legislation on Parliament? Why waste the time of so many people? If people are not listened to, it is frustrating to those both inside and outside Parliament. Also people who have taken the time and made the effort to present their expertise before a committee will think that the democratic process is poor because they realize they are not going to be listened to. That is why we on this side of the House are so opposed to this kind of procedure.

A Member opposite said the Conservative Party opposed this legislation because control of the new service was not within the RCMP. That is true, but that does not go far enough in our view. That is one of our proposals. Basically the real opposition we have to this Bill concerns the definition found in Clause 2. Clause 2 gives this super-snooper outfit the power to permit an agent or agents to enter people's homes and destroy property. In fact, innocent people can have their whole way of life upset by this legislation. This is because the definition section is too wide.

A previous speaker said that the Government has tried to create a balance. The Minister many times in committee admitted that Clause 2 was perhaps too wide and was open to abuse by a secret service force. He said: "I cannot draft the legislation. I cannot find the right balance. We find it impossible. The best draftsman have tried to do what we want but it could not be done." That is because the Minister is trying to give the secret service super-snoopers wide enough scope that they can solve every single problem or every single threat, no matter how small.

We tried to impress upon the Minister time and time again in committee that instead of giving the super-snoopers a Lincoln or a Chevrolet with which to do their work, make it difficult for them. If this agency over the next four or five years finds that it cannot do its work properly, there is provision for the law to be brought back to Parliament to be rewritten. It would be far better for the secret service to come

back to Parliament and say that the Bill is not wide enough, that it does not give them enough power to do their work. We should be shown specific instances, which has not been done to this day, and I am sure Parliament would respond and say: "Fine, we will widen your mandate and give you power to solve this real threat about which you now tell us". It is far better for the security service to come back to Parliament than the average Canadian citizen who has had his rights run into the ground and who has suffered at the hands of some overzealous secret police. You know how difficult it is, Mr. Speaker, for any individual to do that. It would take years. I say this Bill puts the onus on the citizen to protect his rights. It gives all the privilege to the secret service police.

I am sure it will be echoed in this House, it will certainly be echoed in the country, that there is an obligation on the Government to ensure that the Canadian citizen is protected, that his privacy is protected. This Government has not done so in this Bill. Therefore, I am opposed to this high-handed, guillotine-like procedure of closure. I hope the Government will have time in the next day or so to reconsider and open up this matter. Surely the matter is much too important to rush into at this time.

• (1600)

Mr. George Baker (Gander-Twillingate): Mr. Speaker, I just want to make a couple of observations concerning the procedure today. I remind the House that the subject matter or the intent of this particular Bill was dealt with by two royal commissions in the past two decades. Substantially they recommended what the Bill provides. The committee has been studying it for about two months. The Solicitor General (Mr. Kaplan) spent many hours before the committee. Some 25 or 26 individuals and organizations made representations to the committee. I understand that there were more than 50 speeches at second reading. It was the subject of a very valuable Senate report. Some of the very worth-while recommendations of the Senate committee were incorporated into this Bill.

The subject matter under discussion today is closure. It is interesting to listen to Hon. Members talk about closure. They say that somehow the rights of Canadians are being denied by closure. One wonders just how the time of the House of Commons is used throughout the year. We could look at a situation where an entire year was spent in this Chamber dealing with very few Bills. Very few Bills ever see the light of day out the other end.

If I were to suggest that we bring in a parliamentary rule change providing that every motion put would come to an automatic end at the end of the day on which it was put, I would be accused of putting Parliament to rest or taking away all its rights. That would be absolutely outrageous to Hon. Members, but it is the exact change which has been implemented in most legislatures under the British parliamentary system. The motion is put and it comes to an end in one sitting day. That would be absolutely outrageous to us as parliamentarians in Canada. That is the system which is the effect in our Mother of Parliaments. The reason for it is that legislatures under the British parliamentary system, except the Canadian Parliament, eventually decided that they would go along with changes in parliamentary procedure not made by Members of Parliament. In effect, in Britain today there is an outside committee which is not connected with Members of Parliament. It brings in recommendations for rule changes in that Parliament.

Unless similar action is taken in terms of our Canadian Parliament, I am afraid that we will not keep up with the times in trying to deal with the many issues facing the country. I am referring to the many issues with which Parliament never deals because there is no chance and the mechanisms are not in place.

I could outline what has happened to committee structures in legislatures throughout the British parliamentary system. I could outline what happens during Question Period and every other part of a day's sitting. I could outline what happens when motions are brought before those chambers. We would see that their procedures differ vastly from what is in effect in the Canadian Parliament. When we question the people who brought in these changes in other legislatures, they indicate that we are back in the dark ages and they wonder how we can function. Somehow there is always an attitude in our Parliament that unless we keep things the same, we lose a part of our democracy in this Chamber.

The only point I wanted to make today was that our parliamentary system is quite different from that of other Parliaments under the British parliamentary system. To say that closure is an outrageous act by government to shut off debate, to another Parliament would in itself be an outrageous statement.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, we have just heard a few comments by the Hon. Member for Gander-Twillingate (Mr. Baker). Clearly he is a man who is so oblivious to what has happened in our Parliament that he does not even know that we have undergone very substantial changes to our rules with respect to the way in which we conduct our business. Somehow or other he talked about a Parliament which existed years ago. He does not know that the Government is now seized with the current Standing Orders, which were introduced in the House as a result of the work of a committee on which I had the privilege of serving, that put limits on the length of speeches and now make it virtually impossible for anything in the nature of a filibuster to occur in the House. Apparently the Hon. Member is oblivious to what has gone on in this House. If he were telling the complete truth and were fully informed, he would have to admit that under the new rules the Government has the hammer as far as legislation is concerned.

He talked about the United Kingdom and the Mother of Parliaments. He is the only Liberal I have heard speak approvingly about the Mother of Parliaments. Under his Government everything possible has been done to separate us from our relationship with the United Kingdom and the Mother of Parliaments.

At least I give him credit for looking there for some precedent. However, he forgot to mention the fact that the United Kingdom is a country which does not have a separate provincial jurisdiction. It deals with legislation which is covered by our provincial legislatures as well as by our federal jurisdiction in Canada. Its workload is quite different, its scope is quite different and its rules are quite different. It is modelled upon their own experience. We in Canada have a system which is adapting and in fact reflects regional disparities. At least some of us in the House think that individual Members of Parliament should have a role to play with respect to the important issues facing Canada.

I should like to talk about the kind of approach we should take to this legislation. I should like to quote, because the Solicitor General (Mr. Kaplan) is wont to do so, the McDonald Commission. Section 28 on page 15 of its second report, Volume I, dated August, 1981 is headed: "The need for trust". It reads:

> The most important word in the Commission governing this Inquiry is "trust". No police force protecting the peace can be effective unless it has the trust of the people it seeks to protect; no security intelligence agency can be effective without the trust of citizens. Moreover, neither can be effective without the trust of government.

That is what we are talking about. We are talking about trust. We are talking about a Government Party which has just gone through a convention in which the word "reform" was used liberally, if I may put it that way. Its members indicated that there would be parliamentary reform and that their new Leader would ensure Parliament was relevant. What was the first thing they did after the election of a new Leader? They brought in John Turner's chief operative on the floor—I saw him on television in black and white—and he came into Parliament and gave notice of closure. If that is their idea of parliamentary reform, God protect the people of Canada.

● (1610)

Let me put the facts before you, Mr. Speaker. They are simply this. We were involved, by virtue of a ruling by Your Honour, in a procedural debate on the admissibility of motions to amend at report stage until the day before yesterday. Finally these matters were resolved. Only yesterday we made our final procedural argument. I venture to say that at report stage, forced as we are with a great number of suggested amendments, we have had something in the vicinity of five or six hours' debate on this Bill.

This Bill does not involve some kind of contract for snow clearing in Sarnia. It is not a minor Bill. This Bill will have a very serious impact on the civil liberties of Canadians. It will create an agency with enormous powers. To use the words of the McDonald Commission, this agency will not be able to function properly unless it has the trust of the people of Canada. It will not operate unless the citizens of Canada have trust in the Government of this country.

When talking about curtailing civil liberties, is it consistent with the concept that we have of a government moving the weight of its majority in this House in a dying Parliament, in the dying days when this Government has no mandate, when its new Leader is talking about an immediate election, that one of its final acts is to curtail debate without any consideration of reasonable amendments? It says it is not going to listen to the representations, that it will not listen to those who came before the committee, will not listen to the advice of the provincial Attorneys General and will not listen to the advice of representatives of church groups, public interest groups and civil liberties groups.

Worst of all, what the Government is saying by this motion is that it cares not a whit what Members of Parliament say with regard to this legislation. The Government does not want to hear any more, does not want further discussion, even though it knows that its mandate has expired. It is exhausted. It is going to push this Bill through whether the people of Canada like it or not. That is what is at issue.

I am not so completely partisan that I am not impressed by my colleagues. I realize that no Party has a corner on people of goodwill and good spirit, that there are people of that type in every party in Canada. I listened with care to what was going on with the new Leader of the Liberal Party of Canada, Mr. John turner. He has had experience in this House. He left the Government of Canada for his own reasons and now has come back. I heard him talk about the new approach, the new spirit of civility that he wants to bring to the Parliament of Canada. The first act that takes place after he has been elected is the heavy cloud of closure which is now being presented to the House of Commons. This is a very foreboding development.

If we cannot discuss issues, if we cannot have a perspective in terms of the issues before us in this debate, if we cannot, as the McDonald Commission said, instil a feeling of trust with respect to the fact that there are to be some reasonable rules governing the control of this agency, if we are to enter this experience in terms of our own security, having an intelligence service which will not be under the discipline of the RCMP, if we do not have a fine and honourable tradition to guide it in its operations, its deliberations and its accountability, our country will be in a sorry state indeed.

I say with all the emotion I am capable of that I resent the cynicism with which this motion has been brought forward. I resent the attempt at this time in the life of our Parliament to throttle free discussion of a Bill which involves the rights and freedoms of Canadian citizens. It brings into being a service, Mr. Speaker, that will have access not only to your tax returns and mine, but to those of all Canadians across this country. It will have the ability to go into medical records, to put intrusive devices in our homes in order to gain information which can be a valuable tool in the hands of an unscrupulous government. When closure is being brought forward on this legislation, those who watch these proceedings or read them will be left wondering. They must ask themselves, why do they stay? They must echo the words of Oliver Cromwell: "In the name of God, go!" I say to the Government of Canada that that sentiment is appropriate with this dying Government.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The Hon. Member for Wetaskiwin (Mr. Shellenberger)—Crown Corporations (a) Northern Transportation Company Limited—Proposed sale of company (b) Cash assets of company; the Hon. Member for Hillsborough (Mr. McMillan)—Energy (a) Prince Edward Island energy costs—Government policy (b) Impact of National Energy Program; the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie)—National Defence (a) Military accidents—Release of inquiry transcripts (b) Names of inquest witnesses.

* * *

[*English*]

BUSINESS OF THE HOUSE

ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-9

The House resumed consideration of the motion of Mr. Kaplan:

That in relation to Bill C-9, An Act to establish the Canadian Security Intelligence Service, to enact An Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof in relation thereto, one sitting day shall be allotted to the consideration of each of the report stages and the third reading of the said Bill; and

That fifteen minutes before the expiry of the time provided for Government business on those days, any proceedings before the House shall be interrupted, if required, for the purpose of this Order and, in turn, every question necessary in order to dispose of the stage of the Bill then under consideration shall be put forthwith and successively, without further debate or amendment.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I guess I see myself as still being relatively new in this House in the sense that I was first elected in 1979. I have just served five years as a Member of Parliament. After having lived through the constitutional process, having lived through times in which time allocation and closure was imposed on this House, I can understand why early framers who looked at the American Constitution with its congressional form have said that it is the perfect form of government. The individual elected there is held accountable on a non-partisan basis to his or her constituents. I am convinced that unless we can radically reform this place to the point where there are genuine free votes which will impose an individual responsibility on each of us, on every piece of legislation, to look at that legislation, to vote as our constituents and our conscience dictate, we will continue to have the parliamentary form of government where a cabinet, in conjunction with a very well educated and powerful bureaucracy, will make decisions that it can force through this House because if back-benchers, however well

intentioned they may be, vote against the government, they will bring on a general election.

I am convinced that as a result of all the complexity of government, the volume of government as well as the legislation that is necessary, the system has broken down. Either we have radical changes within our responsible parliamentary forum or we move to a congressional forum where the executive would be isolated off to the side and charged with administering the laws. Then the House with its Party system, where there would be cross-representation depending on the issue, would be much more responsible to the people.

I have just read some poll data on this Bill. Over 80 per cent of the Canadian people have indicated they would like to have the security service remain with the RCMP. Yet the Cabinet and the bureaucracy, for very good reasons that they generated in their own minds which are logical and rational to themselves, are going to foist their view on the people. That is not satisfactory and we must return to a better system.

● (1620)

Twenty-five witnesses appeared before the Standing Committee on Justice and Legal Affairs and gave well-meaning and valuable evidence. In a sense, these witnesses were the experts. When members of the Canadian Bar Association speak, we should listen to them. When members of the Canadian Jewish Council speak on a Bill that deals with individual liberties and freedoms, surely the people who hear their words should give them enormous weight. There is no doubt that if you were a judge, Mr. Speaker, who heard the evidence that came before the Justice and Legal Affairs Committee, you would not have hesitated at all in accepting the recommendations for amendments. Yet this just has not happened. Therefore, our system has fallen down.

If an individual who worked for this new civilian intelligence service had reasonable grounds to suspect that you, Mr. Speaker, were a threat to the security of Canada, then your mail could be opened, your medical records could be seized, your legal records could be seized, your tax files could be searched, your home, office or car could be bugged and searched overtly or covertly, your telephones could be tapped and your doctor's or psychiatrist's offices could be searched. All that remains confidential is your five-year or ten-year census records. Everything else can be stripped and investigated. For one year you could have intrusive devices placed on your person and your telephones could be tapped, and after that year it could go on for a further year and yet another year. That flies in the face of those fundamental freedoms that our ancestors came to this country to achieve.

Our ancestors did not cross the ocean on boats, stand at the corner of a quarter section of land containing only rough prairie and trees, give their lives cutting trees, breaking land and living in sod huts simply to pass the time of day. They did all of that because they came from jurisdictions in which they felt oppressed. Often times they felt oppressed because of the economic situation of a country or because of the laws of a

country. In most cases they felt oppressed by their country's government of the day.

I would say to the Government of this country that with this legislation we are creating a real possibility and perhaps even a probability that at some future time this new civilian security agency will become oppressive to our own people. Clause 2(d) defines threats to the security of Canada and deals with subversion. Subversion means actions taken by our own citizens.

None of us has any trouble at all with paragraphs (a), (b) and (c) of Clause 2 which deal with the actions of KGB agents and people who come to Canada to hijack airplanes and blow things up on behalf of other countries. Clause 2(d) deals with our own Canadian citizens and therefore should be drafted in an extremely narrow fashion. If such a narrow definition does not work in the future, then the agency could return to a future Parliament which would gladly decide, based upon actual cases, to expand that definition so that the proper delicate balance is achieved.

The present wording of Clause 2(d) gives such a wide mandate to the Bill that many of our people will have to suffer dramatically before the definition will be narrowed. That means that those people who are affected will then be required to hire a solicitor, if they happen to find out that they are being investigated. These people may not be able to get jobs and will never find out why they could not get jobs. They may lose their jobs and never know the real reason why. They may not be able to get passports or be bonded and never know the reason. All this because this clause has been cast too widely. That is why I say we must begin with a narrow definition and let future generations widen it based upon experience.

I wish Government Members would take another look at Clause 2(d) because it is never too late to do so. Without expanding the size of the Minister's head, I would say that I believe the Minister wants to be reasonable and, in many respects, is a reasonable man. As I listened to the Minister's speech, when he got right down to it he pointed out that the reason for the imposition of time allocation is that we are nearing the end of a session. When dealing with a statute that will have influence on future generations, saying that we are nearing the end of a session is simply not a good enough reason for imposing time allocation. A future Parliament could deal with this legislation.

If we had the time, we could improve this legislation. I found that when given the opportunity at committee, Government Members were prepared to sit down and discuss this legislation. Indeed, they themselves proposed some amendments. If we could just discuss the legislation with them further and hear more witnesses, we could get it right.

I would like to be critical of members of the NDP as well because at the beginning of the process they were so radical that they polarized the Government to the point that reasonableness and common sense could not prevail. That is not what I was elected to accomplish. My people sent me here to do a job, to look at legislation and to rise and speak on their behalf. I show you a questionnaire, Mr. Speaker, which asks: "Are you satisfied with the RCMP performance on matters of national security intelligence?" Of the respondents to that questionnaire, 71 per cent said yes and only 8 per cent said no. Surely we should listen to what the answer to that questionnaire is telling us.

I know that my friend, the Hon. Member for Bow River (Mr. Taylor), has an absolutely incredible and revolutionary idea. He believes that elected representatives should do what the people want. That is not the way the Liberal Government has operated. However, that is his view and that is my view as well. It is a view to which I wish we would all adhere.

[*Translation*]

Mr. Gaston Gourde (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, I am pleased with this opportunity to speak to the motion on time allocation for the debate on Bill C-9.

This afternoon we have heard a lot from the Opposition, and the gist of it seems to be that these Hon. Members who represent the Canadian people have not had a chance to consider all the whys and wherefores of this Bill.

Mr. Speaker, I have been Parliamentary Secretary since March and have attended all the meetings of the Standing Committee on Justice and Legal Affairs which dealt with this Bill. I must say there were times when we were almost ashamed to admit we were Members of Parliament and were sitting opposite certain Members of the New Democratic Party who were using every trick in the book—and I am referring to the Member for Burnaby (Mr. Robinson)—and I am sure they would have found a few new ones if they had had more time, to set up a regular filibuster. In fact, that is more or less what the Member for Lethbridge-Foothills (Mr. Thacker) said, and I would refer you to *Hansard* of June 12, 1984, at page 4568, and I quote:

> Mr. Speaker, I rise with some sadness at report stage of this Bill because we are again faced with a situation in which NDP members are helping the Government achieve one of its goals while loudly protesting what the Government is doing. NDP members are actually helping the Government because they are going to force the Government to put time allocation on report stage and third reading stage—

Mr. Speaker, it is a fact that in Canada, security is an issue that has been discussed for many years.

● (1630)

Commissioners Mackenzie, Pratt and Coldwell reported to the Government in October 1968, and the Commission's report was published in June of the following year. In the course of their inquiry, they heard about 250 witnesses, including Ministers and former Ministers of the Crown, public servants and retired public servants, private citizens and representatives of public sector organizations. They examined numerous files and documents, received briefs and papers and consulted public information sources. Their report was well received by a very large audience.

The work of the McDonald Commission, created in July 1977, consisted in the most thorough examination of security intelligence issues and procedures ever carried out in Canada's history, or in the history of any nation, for that matter.

Commissioners McDonald, Rickerd and Gilbert were assisted by an exceptionally competent staff of seven full-time investigators, thirty lawyers and sixty research officers. In the course of an inquiry that lasted four years, the Commission held 169 public hearings and 144 hearings behind closed doors. The combined transcripts of these hearings filled 174 volumes. As many as 149 witnesses were heard. More than 805 exhibits were received. The Commission investigated 292 allegations and examined 124 papers on national security policies, procedures and legislation.

In addition to hearings held in Ottawa, the Commissioners travelled throughout the country to receive briefs from the Canadian public, and I am surprised there are still Hon. Members who say today that Canadians have never had a chance to give their views on the subject. Especially since, in addition to the trips made by the McDonald Commission and our committee meetings, the Chairman published notices in forty newspapers across Canada, so that individual Canadians or groups would have an opportunity to testify before our Committee or submit written representations. In fact a number of groups and a number of individuals were able to testify. I shall get back to this later on.

The Commissioners of the McDonald Commission also met with Ministers, Members of Parliament and senior federal and provincial officials. Their research covered more than 500 books, articles and reports on the subject. They produced three reports, the second about 1,200 pages long and containing 285 recommendations. Therefore, I am indeed surprised to hear Hon. Members saying that the issue of security in Canada has not been examined. Strange as it may seem, the Opposition Parties often quote the McDonald Report, but only when it suits them.

While the McDonald Report speaks for itself, and I think that the Government, and we shall see later on . . . I read somewhere the following opinion given by Professor Peter Russell with respect to Bill C-9: "It is a pretty good Bill. I cannot think in living memory of legislation coming as close to a Royal Commission's whole set of recommendations as C-9 now does". Professor Russell concluded with: "Let's get on with the job" . . . and a subtle recommendation for approval or enactment of Bill C-9.

Mr. Speaker, as you know, last year Bill C-157 was tabled, and at the time it gave rise to some serious questions by groups and individuals. Bill C-157 was referred to a Special Committee of the Senate, and I might refer the House to a statement by Mr. W. A. Wilson . . . If the Hon. Member for Burnaby insists, I am quite willing to table the document! In an article published on June 2, 1984, and I cannot quite read the name of the newspaper, Mr. Wilson said that the report of the Senate Committee chaired by Senator Michael Pitfield was one of the best reports ever produced here in the Senate and that the Senate had every reason to be proud of producing such a document.

The Senate Committee heard more than thirty individuals and groups, and received more than fifty representations or letters. Last January, realizing that Bill C-157 was raising serious questions, the Government, through the Solicitor General, tabled an amended version of Bill C-157, now known as Bill C-9. The new Bill C-9 contained forty amendments made by the Government. Subsequently, at the committee stage, the Government added seven more amendments. When we proceeded with clause-by-clause consideration, the Government accepted several amendments which, although minor, helped to improve considerably the original version of the Bill.

Mr. Speaker, I think it is clear that today, we have a motion for time allocation because Opposition Members, and the New Democratic Party led the way in this respect, have given us no other alternative but to ask the House to limit debate. At the second reading stage, we had six days of debate and fifty-seven speeches. The Committee on Justice and Legal Affairs met for two months. In those months we had forty-three meetings and eighty-five hours of debate. We heard twenty-five individuals and groups, we received fifty written representations, and the Solicitor General attended the proceedings of the Committee for fifty-nine hours at twenty-four different meetings. If, after all that, no consensus could be reached in Committee or in the House, I think that even if we continued debate for many hours and many days, we would never get anything more substantial from the New Democratic Party, the NDP, also known as the Non-Decision Party, a party that has a habit of talking instead of making decisions. We had a taste of that in committee! The Hon. Member for Burnaby talked for hours on end to try and hold up committee proceedings.

In the circumstances, Mr. Speaker, we have no choice—these will be my last words—but to move the motion for time allocation, and that is why I support the motion.

[*English*]

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, the Parliamentary Secretary has attacked the NDP as leading the opposition to this Bill. On behalf of the NDP, I proudly stand here to add to that opposition. It is a proud tradition. In this House, NDP Members have stood against the tidal wave of public opinion to oppose the taking away of the property of Japanese Canadians. We stood against the War Measures Act and we stand against this Bill. I believe that history will prove us right as it has proven us right in the past.

The Parliamentary Secretary is missing the point. The point is not that security in Canada has not been debated. Of course it has been debated. It has been debated for a long time. Canadians may get tired of the debate, but it is a tough debate and it is a tough decision. Yes, we had the McDonald Commission, but that is not the point. We are dealing with this Bill and we should focus on it. This Bill is a flawed Bill. It must be

corrected because this subject is too important. This is one of the most important subjects which the House has tackled in this Parliament since 1980.

I can recall the debate on the Alaska pipeline. Closure was moved on that Bill. I can recall the debate on the Constitution and the debate on the National Energy Program. This Bill ranks with those kinds of fundamental debates and fundamental decisions which will affect the future of Canada. Frankly, I find it unbelievable that this Government should now bring in that Bill, which is a seriously flawed product of a lame duck regime.

● (1640)

I have heard Hon. Members bringing John Turner into the debate this afternoon and in a way, criticizing him, for this Bill. I would exclude that criticism. We are dealing with the Trudeau Government, and we are dealing with a lame duck government, which has no right to bring in this seriously flawed legislation at the end of a session, because this legislation is going to have such an incredible effect on the country. I say it is a Trudeau Bill because it bears all the earmarks of the Trudeau-Pitfield elitist form of bureaucracy. It creates a small security service which will not be accountable to Parliament or to anyone. I predict it will get out of control. The problem with Revenue Canada will be nothing compared to what is going to happen here. The political masters will not be able to control this service. This represents the kind of elitist centralized small bureaucratic thinking which was the great flaw of the Trudeau-Pitfield years. We are seeing that in spades in this Bill.

It is unbelievable that Liberal Members should support this kind of flawed legislation at the dying end of a session. I suggest to you, Mr. Speaker, that they should call an election on this legislation and that we leave the Bill right where it is. Let them leave the Bill now and go out to seek a mandate. If they get one, let them come back and then we can start off from where we are right now. We will get agreement from the other Party. I suggest that to the Solicitor General and I challenge the Liberals to do that. But they will not do it. They would prefer to hurry this Bill through Parliament.

The Hon. Member for Burnaby (Mr. Robinson), who is to be congratulated for his great work on this Bill, and the Hon. Member for Vancouver South (Mr. Fraser), who spoke today, gave two of the best speeches I have heard since I came to the House of Commons. They were hard hitting speeches which took to task the national press for its coverage of this Bill. That is a hard thing to do for a Member of Parliament, but it was the right thing to do, because the Canadian people are asleep right now and the press is asleep in letting this kind of Bill go through. There is an exception, Mr. Speaker, and that is *The Vancouver Sun* who published an editorial. *The Toronto Star,* for example, said the Government should push the Bill through, "You heard 25 witnesses or so. Push the Bill through". But it forgot to say that most of those witnesses were against the Bill and that the Bill was seriously flawed. I will quote from the editorial in *The Vancouver sun.* It reads:

But the opposition parties must fight tooth and nail to prevent the government from ramming through its security and intelligence legislation—

Well, we are fighting tooth and nail. The editorial continues:

It is not just civil liberties groups that have condemned the legislation. Doctors and lawyers, labour and religious organizations, provincial attorneys-general and, yes, even some Liberal MPs have serious misgivings about it.

The language of the bill is simply too broad and loose to assure Canadians that their fundamental rights and liberties would not be infringed by the new civilian security agency.

It is not just outside sources like *The Vancouver Sun* which say that. Roy McMurtry, the Attorney General of Ontario, is quoted as saying:

It is critical in developing laws to protect our freedoms that we do not by these very laws destroy the very freedoms that they are meant to secure.

This law will destroy those freedoms. I suggest that Hon. Members opposite should seriously consider whether they should vote for this Bill. They should not be muttons or sheep, as they have been called. I suggest that those Hon. Members look at Issue No. 16 of the committee report. The Hon. Member for Burnaby asked Mr. Stewart, who lead a group from Vancouver, this:

What effect do you think that would have on the nature of dissent and certainly on the activities of the groups you represent?

He was referring to closure on the Bill and bringing this Bill through right away. Mr. Stewart answered:

I think it would have a couple. It would make some people quite cautious about what they did. You see, when you leave a tinge of suspicion in people's minds . . . We all know the police never investigate anyone without cause; that is drilled into us at school and is certainly confirmed in every day experience for a lot of people. If that general public view is maintained and we see that the Bill as it is presently written makes its way through the House, I think it will have a real sensory effect on a lot of activity.

In other words, it will stop dissent, legal dissent, in this country. Mr. Stewart continued:

That is one thing that will happen. It is going to make a lot of people very angry. It is going to make things much worse than they presently are, I believe. If people believe normal activities of dissidents, of protest in this country, are being closed down, I believe some people will be more likely to use alternative methods.

And we will see more of the Squamish Five, and that nonsense rather than less, if we pass this kind of a police state type of Bill. Mr. Stewart continued, and I will quote it in French for the Parliamentary Secretary:

Le résultat, comme le donne à entendre notre mémoire, c'est la fin du régime démocratique au pays. Cela aurait pour effet que la police chargée d'assurer notre sécurité deviendrait, à la fin du compte, des gardiens de prison.

I will repeat it in English. He said:

What that does in the end as our brief suggests, is close down democracy in this country. That would be the net effect; that these police who are here to look after our security would, in the end, become our jailers.

I think Mr. Stewart put it very well. The Hon. Member for Burnaby said in his speech that this Bill is unprecedented, that it gives new powers to the police to open first class mail. Do Liberal Members of Parliament want that? Do their constituents want that? It gives access to medical records. Is that what those Hon. Members want? Do Canadians want that? Do they want to give access to their medical records? It gives access to income tax returns. Do Hon. Members in this House and the

people watching want to see this happen? It allows people to target Canadians who have broken no law at all. The definition clause, Mr. Speaker, will make it easy to go after legitimate groups who voice their dissent.

I believe the Government, in sneaking this legislation through, thinks that the people do not care. I was at a pot luck supper in Vancouver last weekend. A woman stood up and said that we need to support Svend Robinson on this Bill, and some people wrote on the tablecloth about stopping the Bill. I went to the Maritimes and people asked me questions there about this Bill. They asked, "Are they taking away our liberties?"

I would like to conclude, Mr. Speaker, by saying this: This is a flawed Bill, for all the reasons which other Hon. Members have given. The Government is pushing this Bill through and accepting no amendments. Let the Government accept some amendments to the Bill. Many of us in this House, Mr. Speaker, have spent our lives fighting for civil liberties, for law in this country, and now we see a Bill that in fact attacks what is the nature of Canada itself. There is an ink blot, Mr. Speaker, on the Charter of Rights. It is a small blot, an act of some crazy person. But this Bill, if it passes, will do something worse. I feel that in the end it will kill the spirit and the letter of that Charter of Rights. The Liberal Members, the people of this country and the press, would be wise to take another look at this Bill before hurrying it through.

Mr. Howard Crosby (Halifax West): Mr. Speaker, let me begin my remarks on Bill C-9, which establishes the Canadian Security Intelligence Services, by referring to two matters which I believe are vital to this debate. First and foremost, Mr. Speaker, is the survival of the Canadian parliamentary democracy and the vital effect it has on our society, both in political terms and in real terms for the Canadian people. Second, I want to speak about the status of the Royal Canadian Mounted Police as Canada's national police force, and how it is affected by Bill C-9 and this process to which Bill C-9 has been subjected.

Let me say first, with respect to parliamentary democracy, that the purpose of having elected representatives and the whole idea being a parliamentary democracy is to invoke an evolutionary process in order to establish the laws by which Canadians are governed. That evolutionary process is designed to prevent and preclude the development of a revolutionary process. It is interesting to note that the previous speaker, the Hon. Member for Vancouver-Kingsway (Mr. Waddell), referred to what may be a revolt on the part of the Canadian people with respect to a legislative measure such as that contained in Bill C-9. We are denying the parliamentary democracy which was established for Canadians over 100 years ago by taking the steps in this House of Commons which are being taken by the Solicitor General (Mr. Kaplan) and his colleagues in the Government and in the Liberal Party. We are denying the opportunity for that evolutionary process to go through whereby we establish to everyone's satisfaction that a legislative measure brought to Parliament has the support of the Canadian people. That is the end test.

I agreed with the Hon. Member for Vancouver-Kingsway, for once in our political lives, when he said, "If the Government is so sure of its position on this matter, let it be tested by the people". Let us go before the people and ask them whether they want Bill C-9 passed. Let them decide whether they want Bill C-9 passed. Let them decide whether they want a Canadian Security Intelligence Service in the form which is proposed in this Bill. But that is not what the Government wants, Mr. Speaker. That is not why it is rushing this Bill through the House of Commons, to get it stamped with the approval of Parliament so it can be a *fait accompli* before the Canadian people even get to realize and recognize what is part and parcel of the provisions of Bill C-9. The Government wants to put this dramatic and drastic change in our national police force behind it before government Members have to face the Canadian people. Unfortunately, they know that the public's memory is short. If the Bill can be enacted and the Canadian Security Intelligence Service created and put into operation, it may be forgotten. There will be complaints across Canada from a great many people but there will be no widespread movement against the action taken by the Government. The public will not blame the Government of Canada.

• (1650)

The Liberal Party has just gone through a dramatic national convention at which all the candidates, particularly the successful candidate, spoke of the need to reform the institutions of Parliament and Government. What a mockery! They talk about reform and then come into the House of Commons and clamp closure on such an important legislative measure. I cannot believe this was done without the consent and concurrence of the future Prime Minister, Mr. Turner. I cannot believe that the Solicitor General would introduce a drastic measure without consulting with the future Prime Minister. Let us make it very clear. We are casting the blame on the future Prime Minister, Mr. Turner, for this Bill. He will be the J. R. Ewing of Canadian politics. He will be the backroom schemer who directed that these actions take place and then, when the deed is done, he will come into the House and deny any knowledge or participation in that deed. But he is not going to fool anyone because it is now on record. We know that the actions of the Solicitor General must have the consent and concurrence of the future Prime Minister or we will not see the Solicitor General sitting where he now sits. We are not going to let Mr. Turner forget this measure. We are not going to let him pretend it was done by someone else at some other time. It demonstrates very effectively and for the record what Mr. Turner's attitude is toward parliamentary reform and reform of the Canadian institutions he regards as vital.

I am sure, Mr. Speaker, that history will regard the past 16 years as the Trudeau era. Among other things it will be marked in the eyes of the public by the downfall of the Royal Canadian Mounted Police. Do not kid yourself, the RCMP is not the national force it was 20 years ago. It does not have the high regard of the Canadian people. One of the difficulties is the government Party's representation across Canada. The RCMP are the police force in some provinces of Canada, but

not in others. It is not difficult to determine where the RCMP operate as the provincial force and where Liberal members have constituencies. In the Province of British Columbia, where the RCMP operate as the provincial force, there are no Liberal members. The same thing is true in Alberta. In Saskatchewan it is the same thing, there are no Liberal members. There are two Liberal members in Manitoba where the RCMP are the provincial police force. Then we come to Ontario and Quebec where there is a very substantial membership in the Liberal Party but the RCMP are not the police force. Then of course in each of the maritime Provinces RCMP operate as the provincial force. The fact is that the majority of Liberal Members in this House is not familiar with the RCMP. It is not the provincial force in their province—

Mr. Evans: What absolute nonsense.

Mr. Crosby: —so they do not mind denigrating and degrading that institution. That is what they are doing in this Bill.

Mr. Evans: Do you like the sound of your own voice?

Mr. Crosby: The Hon. Member for Ottawa Centre (Mr. Evans) speaks out again when he knows nothing about the subject. I challenge him to compare his knowledge of the RCMP with mine.

Mr. Evans: You sat there in committee every day, didn't you?

Mr. Crosby: We have talked about the RCMP and the opinion that Canadians now have of that force. What about Clifford Olsen and the money paid to find his victims? Then there is David Shearing. They could not find the murderer of three generations of one family even though he lived 300 yards from the scene of the crime. Noel Winters pleaded guilty to two murders while another two victims lay within yards of his house but were not found until after the case was completed and he was in jail and had confessed to the murder.

Mr. Evans: Who are you blaming that on?

Mr. Crosby: That is the kind of police activity that scares Canadians. We have to take another look at the RCMP. We have to provide them with more facilities and better support so they can do the job they are required to do under provincial laws. But what does the Government do? It erodes the status of the RCMP by taking away one of their vital functions. What does the Government want to provide in place of the RCMP, a national institutions which has been in operation since this country began? It wants to develop a spy network. As the newspaper says, the Government is going out and hiring spies.

The Solicitor General said that the RCMP must operate on a cost recovery basis in all the provinces. That is a direct encouragement to the provinces to form their own police forces and destroy the RCMP. I can tell the Solicitor General that his Security Intelligence Service is not going to work. He will recruit the worst kind of operative and the people of Canada will have to pay for his errors.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I want to say a few words in this closure debate. I am not blaming it on the present Prime Minister (Mr. Trudeau); I am blaming it on the future Prime Minister. If he is going to be the leader, he should be the leader. I have no doubt in my mind that this closure is his doing. Otherwise the Solicitor General would not have brought it in. The Hon. Member for Vancouver-Kingsway (Mr. Waddell) blamed it all on the Trudeau-Pitfield group. They talked about reform at the national convention, but it is the same old group. They introduced closure again so that the people will not know the facts. When will the Government ever learn? It introduced closure on the National Energy Program and destroyed an industry in western Canada. It introduced closure on the Crow Bill and destroyed the farming industry. It ruined the cattle and hog and the processing industries. Then the Members opposite stand up as if they had done something wonderful. They have a celebration over the killing of the Crow. They did not kill the Crow, they just transferred it from western Canada into the boardroom of the CPR, and probably Mr. Turner had something to do with that. The CPR is getting all the benefits, the shortfall and the increased freight rates. It is getting everything, and who is paying? The farmers of western Canada. Members opposite can smile if they like, but the farmers of western Canada are not going to elect a director of the CPR as the Prime Minister of Canada, I will tell you that.

I want to say a few things also about reform. When the Members opposite talk about reform they mean deform. That is what they are doing in this House. They are not reforming anything, they are deforming, defacing and destroying democracy. They are totalitarian in aspect and outlook. Democracy reflects the thinking of the people. The Members do what the people want. Is this Government doing what the people want? No! It ignored our amendments to the Crow Bill. It ignored the amendment to the NEP. One destroyed an industry and one is destroying an industry.

The Acting Speaker (Mr. Herbert): Order, please. I regret to have to interrupt the Hon. Member but—

Mr. Evans: A point of order, Mr. Speaker.

The Acting Speaker (Mr. Herbert): The Parliamentary Secretary to the President of the Privy Council (Mr. Evans) is rising on a point of order.

* * *

BUSINESS OF THE HOUSE

Mr. Evans: Mr. Speaker, I wish to advise the House that the order of business to be considered at 6 p.m. will be continuation of the debate on time allocation.

● (1700)

[*Translation*]

The Acting Speaker (Mr. Herbert): Order, please. It being 5 p.m. the House will now proceed to the consideration of Private Members' Business as listed on the Order Paper.

PRIVATE MEMBERS' BUSINESS—PUBLIC BILLS

[*Translation*]

The Acting Speaker (Mr. Herbert): Shall all orders and items preceding No. 96 stand by unanimous consent?

Some Hon. Members: Stand.

The Acting Speaker (Mr. Herbert): Stand.

* * *

[*English*]

REPRESENTATION ACT, 1984

MEASURE TO ESTABLISH

Mr. J. R. Ellis (Prince Edward-Hastings) moved that Bill C-242, an Act to stabilize the representation in the House of Commons, be read the second time and referred to the Standing Committee on Privileges and Elections.

He said: Mr. Speaker, I would like to begin my remarks by referring briefly to the Bill itself. I would like to read into the record the two short amendments which are the subject of this Bill. There are only a couple of clauses in the Bill. Clause 2(1) reads:

This amendment would dispense with the necessity of a readjustment of federal electoral districts based upon the 1981 census. The most recent readjustment, based on the census of 1971, did not finally come into effect until the election of 1979. The adoption of a revised representation formula in the year 1974, after an initial readjustment had taken place, required the whole process to be repeated a second time. The amendment would spare the public from further confusion and expense on this account during the 1980s.

Clause 2(2) reads:

This amendment would maintain the size of the House of Commons at approximately its present strength. The relative representation of the various provinces is determined by a formula found in Rules 1 through 6 of section 51 in which one province, Quebec, serves as the reference point. Quebec's representation now stands at 75, but is to increase by four with each successive readjustment of electoral districts, producing a corresponding increase for other provinces through application of the formula, which takes into account relative populations among other factors.

By virtue of this arbitrary increment, it is estimated that the number of members will rise from 282 to over 300 at the next redistribution. However, if, as proposed by the Bill, the figure for Quebec were held constant at 75, the figures for the other provinces would also remain steady under the formula, unless their population grew at a rate significantly higher than Quebec's.

The amendment would leave intact the formula itself, which was arrived at after extended negotiations among members of all parties in Parliament. At the same time, it would avert the expansion of the House of Commons to unwieldy proportions by the year 2001.

In preparing to discuss this Bill this afternoon I took the time to go back and look at my speech on a similar Bill, Bill C-276, which I introduced in this House in Private Members' Hour on July 23, 1982. I distilled the 20-minute speech I made at that time to a very few points. The point was made in debate that large ridings with twice the population of the average riding received only half the representation. I agrued then, as I would argue now, that large ridings, usually urban ridings obviously, because of the concentration of population and the growth in population following a census, received equally good representation from their Members as those ridings in Prince Edward Island, for example, where the total population of a constituency is perhaps 25,000 or 35,000 people.

My colleague, the Hon. Member for Brampton-Georgetown (Mr. McDermid) and his neighbour on the other side of the House, the Hon. Member for Mississauga North (Mr. Fisher) sometimes complain that they have difficulty in attending to all the mail and phone calls they get. I have a great deal of sympathy for that position. I suggest, however, that increasing the number of Members of Parliament in the House of Commons is not the answer. There are a great many ways that the workload can be made easier for them. I will deal with some of them in a little while.

We only have to go south of the border to see that our counterparts there in the House of Representatives have an average of 400,000 people in each of their constituencies, while we have, on average, less than 100,000. I suggest to you that our constituents are not four times better served in Canada. I would make no comparison between the two. I am confident that our colleagues south of the border do their very best to serve their constituents as we do. The number of people in a constituency is not any reason at all to enlarge the House of Commons.

I also took some time to look at the speech given by my colleague, the Hon. Member for Red Deer (Mr. Towers), on January 13, 1981 when he introduced a Bill not dissimilar to mine in intent, although there was some lack of similarity in the wording. Bill C-223 was finally referred to the Standing Committee on Privileges and Elections but unfortunately, despite the excellent arguments made by my colleague from Red Deer at that time, the Bill died there. I do not intend to go into detail on the arguments that were made by my colleague at that time. Not unreasonably, they dealt primarily with the way the Bill would affect western Canada. However good his arguments were, the committee, with a majority from the Government Party, allowed the Bill to die and no action was taken.

I could make the partisan argument which my friends on the government side of the House may well want to consider, that is, that leaving the membership of the House as it is how would be better for them than it would be for Members on this side of the House. If you were to follow the redistribution process and add, as is required now, four more seats to the

Province of Quebec, you would indeed add over 30 seats to other provinces, primarily Ontario, Alberta and British Columbia. Given the preponderence of the members of this political Party in those provinces, it would seem to me that any cautious Liberal Government would not want the membership of the House to increase since it would obviously stand to lose in an election. We could use that argument, but I do not think it is a particularly valid argument. I happen to think that in the next general election there may well be a major shift in the representation of our Party from Quebec and certainly a large increase in Ontario. If the Government Party wants to look at it that way, it may well want to support this Bill.

I intend to deal with what I perceive to be the need or, more correctly, the lack of need for the enlargement of the House of Commons. In legislation the House of Commons primarily reacts to the need of the population of Canada. In those instances where the Government has very rashly gone against the wishes of the electorate in general—instituting the metric system and doing away with capital punishment are two examples of this—there have been repeated requests by the population in all provinces to undo those measures. Those are two examples of which I can think where there was a general outcry from the public to take action. Where does anyone hear a general outcry by the public now to increase the number of Members of the House of Commons, to increase the spending that goes with it, to increase the bureaucracy and the office space and to increase the services and amenities? Where is the general outcry for that? I suggest that it is really not there.

• (1710)

Having said that, I want to interject one note. I have been a member of the Management and Members' Services Committee for some years. I know that you have sat on that committee from time to time, Mr. Speaker. However, I have sat there longer than any other Member, barring one, since its inception. I want to say that with a new administration in the House of Commons brought in by the previous Speaker, the increases in the House of Commons itself, as opposed to the increases in general government spending, have been very much in line. As a matter of fact, those increases have been kept to 5 per cent or less over the past few years at a time when other Departments have gone to 15 per cent and as high as 20 per cent increases. Even so, at the time when my colleague, the Hon. Member for Red Deer, was debating his Bill, the cost of the House of Commons stood at approximately $100 million. In 1984, the cost of the House of Commons has risen to $146 million. Surely there is no desire on anyone's part to increase that cost.

As you will be aware, we have introduced for the benefit of Members of Parliament a system that goes by the name of OASIS. That stands for Office Automation System and Information Services. That system, which in part could be brought on stream later this month, will be the finest electronic system in any legislature in the world when it is completed. I say that with a great deal of pride, having been part of the body that has worked on that system over the past few years.

Indeed, we have been consulted by members of other legislative bodies. Most recently there was a small group from the United Kingdom here to look at what we were doing. That system will allow present Members of Parliament to serve their constituency far better and easier than they have in the past, yet it will continue to provide Members with the background information that is necessary for them to serve in the House of Commons, perhaps to a greater degree than they presently are.

It seems to me that there is within the system the promise of the ability for all Members of Parliament to serve double and indeed triple the number of people whom they already serve. If this is the case, where is the justification for enlarging the House of Commons? There is no justification. There is no justification for the disruption caused by the changes in boundaries. We have all gone through them. While I do not say this to denigrate urban areas, we know that particularly in rural areas Members can drive down a country road and know every resident along that road. When the Government arbitrarily redistributes the boundary lines and sets out new areas so that people can participate in the next election, citizens become terribly upset. They have been used to dealing with a constituency. They are used to dealing with the people in the area. To have that changed is an unnecessary disruption.

Let me use my own constituency now and my former constituency prior to the redistribution as an example. Over the years, the people in Hastings County have obviously dealt with the City of Belleville as their county seat. They are used to listening to the radio from Belleville and watching television from that area. They are used to using the telephone book and newspapers emanating from Belleville. When the Government arbitrarily changed that and chopped Hastings into two ridings, they found themselves torn apart.

While my colleague, the Member for Hastings-Frontenac-Lennox and Addington (Mr. Vankoughnet), does a good job of serving those people whom I previously served, nevertheless they do not relate to the town of Napanee. They do not read newspapers from the town of Napanee. They do not find the town of Napanee in the telephone book. There is a distinct confusion when this happens.

There is no justification for the disruption. There is no justification for the confusion, and certainly there is no justification for the expense that would follow a redistribution which would increase the number of Members of this House to perhaps 310 members. Just the physical problem alone of putting 35 Members within this Chamber would be tough enough. Despite all that confusion, disruption and expense, there is simply no justification for increasing the size of the House of Commons.

I ask my colleagues within the House today, rather than talking the Bill out, to allow it to go to the Standing Committee on Privileges and Elections. Perhaps we will still have an opportunity to deal with it in some depth before the end of the session.

Hon. John M. Reid (Kenora-Rainy River): Mr. Speaker, I want to congratulate the Hon. Member for Prince Edward-

Hastings (Mr. Ellis) for bringing this subject to our attention at this time. It is a timely subject because we are just on the eve of the redistribution order going out which will make into law the recommendations of the redistribution commissions across Canada.

I can sympathize with his remarks about rural constituencies. When I was first elected in 1965, I had a small, compact riding of approximately 45,000 square miles. As a result of two redistributions, it is now 155,000 square miles. I can understand the pressures that rural Members come under in trying to serve ever-increasing geographical areas as well as ever-increasing numbers of people scattered over a wider geographical base. There is no question that it makes life more difficult for those Members and that it also reduces the quality of the representation that people in rural areas get because their Members are spread over such a wide distance.

Having said that, I think I should return to the terms of the Bill and point out to the Hon. Member and the House that, according to the Constitution of Canada, we are obliged to have a redistribution of parliamentary seats after each census. I was the Parliamentary Secretary to two Presidents of the Privy Council in the 1970s who had the responsibility of bringing forward the current legislation based on what we call the amalgam method.

I recall very well the original Bill for redistribution as put forward by the then President of the Privy Council, the current Deputy Prime Minister and Secretary of State for External Affairs (Mr. MacEachen). That Bill provided that there would be a redistribution in which there would be a decrease in the House of Commons of one seat from 265 to 264. Hon. Members will recall the outcry, the outrage and the viciousness of the attacks on the Government not only from the four Opposition Parties in those days but from the back-benchers on the government side at the horrendous changes the redistribution Bill would have made to the House of Commons. What it would do in effect is to take away seats from five or six provinces and redistribute them to Ontario and, I believe, to British Columbia. There was a vicious debate that went on over a period of time until the Government got the message and, at the final moment, intercepted with a piece of legislation that interrupted the process. It was clear from that debate and the arguments in the House of Commons and in committee that the House was not prepared to accept a redistribution that would involve the loss of seats to smaller provinces.

• (1720)

As a result of that commitment, which the Government was forced to accept, the Standing Committee on Privileges and Elections was re-established to look into the matter, and the Government, after the election of 1974, came down with a series of proposals which were put before that committee.

One of the problems is that the Constitution of Canada provides for a form of representation in the House of Commons based on representation by population. We have never done that in the absolute. We have always tended in that direction but we have never attempted to apply that principle across the board. We have always recognized that there are very large provinces, very small provinces, and some in the middle. We have always recognized that provinces require a certain level of representation in the House of Commons. There have been a number of formulae in various Acts which have protected the position of small provinces. It was really not until the great demographic changes of our country in the 1950s and 1960s, which led up to the redistribution of the 1970s, that we realized that the old system would no longer work. Therefore, a drastic overhaul was called for.

In the case of the proposition that representation was a major point of the exercise, three other principles also were developed to protect it.

The first was that no province could have fewer Members of Parliament than it had Senators. This principle protected, for example, Prince Edward Island and New Brunswick. This principle was added in 1915. The second principle was that no province could lose more than 15 per cent of its representation in a redistribution. This was added in 1952. The third principle was that no province could have fewer Members in the House of Commons than a province with a smaller population.

The problem was how to balance all of these conflicting problems. Furthermore, how could you balance these conflicting problems in light of what happened from 1972 to 1974 when it was clear that the House would no longer accept the principle that provinces could lose seats? Even with these three principles, the provinces had to be protected.

The difficulty was finding a new system. When the Privileges and Elections Committee met in 1974, it had five propositions before it which were designed to give the committee a variety of options. The committee, after investigating, chose the one which the Government proposed, the amalgam method. Why? Because that seemed to satisfy the requirements. As a result, the committee accepted it with a certain amount of enthusiasm. When the committee examined what could be done with the other four recommendations which the Government had presented, it decided that the amalgam method made the most sense. Second, the committee cast its net as broadly as it could among those few experts in Canada who knew anything about redistribution, and it was unable to come up with any other interpretation that would be satisfactory. The consequence was that, with some minor amendments, we ended up with the amalgam system and it went into effect in the redistribution which took place in the election of 1979.

I can certainly agree with the Hon. Member for Prince Edward Hastings that every sitting Member at that time who went through the redistribution found it an extraordinarily painful process. The problem we face today is that this is the second redistribution under that formula. As the Hon. Member for Prince Edward Hastings noted, the size of the House will increase substantially.

Mr. Munro (Esquimalt-Saanich): Shame.

Mr. Reid (Kenora-Rainy River): The question we now have to decide is whether that redistribution should take place,

whether it will provide better representation for Canadians, whether it will be neutral or whether it will produce less representation for Canadians. Like the Hon. Member for Prince Edward Hastings, my own personal prejudice, quite frankly, is toward a smaller House. I would prefer a smaller House.

Some Hon. Members: Hear, hear!

Mr. Reid (Kenora-Rainy River): I was here, like many other Members, when the House consisted of 264 Members. When we had the elections in 1979 and 1980, I was rather overwhelmed with the impact that another 12 Members could make in the House of Commons. But nonetheless I believe the question has to be looked at basically from the view of the smaller provinces, and whether or not their position in Confederation would be better or worse. Second, what will be the quality of representation available to the rural areas. If you do not increase the number of seats, then clearly any redistribution that takes place will quickly move seats from the rural areas into the cities. We all know why. The cities are growing more rapidly than the rural areas. Third, we know that population is moving from smaller provinces to the larger provinces. Fourth, if we do not provide additional seats, these tendencies will be hastened with a smaller House and will be made far more difficult.

I was of the opinion that the proposals of the Right Hon. John George Diefenbaker, who led the charge against the Electoral Boundaries Readjustment Act of 1972, would, in effect, have an adverse impact on his home province of Saskatchewan, on Manitoba, and on the Maritimes. It struck me that those provinces were better off with a system in a smaller House where their Members would have more clout than in a bigger House where their Members would make up a smaller proportion of the whole. I argued that point with Members from Manitoba, Saskatchewan, and the Maritimes. But so overpoweringly difficult was the concept that provinces would lose seats, that some provinces would come down to their Senate floor, and that some provinces would have enormous problems of compression when it came to the redistribution of seats that, by and large, they opted for the easy way out, which was to expand the membership. Having done that, and having agreed to that proposition, we ended up with the question: if you added 12 Members, what would be the status the next time? Could you just live with the increase of 12 Members? When you examined the demographics of the situation, you came immediately to the proposition that you could not, that you would end up with exactly the same proposition in the next redistribution. Therefore, the amalgam method was designed to provide a controlled increase of the House over three redistributions where it was thought it would level off and hold.

We are debating whether or not this should go forth. I believe that we have to look back to what our reactions were in the 1972 to 1974 period. It is my view that we cannot ignore the judgment we made at that point. Those of us who represented rural ridings know what happened even with the increase in seats. My constituency in the Province of Ontario, which received seven additional seats, I believe, tripled in geographical size, and in terms of population increased from about 52,000 to about 78,000, an increase of over 50 per cent. The representation of those people in that geographical area is a very difficult job for whoever happens to be the Hon. Member for Kenora-Rainy River.

● (1730)

This was not an isolated case. If we take a look at rural Canada and at rural Ontario, we find that the rural ridings expanded pretty well all over, except those which had a significant urban population moving into the edge of it, for example, Nepean-Carleton at one point.

The dilemma is how we provide representation which will be acceptable. As a result of the premises which I have outlined that no province should lose seats, that no province should be in a position of going below its Senate numbers and that no province should have fewer Members in the House than a province with a smaller population, if we accept those principles we are in a conundrum. We would be in a conundrum if we stopped it at the population of the House of Commons today, at 282.

I doubt the redistribution commissioners would be any more successful in satisfying the House now than they were in 1974 when their last propositions came forward. It seems to me that that is the nub of the problem. The nub of the problem is how we represent all parts of Canada on an equal base. How do we represent all parts of Canada on a relatively equal population base or on a relatively equivalent regional base? In other words, how do we square the circle?

When we studied the present system in committee, we realized that it was certainly not perfect. It has great difficulties. It operates in some ways very irrationally, according to the formula we have laid down, but only because the conditions we have built into the formula are somewhat contradictory and somewhat irrational. Therefore, I regret that I cannot support that proposition of the Hon. Member for Prince Edward-Hastings (Mr. Ellis) because it does not deal with the conundrum facing us at this time. I know that he and the Hon. Member for Red Deer (Mr. Towers) have been very aggressive in arguing the point that we should stop. However, it seems to me that where they have been deficient is in not being able to tell us how to resolve the very real regional, provincial and local conundrums into which we keep running.

Ideally it would have been practical to put into place the original proposition of the then President of the Privy Council, the present Secretary of State for External Affairs (Mr. MacEachen), but it was unacceptable. If the Government had come before the House with a similar Bill today, it too would have been unacceptable. It would have been acceptable to certain provinces in the West. Certainly it would have been acceptable to many provinces in the East, but probably it would have been unacceptable to Ontario, Quebec and British Columbia as well. We have a very real problem in balancing the considerations of locality, provinciality and regionalism.

I should like to go one step further and talk about the Bill presented by the Hon. Member for Prince Edward-Hastings. There is a bit of a technical problem with the proposition he has raised. In dealing with some of the details of this matter, it would be helpful for Hon. Members to understand just exactly what are some of our problems. Let me start first by looking at the explanatory notes to the Bill. They indicate:

The relative representation of the various provinces is determined by a formula found in Rules 1 to 6 of Section 51 in which one province, Quebec, serves as a reference point.

That is partly right and partly wrong. It is true that there is a base number of seats for Quebec. This is stated in Rule 1 under Subsection 51(1) of the Constitution Act. The number of seats allocated to Quebec is to rise at each subsequent redistribution by four. Under Rule 2, the electoral quotient for Quebec is divided into the population of each large province to determine the membership of the large province in the House of Commons. A large province is defined as any province other than Quebec having a population of more than 2.5 million. Following the 1971 census, only Ontario was categorized as a large province. Following the 1981 census, British Columbia was also included in this category.

The technical problem with the Bill is that the number of Members for small provinces, that is those with less than 1.5 million people, and for intermediate provinces, that is between 1.5 million and 2.5 million people, is calculated independently from the electoral quotient for Quebec. There is no relationship between their quotient and that for Quebec.

For small provinces, an electoral quotient is obtained by dividing their total population at the penultimate decennial census by the number of Members assigned to those provinces in the readjustment following the completion of that census. In other words, the practice is completely different, taking into account this census and the last census, as opposed to how we calculated for the large province where it is only done on the basis of population for that particular census.

Having done that, the quotient is then divided into the population of each province at the most recent census to determine its representation in the House of Commons. The Senate floor rule then comes into play. It prevents any province from having fewer seats than the number of Senators who sit for that province in the Senate. In the redistribution which led to the Representation Order proclaimed on June 11, 1976, the computation resulted only in Prince Edward Island being entitled to one seat and New Brunswick to nine. However, the Senate floor rule raised Prince Edward Island to four and New Brunswick to 10.

If Hon. Members thought that was difficult, they should look at the computation for what is called the intermediate provinces. It is more complicated. Again it is not determined by the electoral quotient for the Province of Quebec. It is calculated independently. In the last redistribution we had only two provinces in that category—British Columbia and Alberta. Under the present redistribution, British Columbia has moved into the large province size and Alberta is the only province which sits in the intermediate sector. I think Hon. Members understand the difficulty with the proposal of the Hon. Member for Prince Edward-Hastings.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, having been a Member of Parliament through two redistributions—and perhaps I will be one through the third redistribution—I understand the concerns of the Hon. Member who made the proposal today. While he has raised and described the difficulties, he has not really answered any of the problems. He suggested at one point that what we have now was brought forward by the Government. That is true only to the extent that anything that passes Parliament is brought forward by the Government. The fact is that the present system which led to the increase in the number of Members of Parliament was agreed to by the majority of the House of Commons and, if I remember correctly, by a majority from every Party. The reason it was agreed to was because many Members of Parliament realized the tremendous difficulties which would be created if we did not increase the size of the House.

When I was elected I represented 125,000 people because in the years before the 1962 election my part of Winnipeg, like so many other areas and cities across Canada, had experienced a very rapid expansion. I had more people in my constituency than lived in the Province of Prince Edward Island. When there were federal-provincial meetings, I would ask why I could not be present because I represented more people than did the Premier of Prince Edward Island.

Let us look at what would happen if we do not increase the number of Members of Parliament. The Hon. Member for Kenora-Rainy River (Mr. Reid) has gone through a description of how the number of seats is allocated to each province. In the Province of Manitoba, which I represent, we went from 14 seats when I was elected to 13 seats. We could do the calculations very easily. In about 25 years, Manitoba would be down to ten seats. We would stay at ten seats only because that is the number of Senators for Manitoba. Saskatchewan, Nova Scotia and New Brunswick would be in the same situation. The largest provinces would have more members and the smaller provinces would have fewer members.

• (1740)

That is not the whole story, or even the worst part of it. Of 14 constituencies in Manitoba, the constituency of Churchill covers two-thirds of the geographic area of that province. CLose to 60 per cent of the people of Manitoba live in the metropolitan area of Winnipeg. The same situation exists in British Columbia where the Cities of Vancouver and New Westminster have a very large percentage of the population. There is the same situation with Calgary and Edmonton in Alberta, Toronto and Hamilton in Ontario and Montreal in the Province of Quebec.

What is happening and will continue to happen if you limit the number of Members of Parliament to a fixed number will be predictable. The population will continue to grow in the urban areas. Not so many years ago, more than 50 per cent of the Canadian population lived in rural and isolated areas. I do not have the exact figures, but I believe in the United States

about 7 per cent of the population now lives on farms. I presume we are moving in that direction in Canada.

What will happen in the smaller provinces in particular, and in the larger provinces as well, is that the population in the urban areas will grow and in the rural and isolated areas it will be reduced or remain constant. Therefore, at the time of each redistribution the number of Members from urban areas will increase and the number from rural areas will decrease.

In my own Province of Manitoba, at some point in the future 650,000 or 700,000 of the one million population may live in the area of metropolitan Winnipeg. If the present constituency of Churchill remains as at present, covering two-thirds of the area of Manitoba, and if we drop to ten Members, one from Churchill and nine for the rest of the province, there will be six or seven Members from urban Winnipeg and two or three for the rural population of Manitoba. Province to province, you will have the same situation.

This is the exact reverse of what the Member who introduced the motion wants to do. Those representing rural constituencies would represent very large areas. With telephones, modern means of communication and better roads, it is much easier than it was 30 or 40 years ago. Far be it for me to claim to be an expert on the work of a rural Member of Parliament. However, I believe it would be very difficult for a rural Member to represent an area 300 to 400 miles from west to east and from north to south.

I agree there are many difficulties with the system we now have, which was agreed to by most Members of all Parties. While there are many difficulties, while we have not achieved the principle of representation by population, which is our theoretical objective, we have recognized that there are special problems with rural and isolated areas. A rural Member or a northern Member will represent less people than a Member representing an urban area. While we have not solved all of the problems, we do have a system which is as fair as possible.

I recognize all the objections to the system. I understand how people feel when they read that in the future we may have 300 Members of Parliament. However, the alternative of fixing the number, given that we want some concept of representation by population and want to ensure that rural and isolated areas have adequate representation, the present system is probably as good as can be devised.

I would be happy if somebody made suggestions to improve the system. I would look at any ideas. However, the simplistic solution of fixing the number of Members that we have at present would create tremendous problems, something the Member who introduced the motion wants to avoid.

Mr. Gilbert Parent (Welland): Mr. Speaker, the Bill before us this afternoon presented by the Hon. Member for Prince Edward Hastings (Mr. Ellis) proposes to maintain the size of the House of Commons at approximately its present strength by amending Rule 1 of the representation rules set out in Section 21 of the Constitution Act, formerly known as the British North American Act, so that the number of Members from Quebec would not automatically rise by four in each redistribution of seats.

I have been thinking about this for some time. I agree in great part with the Member. Before getting into my main speech and the information I have gathered, it seems that over the years we have done a great deal of talking about representation by population. With all respect to the Hon. Member for Winnipeg North (Mr. Orlikow), I suggest that we represent people as opposed to areas.

The Minister of Veterans Affairs (Mr. Campbell), who was here a few moments ago, represents 25,000 people. From 1974 to 1979, I represented 125,000 in the riding of St. Catharines. If there had been representation by population, there should have been five of us in that city. I have not been able to come to grips with the whole idea of area versus people. Unlike people, areas do not have rights, and in that sense it is the people in the areas that we represent.

My dilemma is that basically I agree that we should limit this House to whatever number of seats we decide upon collectively. What will happen to this House of Commons over the years? The grievances that we have had will not be rectified in any particular way and we will keep going down the same path. Representation by population will ultimately fall by the wayside.

We often talk about rural areas. The Hon. Member has said that the rural area constitutes two-thirds of the Province of Manitoba. We could all understand the difficulty of getting around in an area like that if we had access only to horses and buggies. I could even understand it if there were only automobiles in which to get around. However, these days we have aircraft at our disposal. The Hon. Member for Dauphin-Swan River (Mr. Lewycky) is present today. I know that his riding is very large in area.

• (1750)

Mr. Lewycky: Three hundred and fifty miles from the north to the south, and 250 miles across, and I have no airplanes at my disposal.

Mr. Parent: That is why we are having some of these problems. However, airplanes and helicopters tend to minimize problems which we once thought were insurmountable.

At one point or other, the House will truly have to come to grips with the whole concept of representation by population. I would like to put myself on the side of those people who say that we should be representing people as opposed to representing areas or land masses. Having said that, I am not sure that the Bill as it has been put forward by the Hon. Member for Prince Edward-Hastings will necessarily accomplish what the Hon. Member sets out to accomplish. Perhaps I could put the matter into my perspective and share with other Hon. Members some of my dilemmas.

Even though the Bill which is before us proposes to leave the number of Members from Quebec at a static level, the representation from other provinces would still increase at the time of the redistribution which would follow the 1991 census.

Only the representation from Quebec would stay the same while the representation from the other provinces would change. The number of seats allocated to Quebec directly influences only the number of seats allocated to the so-called larger provinces as outlined in the redistribution rules. The effect of this Bill would be to leave unchanged the rules for allocating seats to the small and intermediate provinces. As I understand it, there will be only one intermediate province after the next redistribution and that will be Alberta.

I do not wish to dwell on the fault inherent in this Bill. I do wish that I had a perfect solution to offer. I wish I could say: "Look, your Bill is wrong and this is what is right and this is what we should be doing." I am still struggling with the concept. Logic would tend to put me on the side of those who say that they are representing people as opposed to geographic areas.

If I may, for the benefit of all of us, I would like to offer some comments on the background of electoral redistribution in Canada. It is important to note that it is not a simple matter. Other Members have already said that. There are probably as many solutions to the problem as there are Members of Parliament. Redistribution is an especially complicated matter because of the federal nature of our country, and also because of some of its unique geographical and ethnic characteristics. I shall try to deal with both of those reasons.

It is widely held that Members of the House of Commons are elected on the basis of representation by population. I believe that is the myth that we hold out. The old cry for "rep by pop" arose in Canada West, the area which is now the Province of Ontario, prior to confederation. The residents of that part of the United Province of Canada complained bitterly about the fact that Canada East and Canada West had equal representation in the Parliament of that day, even though the population of Canada West had come to exceed that of Canada East. In 1840 when Upper and Lower Canada were united, the opposite was the case. However, the situation had become reversed and this grievance was one of many which had to be settled in the years of discussion which led to confederation in 1867.

When the Constitution Act was passed, it provided for the apportionment of seats in the House of Commons after each census according to certain rules and limitations. The distribution of seats among the four founding provinces was outlined in the original Section 51 of the Constitution Act. Quebec was assigned 65 seats, a convenient arrangement since that was the same number of constituencies that existed within Canada East before confederation. In 1867, the other three provinces were allocated Members of the House of Commons according to the relationship of their populations to the population of Quebec. Section 52 of the Constitution Act provided and continues to provide the following:

> The number of Members of the House of Commons may be from time to time increased by the Parliament of Canada, provided the proportionate representation of the provinces prescribed by this Act is not thereby disturbed.

From the beginning, the distribution of seats among provinces was automatic. The ratio between seats from the various provinces and the total number of Members in the House of Commons could be changed only by constitutional amendment. On several occasions since 1867, amendments to the Constitution Act were necessary. The most recent such amendment occurred about nine years ago in 1975 when the representation of the Northwest Territories was increased from one seat to two. The necessity for a constitutional amendment was entrenched in the Canadian Constitution by virtue of the provisions of paragraph 42(1)(a) of the Constitution Act, 1982, which requires that an amendment to the Constitution of Canada in relation to the principle of proportionate representation of the provinces in the House of Commons prescribed by the Constitution of Canada may only be made in accordance with the general amending procedure set out in Subsection 38(1) of the Constitution Act of 1982.

It is clear that the principle of representation by population was established early in our history as a united country. Within provinces, the size of constituencies often varied dramatically. Witness the words of the previous speaker, a Member who comes from Winnipeg, who said that one out of the ten ridings in Manitoba covers a geographic area equal to two-thirds the size of the entire province. This reflected the existence of huge, sparsely settled areas throughout the nation and the fact that there were limits on the size of a constituency which a Member of Parliament could reasonably represent. In addition, it became a fairly well established custom, even in the late 19th century, that urban seats would, as a rule, be larger than those in rural areas. Note that we are speaking of the 19th century, 100 years ago. Surely we have progressed enough now that we must somehow be able to make decisions based not solely upon geography.

The rule of representation by population was applied much more accurately among provinces than among the electoral districts within the provinces. Even so, there were departures from the principle of representation by population not long after confederation.

When Manitoba entered confederation in 1870 it was granted four Members, even though the population of the province entitled it to representation by only one Member. In 1871, British Columbia, which is now one of the larger provinces, was given six Members when there were only enough inhabitants in that province to justify two Members. In 1873, Prince Edward Island became the seventh province and, though entitled to only five Members, received six Members. When the great expanse of land which now includes Alberta, Saskatchewan and the Territories was first given representation in the House of Commons in 1886, the strict rules of representation by population were again departed from.

I could go on, Mr. Speaker, to give you a great deal more information regarding exactly how it came about that the number of seats that we have now came to exist as opposed to the number of—

Mr. Speaker: Order. The hour provided for the consideration of Private Members' Business has now expired. Pursuant to order made Thursday, June 14, 1984, the House will resume consideration of Government Orders.

• (1800)

ROUTINE PROCEEDINGS

[*English*]

BUSINESS OF THE HOUSE

ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-9

The House resumed consideration of the motion (Mr. Kaplan):

That in relation to Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, one sitting day shall be allotted to the consideration of each of the report stage and the third reading of the said Bill; and

That fifteen minutes before the expiry of the time provided for government business on those days, any proceedings before the House shall be interrupted, if required, for the purpose of this Order and, in turn, every question necessary in order to dispose of the stage of the Bill then under consideration shall be put forthwith and successively, without further debate or amendment.

Mr. Gordon Taylor (Bow River): Mr. Speaker, a Government Member said that the British system worked differently. It said that the British system had closure at the end of every day. Yes, but there are other things in the British system as well. I have attended committee meetings in the British system. Those committees work as committees. Those committees accept recommendations from other Parties and embody the recommendations in their legislation, because they want to have the best legislation possible. We should not compare the British system to the one we have.

The Government brags about how many hours of debate there have been. The House has heard that from the two or three Liberal speakers who finally rose to speak today on closure. The only time government Members speak is when there is closure. Those Members rose today and spoke about the hours of debate. It is not the hours of debate about which we are speaking. Why does the Government not accept some of the recommendations which have been made? If recommendations are not made by Liberals, they are no good. That is a terrible situation to have in a country such as ours. However, that is what happens every time the Government does not want to accept recommendations.

The Government brags about the hearings which were held on this legislation. Recommendations were made by 25 organizations. Did the Government accept any of those recommendations? Is there an amendment based on one of those recommendations? Those organizations did not come to Ottawa simply to talk, they wanted action. Most of the organizations were opposed to a civilian organization. But, that does not make any difference; the Government knows better. The Liberals do not go by democracy any more. They go by totalitarianism—the Government knows better and it knows what is good for the people. The Government will tell the people what is good for them. That is what the Government has been saying for a number of years.

Almost half of the nation objected to the national energy policy, but it did not make any difference. Closure was moved, the legislation was passed and an industry was destroyed. It ruined hundreds of people in western Canada. Recommendations were made to the Crow legislation but that did not make any difference, the Government knew better. It introduced the legislation and gave the whole shebang to the CPR. No wonder Mr. Turner decided to run for the Party. How could he lose with the whole organization backing him? The Government could not be against the CPR. Now we have the future Prime Minister who is a director of the CPR.

Another matter which bothers me is that there has been no debate on why the RCMP was not chosen. What did the Government say? It said that the MacKenzie Commission in 1969 recommended a civilian service. The Mackenzie Commission did not study a civilian organization. What did the commission have to compare with since there was no civilian organization? If it was so wonderful in 1969, why did the Government not adopt it? It has been 15 years since that recommendation and the Government has not done a thing about it. Do not tell me about the Mackenzie Commission; this Government rejected that 15 years ago.

We could talk about the McDonald Commission which was set up to investigate the RCMP. That commission did not investigate a civilian organization. In no way did it have the authority to start telling people what kind of an intelligence service we should have in this country. Now we have this Bill.

Was the RCMP too hard on the communists? Is that why the Government does not want the RCMP? Has the RCMP refused the patronage which the Government wanted to give to it? Sure, the RCMP would do that. Maybe that is why the Government does not want it. It wants a civilian organization which will provide a few more jobs for a few more Liberal hacks.

In Britain, legislation goes to the Senate. If it is not right, it goes back. What happens here? It goes to a Liberal-dominated Senate which would pass anything and everything. The Canadian Senate even passed the holiday Bill. It was passed in this House by 13 Members. It went through all stages in one afternoon. In Britain, they would throw it back to the House of Commons. They have a system over there. This Government should not compare itself with the Mother Parliament.

In Canada, 71 per cent of the people do not want a civilian organization. They do not want civilians who are appointed by this Government to open their first-class mail. Neither do I. That does not matter because this Liberal Government knows better. It is made up of totalitarians. When these Liberals became Members they suddenly obtained a mass of wisdom they did not have before. Therefore, these Members can now tell the people of Canada what is good for them. The Government tells the people of Canada that this Bill is good for them, but the people do not want it. Democracy dictates that the people should get what they want. Our people are not illiterate.

The Government can get away with closure here, but the people will be pronouncing closure on the Liberals once an election is called. It will be goodbye Liberals. If the whole Party is wiped out, the people of Canada would be very, very

thankful. It is a totalitarian outfit over there that does not care what the people think. This Government refuses to reflect the thinking of the people. This Bill, like the national energy Bill and the Crow Bill, is an example of a Government determined to have its way. It tells the people what is good for them. Why do they not wake up and start acting the way in which a democratic government is supposed to act? This Government should reflect the thinking of the people.

[*Translation*]

Mr. Gilles Marceau (Jonquière): Mr. Speaker, I believe that, considering the importance of this legislation and the motion for time allocation now before the House, it would perhaps be useful to put things into perspective and try and find some serious justification for adopting a Bill that, I agree, is controversial. I have been sitting on the Standing Committee on Justice and Legal Affairs and have been a member of the Committee since 1968. I have tried to analyse the facts, to find some convincing reasons for supporting a Bill that, I repeat, is controversial.

I have found three reasons, Mr. Speaker, and I shall mention them briefly.

In the last fifteen years, two commissions have recommended creating a separate, civilian security intelligence agency.

In 1969, the MacKenzie Commission stated, and I quote:

> Aside from a number of similarities in the investigation methods used, the differences between the responsibilities of a police corps and those of a security service would seem to be very distinct. The primary concern of a police corps is to enforce the law, to investigate offences, to collect evidence and to bring offenders before the courts. Security services are mainly engaged in preventive action and the collection of information . . . Briefly, we believe that there is a distinct difference between the professional security officer and the professional police officer, and that this difference should be reflected in how they are recruited—

Mr. Speaker, I could also quote the McDonald Commission and the Senate Committee. In other words, I feel that anything is preferable to the *status quo*. It was the *status quo* that allowed the RCMP, that respected force, to take inappropriate action in Quebec, and I can certainly not find here any justification for the attitude of my hon. friends opposite, who in spite of all its shortcomings and imperfections, prefer the present situation to the proposed system. I am giving this Bill my approval in principle in order to eliminate the *status quo* and look to the future, even if I would have preferred to see a number of clauses amended.

• (1810)

The Acting Speaker (Mr. Herbert): Order. It being 6.10 p.m., the two hours provided for the consideration of the motion now before the House under the provisions of Standing Order 82 have expired.

It is therefore my duty to interrupt the proceedings and put every question necessary to dispose of the said motion.

Time Allocation

The question is as follows: Mr. Kaplan, seconded by Mr. Pinard, moved:

> That in relation to Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, one sitting day shall be allotted to the consideration of each of the report stage and the third reading of the said Bill; and
>
> That fifteen minutes before the expiry of the time provided for government business on those days, any proceedings before the House shall be interrupted, if required, for the purpose of this Order and, in turn, every question necessary in order to dispose of the stage of the Bill then under consideration shall be put forthwith and successively, without further debate or amendment.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion, the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Herbert): Call in the Members.

The House divided on the motion (Mr. Kaplan) which was agreed to on the following division:

(*Division No. 54*)

YEAS

Messrs.

Appolloni (Mrs.)	Côté (Mrs.)	Foster
Bachand	Cousineau	Fox
Baker	Cullen	Frith
Beauchamp-Niquet (Mrs.)	Cyr	Garant
Bégin (Miss)	Daudlin	Gauthier
Berger	Dawson	Gingras
Blais	De Bané	Gourd (Argenteuil-Papineau)
Bockstael	de Corneille	Gourde (Lévis)
Bossy	Demers	Gray
Breau	Deniger	Guilbault
Bujold	Desmarais	Harquail
Burghardt	Dingwall	Henderson
Bussières	Dion	Herbert
Campbell (Miss) (South West Nova)	Dionne (Chicoutimi)	Hervieux-Payette (Mrs.)
Campbell (LaSalle)	Dubois	Hopkins
Campbell (Cardigan)	Duclos	Hudecki
Chénier	Dupont	Isabelle
Collenette	Dupras	Ittinuar
Comtois	Duquet	Johnston
Corriveau	Erola (Mrs.)	Joyal
Cosgrove	Evans	Kaplan
	Ferguson	Kelly
	Fisher	
	Flis	

Time Allocation

Messrs.

Killens (Mrs.)
Lachance
Lajoie
Landers
Laniel
Lapierre
Lapointe
(Charlevoix)
Lapointe
(Beauce)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Masters
McCauley
McRae
Munro
(Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Regan
Reid
(Kenora-Rainy River)
Roberts
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rooney
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Turner
Veillette
Watson
Whelan
Yanakis—120.

NAYS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Cardiff
Carney (Miss)
Clark
(Brandon-Souris)
Cook
Cooper
Crombie
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Gass
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hamilton
(Swift Current-Maple
Creek)
Hargrave
Hawkes
Heap
Hnatyshyn
Howie
Jelinek
Jewett (Ms.)
Keeper
King
Knowles
Korchinski
Kristiansen
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McGrath
McKnight
McMillan
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Ogle
Orlikow
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
St. Germain
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Shields
Siddon
Speyer
Stevens
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wilson
Wise
Wright
Young—97.

● (1830)

[*English*]

Mr. Speaker: I declare the motion carried.

Mr. Hnatyshyn: Mr. Speaker, on a point of order.

Mr. Speaker: The Hon. Member for Saskatoon West (Mr. Hnatyshyn) is rising on a point of order.

Mr. Hnatyshyn: Mr. Speaker, I do not know if the electronic system has been working. I noticed one of the Clerks at the Table talking to herself. Unfortunately I could not hear what she was saying. I assume that we will now carry on with the rest of the Routine Proceedings and finish them so that we can get on with Orders of the Day. I believe we are to continue debate on Bill C-9.

Mr. Speaker: We are now on Orders of the Day under the Special Order which was adopted by the House during extended hours. This is to deal with Government Orders. By interpretation of the Special Order adopted by the House, we are now on Government Orders.

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. If I understand Your Honour, we can all appreciate that what has happened now is that we are on Routine Proceedings on Motions. The motion was moved by the Solicitor General (Mr. Kaplan) with respect to time allocation. It was interrupted by Private Members' Hour from 5 p.m. to 6 p.m.

I understand that the Order had two elements to it. One element was that we would continue to observe the 5 p.m. to 6 p.m. Private Members' Hour regardless of what stage of the proceedings we were in. The second element was that the only business that could be considered during the extended hours would in fact be Government Orders. I think that a fair interpretation of that would presumably be predicated upon completing Routine Proceedings. Let us assume that normal circumstances prevailed and that we had this motion on a normal day. We would have the situation then of having to adjourn the debate in Private Members' Hour. If we were not sitting extended hours past six o'clock, it would then be another parliamentary day, at which time the normal procedure would be to transfer the motion to Government Orders.

However, since we are not moving into another parliamentary day, I suggest, with the greatest deference, that we are now faced with a continuation of the proceedings with which we were involved. Regardless of Private Members' Hour we would not arbitrarily curtail Routine Proceedings until they were completed at any point during the day unless we were interrupted by something that was provided for in the Special Order, such as Private Members' Hour.

● (1840)

It seems to me only fair and equitable that we get the normal Routine Proceedings out of the way. That would mean such things as answering Questions on the Order Paper and other items prior to proceeding to Orders of the Day.

Mr. Speaker: The Chair is quite prepared to rule. It may be the wish of the House to proceed with the rest of Routine Proceedings but if the Chair is called on to rule, the Chair has a ruling prepared for these circumstances.

Mr. Pinard: Mr. Speaker, the Hon. Member took a very long route to ask for unanimous consent of the House. We agree.

Mr. Speaker: With unanimous consent, we will continue Routine Proceedings.

Some Hon. Members: Agreed.

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 44 and 830 to 834 inclusive.

[*Text*]

SURVEILLANCE OF COASTAL WATERS

Question No. 44—**Mr. Herbert:**

1. Does the Department of Fisheries and Oceans have specific responsibilities in connection with the surveillance of coastal waters and, if so, what are they?

2. Does the Royal Canadian Mounted Police patrol coastal waters?

3. Does the Canadian Coast Guard make routine surveillance patrols in coastal waters?

4. To which ministry do the RCMP and Coast Guard report for co-ordination of their activities?

5. Is the Department of National Defence responsible for the co-ordination of any search and rescue operations and which ministry has the responsibility for determining the need for and extent of such operations?

6. Does the Department of the Environment maintain any continuing activity in coastal waters and, if so, what activity?

7. Do the Departments of Energy, Mines and Resources and of Indian Affairs and Northern Development maintain aerial surveillance over coastal waters and, if so, is any information obtained passed to one or more co-ordination centres?

8. Which ministry, or ministries has or have the authority to issue instructions to private shipping in coastal waters?

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): I am informed as follows:

1. Under the Government Organization Act, 1979 the Minister of Fisheries and Oceans' duties, powers and functions include all matters not by law assigned to any other department, board or agency of the Government of Canada relating to:

(i) sea coast and inland fisheries,

(ii) fishing and recreational harbours,

(iii) hydrography and marine sciences, and

(iv) the co-ordination of the policies and programs of the Government of Canada respecting oceans, and such other matters over which the Parliament has jurisdiction relating to oceans as are by law assigned to the Minister.

In order to fulfil the Minister's responsibilities, the Department of Fisheries and Oceans operates a fleet of fisheries patrol, hydrographic and marine science craft on both coasts. The fisheries patrol vessels conduct patrols for the purpose of monitoring foreign and domestic fishing activity to ensure the conservation and protection of fish stocks under the Fisheries Act and the Coastal Fisheries Protection Act.

2. The Royal Canadian Mounted Police has several motor vessels located on both the East and West coasts. These vessels are a means of transportation and used for the enforcement of several federal statutes, such as the Fisheries Act, the Canada Shipping Act, the small vessel regulations, the Narcotic Control Act, the Excise Act and others. In addition to these duties, the RCMP vessels are also used in an assistance capacity, in search and rescue operations, and mercy escorts (transportation of sick/injured persons) whenever the situation arises.

3. The Canadian Coast Guard (CCG) conducts surveillance patrols of coastal waters by ship for the purpose of marine search and rescue, the maintenance of aids to navigation, and pollution prevention. Canadian Coast Guard icebreakers carry out missions in these areas as secondary tasks. Pollution prevention patrols are also carried out by a Coast Guard fixed wing aircraft over the Canadian portion of the Great Lakes, the St. Lawrence River, and the Gulf as far as Sept-Iles. The Department of National Defence assist the Coast Guard in pollution surveillance as a secondary task during the course of their normal air reconnaissance missions.

4. In their individual capacities, the Royal Canadian Mounted Police and Canada Coast Guard report to separate ministries. The RCMP reports to the Solicitor General of Canada and the CCG reports directly to the Minister of Transport. Should the RCMP and CCG work jointly on a venture, i.e. search and rescue, they do so still under the auspices and direction of their individual Ministers.

5. The Minister of National Defence is responsible for the co-ordination of SAR operations and for determining the necessity and extent of these operations. The Department of National Defence is responsible for co-ordinating all air and marine search activity in Canada and adjacent areas for which Canada has accepted responsibility under international agreements and for providing dedicated air resources to respond to both air and marine distress incidents.

6. In so far as the Department of Environment is concerned, the following activities are carried out by each service in coastal waters:

Atmospheric Environment Service—issues marine and aviation weather forecasts to the 200-mile limit; operates ice reconnaissance, oil slick trajectory, and voluntary weather observing programs.

Canadian Wildlife Service—carries out inventory surveys and research of marine birds and implements regulations under Migratory Birds Convention Act.

Environmental Protection Service—responsible for protection of marine environmental quality through (i) environmental assessment; (ii) protection from specific environmental threats (discharges from mines, pulpmills, municipalities, etc.); (iii) administration of Ocean Dumping Control Act and part of the Fisheries Act; (iv) response to environmental emergencies (e.g. oil spills); (v) general coastal zone management.

Parks Canada—controls certain surface water activities such as recreational boating around Pacific Rim Park and evaluates potential for establishment of other national marine parks.

7. No.

8. In so far as the Department of the Environment is concerned, the Environmental Protection Service does issue instructions pursuant to the Ocean Dumping Control Act and

the Fisheries Act in relation to environmental protection considerations.

The Department of Fisheries and Oceans has the authority to direct the activities of foreign fishing vessels in terms of virtually all their operations within the 200-mile economic zone. The Department has no legal power to direct the activities of domestic fishing vessels except as they relate directly to fishing.

The Ministry of the Solicitor General does not have primary statutory responsibility in respect of shipping in coastal waters. However, the RCMP assists several federal departments in carrying out their statutory enforcement obligations in coastal waters. In this connection, the force is empowered to issue instructions to private shipping in coastal waters.

The Department of Transport is responsible for the safety of shipping and prevention of pollution from ships in Canadian waters. The Canadian Coast Guard has the authority to issue instructions to private shipping in coastal waters related to vessel traffic services, ship routing, conditions of shipping, or conditions of the ships themselves requiring intervention by the regulatory authority. The Department is also responsible for issuing notices to mariners and notices to shipping to warn mariners of any dangerous or unsafe conditions such as pending storms, the presence of ice or outages of aids to navigation.

TRADE WITH CZECHOSLOVAKIA, ROMANIA, HUNGARY, EAST GERMANY AND POLAND

Question No. 830—**Mr. Blenkarn:**

1. In (a) 1979 (b) 1980 (c) 1981 (d) 1982 (e) 1983 were any Czechoslovakian manufactured goods sold in Canada and, if so, in each case, what was the total value of such sales?

2. In the same years were any Canadian manufactured goods sold in Czechoslovakia and, if so, in each case, what was the total value of all such sales?

Question No. 831—**Mr. Blenkarn:**

1. In (a) 1979 (b) 1980 (c) 1981 (d) 1982 (e) 1983 were any Romanian manufactured goods sold in Canada and, if so, in each case, what was the total value of such sales?

2. In the same years were any Canadian manufactured goods sold in Romania and, if so, in each case, what was the total value of all such sales?

Question No. 832—**Mr. Blenkarn:**

1. In (a) 1979 (b) 1980 (c) 1981 (d) 1982 (e) 1983 were any Hungarian manufactured goods sold in Canada and, if so, in each case, what was the total value of such sales?

2. In the same years were any Canadian manufactured goods sold in Hungary and, if so, in each case, what was the total value of all such sales?

Question No. 833—**Mr. Blenkarn:**

1. In (a) 1979 (b) 1980 (c) 1981 (d) 1982 (e) 1983 were any East German manufactured goods sold in Canada and, if so, in each case, what was the total value of such sales?

2. In the same years were any Canadian manufactured goods sold in East Germany and, if so, in each case, what was the total value of all such sales?

Question No. 834—**Mr. Blenkarn:**

1. In (a) 1979 (b) 1980 (c) 1981 (d) 1982 (e) 1983 were any Polish manufactured goods sold in Canada and, if so, in each case, what was the total value of such sales?

2. In the same years were any Canadian manufactured goods sold in Poland and, if so, in each case, what was the total value of all such sales?

Hon. Charles Lapointe (Minister of Supply and Services): Statistics Canada reports:

Statistics on the total value of Canadian imports from, and exports to Czechoslovakia, Romania, Hungary, East Germany and Poland for the period 1979-83 are shown on the table below.

CANADIAN EXPORTS (Domestics and re-exports)
(thousands of dollars)

	1979	1980	1981	1982	1983
Czechoslovakia	36,182	128,091	28,238	31,507	15,266
Romania	32,290	22,633	9,372	4,576	18,999
Hungary	14,377	10,981	11,936	13,772	15,202
East Germany	35,979	10,605	4,455	21,552	202,143
Poland	276,226	357,403	332,953	359,608	45,860

CANADIAN IMPORTS
(thousands of dollars)

	1979	1980	1981	1982	1983
Czechoslovakia	67,509	63,381	72,890	60,337	54,443
Romania	39,469	37,973	46,466	30,479	50,131
Hungary	31,215	25,897	31,225	25,531	27,984
East Germany	9,776	9,620	12,790	9,695	10,117
Poland	82,778	72,159	73,981	43,562	39,512

(a) The large increase in Canadian exports to Czechoslovakia in 1980 was attributable to large shipments of pulp and paper industry machinery ($98.8 million).

(b) Exports to East Germany in 1983 rose dramatically, due to greatly increased shipments of barley ($139 million) and wheat ($56 million).

(c) In 1983, export shipments to Poland fell sharply, primarily because of a large drop in wheat sales (from $348 million in 1982 to $18 million in 1983).

(d) With respect to the reduction in imports from Poland over the past five years, a number of product areas were contributing factors, none of which were as pronounced as the cases mentioned above. Some of these were:

	1979 ($ million)	1983 ($ million)
Meat and preparations	2.8	0
Fur skins undressed	2.6	0
Textile fabrics	9.2	4.5
Apparel	18.5	5.7
Other transportation equipment	6.7	1.1
Marine engines and parts	3.1	0
Footwear	5.3	2.2

The total drop in these products amounted to approximately $35 million over the five-year period.

[*Translation*]

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

Mr. Speaker: The questions as enumerated by the Parliamentary Secretary have been answered. Shall the remaining questions stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs.

Mr. Speaker: Motions Nos. 40, 41, 42, 43, 45, 46, 47, 48, 50 and 51 have been grouped for debate.

An affirmative vote on Motion No. 40 disposes of Motion No. 41; a negative vote on Motion No. 40 necessitates a vote on Motion No. 41. An affirmative vote on Motion No. 42 disposes of Motion No. 43; a negative vote on Motion No. 42 necessitates a vote on Motion No. 43. An affirmative vote on Motion No. 45 disposes of Motions Nos. 46 and No. 47. A negative vote on Motion No. 45 necessitates separate votes on Motions No. 46 and 47. An affirmative vote on Motion No. 48 disposes of Motions Nos. 50 and 51; a negative vote on Motion No. 48 necessitates separate votes on Motions Nos. 50 and 51.

I will now put the motions before the House.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 40

That Bill C-9 be amended by deleting Clause 17.

Motion No. 41

That Bill C-9 be amended in Clause 17 by striking out line 5 at page 9 and substituting the following therefor:

"(2) Where an arrangement or other form of co-operation is".

Motion No. 42

That Bill C-9 be amended by deleting Clause 18.

Motion No. 43

That Bill C-9 be amended in Clause 18

(a) by striking out line 10 at page 9 and substituting the following therefor:

"person shall intentionally disclose any information that the"

(b) by striking out lines 16 to 23 at page 9 and substituting the following therefor:

"and from which the identity of any other person who is or was a confidential source of information or assistance to the service can be inferred."

Motion No. 45

That Bill C-9 be amended by deleting Clause 19.

Motion No. 46

Security Intelligence Service

That Bill C-9 be amended in Clause 19 by striking out lines 25 to 33 at page 10 and substituting the following therefor:

"the purpose."

Motion No. 47

That Bill C-9 be amended in Clause 19

(a) by striking out lines 27 to 33 at page 10 and substituting the following therefor:

"disclosure of the information to any minister of the Crown is essential in the public interest and that interest clearly outweighs any invasion of privacy that could result from the disclosure, to that person."

(b) by striking out line 38 at page 10 and substituting the following therefor:

"disclosure, and shall submit a report to the Review Committee with respect to disclosures referred to in paragraphs 2(a), (b) and (c)."

Motion No. 48

That Bill C-9 be amended by deleting Clause 20.

Motion No. 50

That Bill C-9 be amended in Clause 20

(a) by striking out line 44 at page 10 and substituting the following therefor:

"officers, provided there shall be no breach of the *Criminal Code*."

(b) by striking out line 13 at page 11 and substituting the following therefor:

"Review Committee, and to the Attorney General of the province in which the employee may have acted unlawfully."

Mr. Svend J. Robinson (Burnaby) (for Mr. Allmand) moved:

Motion No. 51

That Bill C-9 be amended in Clause 20

(a) by adding immediately after line 44 at page 10 the following:

"(2) The Director and employees in performing the duties and functions of the Service under Sections 12, 13, 14, 15, 16 and 17 of this Act may never act beyond the limits prescribed by the Act and any such activity will constitute an offense subject to criminal prosecution.

(3) The Service shall have no authority to carry on operational activities to destabilize or disrupt individuals or groups which might otherwise be investigated under this section."

(b) by adding immediately after line 13 at page 11 the following:

"(5) No other agency or agents in Canada shall carry out any or all of the responsibilities assigned by this Act to the Service in Section 12 nor have access to the warrants provided for in Section 21."

● (1850)

He said: Mr. Speaker, this group of motions is a very important grouping. It deals with Clauses 17 to 20 inclusive of the Bill. These clauses establish the terms pursuant to which the proposed civilian security service may, as it was euphemistically called, share information with other government Departments, with foreign security intelligence services, or with foreign agencies.

The provision in Clause 18 is the provision which makes it an offence to disclose the identity of any person who is or was a confidential source of information or a person who is or was an employee engaged in covert operational activities.

Clause 19 is the provision which permits disclosure of information obtained by the service to a whole series of individuals, including literally any person in the Public Service of Canada where the director in his or her opinion believes that that disclosure would be helpful.

Clause 20 is the final clause in this package which grants the full array of immunities which are possessed by peace officers to the members of the proposed civilian security

service. It establishes a mechanism whereby possible illegality will be reported.

The purpose of these amendments is to strengthen what are at the moment clearly very seriously and fundamentally flawed clauses.

Dealing first with the provisions of Clause 17, this clause permits the service to pass on information which it has obtained, using all of the most intrusive techniques set out in this Bill. It permits the service to pass on this information literally to any security service anywhere in the world. I think it is appalling that Canada should be prepared to share information on Canadians and on refugees from other countries with foreign security agencies which, by the admission of the Solicitor General (Mr. Kaplan) himself, are not even acknowledged in their own countries. What kind of regressive, military dictatorships are we dealing with, Mr. Speaker, that would not even acknowledge their own intelligence agencies and with whom we are quite prepared to share all the information they seek?

The Canadian Council of Churches appeared before our committee and expressed its very grave concern about this provision, particularly in terms of the potential implications for political refugees from Third World countries. The Council had recommended that the Bill specifically prohibit arrangements with nations and organizations that have been found to permit gross systematic and consistent violations of fundamental human rights. That is one of the provisions which I have proposed in this package of amendments in the motions now before the House.

I have only ten minutes so I will be brief on Clause 18. This clause sets out the criminal sanction for any individual who discloses information that could reveal the identity of an individual who is or was an employee of the service. This provision goes far, far beyond comparable legislation in the United States, the Intelligence Identities Protection Act. I would note that that Act applies only to operatives engaged in foreign intelligence. We know the provisions of Bill C-9 would not in fact enhance the operations of the service outside Canada. This Bill would make it a crime, punishable by up to five years in prison, for an individual to disclose that he or she was or is an operative of the service. It is only because of this kind of disclosure that historically in 1976-1977 many of the most serious abuses and criminal wrongdoings were revealed. But under the provisions of this Bill, Mr. Speaker, any individual who makes such a disclosure or any person in the press who repeats such disclosure could go to jail for five years. The provision was drafted far too broadly.

Clause 19 permits the service to use the information it has obtained through the use of intrusive techniques, bugging phones, breaking into homes, accessing income tax records and medical records. There is a whole array of powers. To whom can the service give this information? Incredibly, they can give that information virtually to anyone under the provisions of Clause 19 where it is stated that in the opinion of the director, the disclosure of the information to any Minister of the Crown or any person in the Public Service of Canada is essential in the public interest. Not only is there a massive intrusion on the privacy of Canadians initially but, having intruded on that privacy, the director of the service can then pass on any of that information literally to any public servant anywhere in the country. One of our motions would ensure that that kind of massive violation of the privacy of Canadians would not be tolerated.

The final motions in this package which are tabled deal with proposed Clause 20. Clause 20 is the clause which was inserted in the Bill to provide the full array of protections accorded to peace officers to the agents of the new civilian security service. This is completely unacceptable, Mr. Speaker. It would permit agents of the new service effectively to take unto themselves the decision as to which laws can or cannot be broken in pursuit of the sweeping mandate under this legislation.

We know all too well the unfortunate history of the RCMP security service which involves breaking and entering, theft, fraud, kidnapping, forgery, and breaches of a whole series of laws. This would provide *carte blanche* to the service to decide whether or not, in pursuit of their objectives, their civilian security objectives, they should be permitted to break laws.

I proposed an amendment which would have clearly prohibited the service from at least breaking the Criminal Code. But Members on the Government side voted even that proposal down. There is nothing that would prevent the security service from breaking the Criminal Code in the pursuit of its activities.

The McDonald Commission documented a whole series of violations of the law. The response of this Government is, "Well, it may have been illegal then, but we will change the law and we make it legal now." What does that do to the rule of law in this country?

Finally the motions which I have before the House would ensure that not only the Attorney General of Canada but also the provincial attorneys general will be informed of any suspected breach of the criminal law. As it stands now, it is only the federal attorney general who is informed of such possible breaches of the law. We know all too well the history of this Government in refusing to take action, in refusing to uphold the rule of law in Canada, in insisting there is one law for the RCMP and another law for all other Canadians. We want to ensure, through this motion, that the provincial attorneys general as well will be given the authorization to proceed to prosecute if, indeed, there is evidence of a breach of the law.

In conclusion, with respect to the sweeping nature of the powers to hand on information to other police agencies, with respect to the overly broad nature of the offence of disclosure of identity, with respect to the abuses which can occur in disclosing information obtained and with respect to the law enforcement powers accorded under this Bill, powers which are not accorded to comparable agents in other jurisdictions, these motions, I submit, must be adopted by the House in order to protect the fundamental civil liberties of Canadians.

• (1900)

Mr. Dan Heap (Spadina): Mr. Speaker, the clauses we are considering now, Clauses 17, 18, 19 and 20, have caused a great deal of alarm not only in the riding of Spadina that I represent but in many other parts of the country. People are shocked to think that the Government is about to insist on establishing a secret police that will not be fully answerable to Parliament, because the information which will come to Parliament will all be screened by the director of the secret police, and that could enter into any kind of secret agreement with any agency of any foreign power which the Minister in charge and the Secretary of State for External Affairs choose to designate.

We have people in Canada who have come from all countries of the world with all kinds of governments. Some of them came on the run for their lives and have relatives or friends back home. I have spoken with many refugees, particularly from Latin American countries but also from eastern European and Asian countries. They are very uneasy, even under present conditions, about what might be done to people back home if certain agents of their home country obtain information about lawful words they may be uttering here or about legitimate and lawful actions which they may be taking here in criticism of dictatorial administrations back home. There are many people from countries such as those in Latin America who dare not speak out in Canada out of fear of the persecution which might be visited on their families and friends back home.

These proposals by the Government would make that situation far worse since it would then become potentially the duty of Canada's secret police to hand information to goodness knows whom in whatever country, perhaps based upon activities of naturalized Canadian citizens acting in Canada completely within the law. It is shocking that Canada would be asked to undertake to be the cat's-paw, the stooge for foreign dictatorships. That is clearly what the Solicitor General (Mr. Kaplan) intends to provide when he refuses any kind of limitation on this clause concerning the human rights practices of governments to which this life and death information might be given.

There are millions of Canadians who are members of labour unions in Canada. Perhaps they are mostly Canadian born. I am not necessarily speaking of immigrants, but they are members of labour unions affiliated, for example through the Canadian Labour Congress, with groups such as the International Confederation of Free Trade Unions and with other labour bodies such as the International Labour Organization. There again they have grave concerns about what may be done by way of transferring information through Canada's proposed secret police to the secret police of any other country.

We have heard more than once the expression of concern of the Moderator of the United Church and others of the Canadian Council of Churches who have obligations as brothers and sisters within the Christian faith. The same applies to people of other faiths such as the Jewish faith and Asian faiths. Those concerns are legitimate ones of people who practise those religions in Canada.

I should like to refer to a telegram from the Canadian Council of Churches dated June 6. It reads as follows:

> Bill C-9, an Act to establish the Canadian Security Intelligence Service, should not be passed by the present Parliament until (a) it makes clear and rigorous provisions for the accountability of the service,—

This is what we are concerned with in one of the amendments. Any lawbreaking should be fully accounted for, not covered over as provided by the Government's position. The telegram continues:

> —(b) defines national security and describes more precisely those activities which are illegal under the Act, (c) provides for the continuation of a free and vigorous participatory society in which work for justice on behalf of the poor, the marginalized and refugees may be carried on without fear of surveillance and prosecution.

It was signed by the Reverend Dr. Donald W. Anderson, General Secretary of the Canadian Council of Churches. Also I have a telegram from the Committee for the Defence of Human Rights in Colombia. We may think of the problems in Colombia as being a small matter, but there are Canadians who are concerned about human rights there. The telegram reads:

> As a committee which condemns the human rights abuses of the Colombian Government, we find the proposed Bill C-9 alarming and threatening. Even though our work is entirely legal this Bill could be used to secretly monitor our activities. It could be used to misinform, or inform out of context, the Colombian Government of our activities. In short, this is a dangerous and complex Bill which must not be passed.

It is signed by the Committee for the Defence of Human Rights in Colombia. I have another telegram which reads:

> I am strongly opposed to Bill C-9. As someone who grew up in a Latin American dictatorship, watching Canada become more repressive frightens you.

It is signed by R. Mesa. Also I have a very practical proposal from another constituent, which reads:

> Any Canadian who doesn't actively oppose Bill C-9 should be sentenced to a few years in many Latin American countries, to learn what a dangerous thing repressive power is.

The Acting Speaker (Mr. Guilbault): Order, please. The Chair would like to remind the Hon. Member that the remarks he is making should be directed to the clauses we are discussing. That does not seem apparent to the Chair in the telegrams he has read.

Mr. Heap: Mr. Speaker, I accept your advice and wish to explain that I read them for the purpose of showing how this Bill or the proposal in it threatens the perceived safety of residents of Canada who consider that they are acting lawfully. They feel threatened because Clause 17 of the Bill proposes to give information to unnamed foreign powers under, perhaps, secret arrangements.

There is one further point I wish to make. I believe it is not sound in law to try to bind the conscience of any public servant. If it should happen, as it has throughout history, that a public servant engaged in police work feels that he has been led or pressured to violate his conscience in what he has done, and if he wishes to correct that situation morally and spiritual-

ly by speaking up, it ought not to be a matter for punishment if what he says is true. This Bill proposes to punish people for telling the truth about what they consider to be the misdeeds of the service. That is shameful. This provision ought to be withdrawn.

Finally, we should think of what will be done to all professional and government record keeping in the country if every time a person makes an entry he considers that it might be looked at by Canada's new secret police. It will destroy generations of professional tradition in objective and conscientious record keeping. The damage will not be undone for many years thereafter even when this unjust law has been repealed.

• (1910)

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Guilbault): The question is on Motion No. 40 standing in the name of the Hon. Member for Burnaby (Mr. Robinson). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Guilbault): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Guilbault): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Guilbault): In my opinion, the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Guilbault): Pursuant to Section 11 of Standing Order 79, the recorded division on the proposed motion stands deferred.

The following group of motions will now be considered by the House: Motions Nos. 52, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 66, 67 and 68 which have been grouped for debate. An affirmative vote on Motion No. 52 disposes of Motions Nos. 54, 55, 56, 57, 58 and 59. A negative vote on Motion No. 52 necessitates votes on Motions Nos. 54, 55, 56, 57, 58 and 59 as follows: One, an affirmative vote on Motion No. 54 obviates the need for a vote on Motions Nos. 55, 56 and 57. A negative vote on Motion No. 54 necessitates separate votes on Motions Nos. 55, 56, 57. Two, an affirmative vote on Motion No. 58 obviates the need for a vote on Motion No. 59. An affirmative vote on Motion No. 60 disposes of Motions Nos. 61, 62 and 63. A negative vote on Motion No. 60 necessitates votes on Motions Nos. 61, 62 and 63 as follows: One, an affirmative vote on Motion No. 61 obviates the need for a vote on Motion No. 62. A negative vote on Motion No. 61 necessitates a vote on Motion No. 62. Motion No. 63 would be voted on separately. An affirmative vote on Motion No. 66 obviates the need for votes on Motions Nos. 67 and 68. A negative vote on Motion No. 66 necessitates separate votes on Motions Nos. 67 and 68.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 52

That Bill C-9 be amended by deleting Clause 21.

[*Translation*]

Motion No. 54

That Bill C-9 be amended in Clause 21

(a) by striking out line 16 at page 11 and substituting the following therefor:

"purpose believes, on reasonable and probable grounds, that"

(b) by striking out lines 19 and 20 at page 11 and substituting the following therefor:

"the security of Canada, the"

(c) by striking out lines 31 to 35 at page 11 and substituting the following therefor:

"on reasonable and probable grounds, that a warrant under this section is required to enable the service to investigate a threat to the security of Canada;"

(d) by striking out lines 34 to 39 at page 12 and substituting the following therefor;

"(3) Where the judge to whom an application under subsection (1) is made is of the opinion that the intelligence to be gained through the issuance of a warrant outweighs the harm to privacy that will result and where the judge is satisfied of the matters referred to in paragraphs (2)(a) and (b) set out in the affidavit accompanying the application, the"

(e) by striking out lines 28 to 34 at page 13 and substituting the following therefor:

"subsection (3) for a period exceeding 60 days."

(f) by adding immediately after line 34 at page 13 the following:

"(6) A warrant shall not be issued under subsection (3) authorizing any intrusive technique for the purpose of intercepting any communication or obtaining any information, record, or thing for which such a warrant may not be issued as of May 31, 1984."

[*English*]

Motion No. 55

That Bill C-9 be amended in Clause 21 by striking out line 35 at page 12 and substituting the following therefor:

"subject to the Statistics Act and the Income Tax Act where the judge".

[*Translation*]

Motion No.56

That Bill C-9 be amended in Clause 21 by striking out line 35 at page 12 and substituting the following therefor:

"subject to the *Statistics Act* and the *Canada Post Corporation Act* where the judge".

[*English*]

The Acting Speaker (Mr. Guilbault): Motion No. 57 stands in the name of Mr. Allmand. Mr. Allmand not being in the House, another Member may move the amendment, with unanimous consent. Is there unanimous consent?

Some Hon. Members: Agreed.

Mr. Svend J. Robinson (Burnaby) (for Mr. Allmand) moved:

Motion No. 57

That Bill C-9 be amended in Clause 21 by striking out line 32 at page 13 and substituting the following therefor:

"meaning of paragraphs (c) and (d) of the definition".

[*Translation*]

The Acting Speaker (Mr. Guilbault): In the absence of Mr. Allmand, motion No. 58 may be moved by another Hon. Member. Therefore, with unanimous consent—

Mr. Svend J. Robinson (Burnaby) (for Mr. Allmand) moved:

Motion No. 58

That Bill C-9 be amended in Clause 21 by adding immediately after line 34 at page 13 the following:

"(6) No application made to a judge under this section may be heard or approved unless an intervenor, appointed from a panel of lawyers by the Privacy Commissioner of Canada, has had the opportunity to cross-examine and make representations on the application in order to protect any constitutional and civil rights."

[*English*]

Motion No. 59

That Bill C-9 be amended in Clause 21 by adding immediately after line 34 at page 13 the following:

"(6) A warrant shall not be issued under subsection 3 authorizing the obtaining of any information or thing or intercepting any communication which would reveal confidential medical records except with the consent of the patient."

[*Translation*]

Motion No. 60

That Bill C-9 be amended by deleting Clause 22.

[*English*]

The Acting Speaker (Mr. Guilbault): Motion No. 61 is proposed by the Solicitor General of Canada (Mr. Kaplan). Will another Hon. Member move it in his absence?

Some Hon. Members: No.

The Acting Speaker (Mr. Guilbault): No.

Motion No. 62 stands in the name of Mr. Fraser who is also absent from the House. Mr. Ellis is prepared to move the motion if there is unanimous consent. Do we have uninamous consent?

Some Hon. Members: Agreed.

Mr. J. R. Ellis (for Mr. Fraser) moved:

Motion No. 62

That Bill C-9 be amended in Clause 22

(a) by striking out line 40 at page 13 and substituting the following therefor:

"judge may, from time to time, renew the warrant for a period not exceeding 60 days if satisfied by".

(b) by striking out line 44 at page 13 and lines 1 and 2 at page 14 and substituting the following therefor:

"threat to the security of Canada as defined in paragraphs (a), (b) or (c) of the definition of "threats to the security of Canada" in section 2 or to perform its duties and functions under section 16; and".

[*Translation*]

Mr. Robinson (Burnaby) moved:

Motion No. 63

That Bill C-9 be amended in Clause 22 by striking out line 44 at page 13 and lines 1 and 2 at page 14 and substituting the following therefor:

"threat to the security of Canada; and".

[*English*]

Motion No. 66

That Bill C-9 be amended by deleting Clause 24.

● (1920)

[*Translation*]

Motion No. 67

That Bill C-9 be amended in Clause 24 by striking out lines 32 to 36 at page 14 and substituting the following therefor:

"rant."

[*English*]

Mr. J. R. Ellis (for Mr. Fraser) moved:

Motion No. 68

That Bill C-9 be amended in Clause 24 by striking out lines 34 to 36 at page 14 and substituting the following therefor:

"person acting in accordance with such a warrant".

The Acting Speaker (Mr. Guilbault): We will now proceed with the debate on this grouping of motions.

Mr. Robinson (Burnaby): Mr. Speaker, I had thought that perhaps I might have to speak on a motion proposed by the Solicitor General (Mr. Kaplan) but I am very pleased to see that that motion is not being moved at this time. Therefore, I will confine my remarks to the motions which are before the House at this time.

These motions deal with Clauses 21, 22 and 24 of the proposed legislation, Bill C-9. These provisions really lie at the heart of this Bill because they deal with the powers which can be accorded to the new service. Clause 21 is the clause which permits the service to obtain warrants for unprecedented interventions into the private lives of Canadians. This would include warrants for mail opening, warrants for obtaining access to confidential income tax records, warrants for obtaining access to medical records, warrants for breaking into homes and warrants for stealing documents. The list goes on and on.

I would emphasize that the powers proposed in this provision of the legislation are unprecedented and are powers which do not exist at the present time. The Pitfield Committee, in reviewing these particular provisions, urged for the use of a number of safeguards before a judicial warrant could in fact be issued. One of the most important of such safeguards is one which would in effect provide a balancing test to ensure that a judge, in granting a warrant, would in fact weigh the possible threat to the privacy of Canadians against the worth of the information which would be obtained in the pursuit of national security. The amendment in question would require that where the judge is of the opinion that the intelligence to be gained through the issuance of a warrant outweighs the harm to

privacy that will result, provided that the judge is satisfied with the other conditions, the warrant could in fact be issued.

As well, I would note that the intrusive powers referred to in this Bill go far beyond those which were recommended by the McDonald Commission, because they could indeed be used against so-called domestic subversives. On that basis, I would strongly urge that these sweeping intrusive powers not be granted to the new agency. I could go on at some length to speak about the fact that these powers are unprecedented, but at this point I will take my seat and allow the debate to take its course.

Mr. Dan Heap (Spadina): Mr. Speaker, this grouping of amendments relating to clauses in the Bill concerns me very greatly. I have been engaged in labour union activities, church activities, peace movement activities and civil liberties activities. I have been active as a member of a residents' association. I have been aware of the activities of the RCMP which, in many cases, has infiltrated these groups and treated us as though, somehow or other, we were enemies of the state. That is very destructive and very harmful. The police have no business doing that.

For example, I know of the case of a theological student who joined a civil liberties group at McGill University for the purpose of opposing the padlock law, a law which some years later was struck down by the Supreme Court of Canada as being beyond the powers of the provincial Government of Quebec. Yet this student was harassed in the sense that the police visited his academic superiors to try to hinder his graduation and subsequent ordination. That kind of activity does not protect the liberties of Canadians but will destroy the liberties of Canadians if we allow that kind of activity to go too far.

This kind of intrusive legislation ought to be withdrawn by the Government or defeated by the Members of this House. I urge that the legislation be rejected entirely.

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

Mr. Joyal: I rise on a point of order, Mr. Speaker.

[*Translation*]

The Acting Speaker (Mr. Guilbault): Order, please. The Hon. the Secretary of State (Mr. Joyal) on a point of order.

Mr. Joyal: Mr. Speaker, when you called the various motions, there was one numbered 60 in the name of the Solicitor General (Mr. Kaplan).

An Hon. Member: No. 61.

Mr. Joyal: I am sorry, No. 61. With your permission, I should put it to the House so that it might be debated and voted on eventually.

The Acting Speaker (Mr. Guilbault): The Chair gave the number of the motion a moment ago and since there was no reaction, it moved on to the next one. However, the Minister may move it on behalf of his colleague, if that is his intention. That is in accordance with the Standing Orders.

[*English*]

Mr. Robinson (Burnaby): On a point of order, Mr. Speaker. I just sought clarification on this from the Clerk and it is my understanding that if the mover of the motion is not present in the House, then of course the motion cannot be put without unanimous consent.

The Acting Speaker (Mr. Guilbault): The rule to which the Hon. Member has referred is a general rule which does not apply to members of the executive. We can find the proper quotation in Beauchesne's to indicate that, but Ministers regularly move motions for their colleagues without unanimous consent. The Chair has no choice. If the Minister wishes to move the motion on behalf of his colleague, the Chair must let him do so.

Mr. Robinson (Burnaby): On a point of order, Mr. Speaker.

The Acting Speaker (Mr. Guilbault): On another point of order?

Mr. Robinson (Burnaby): Mr. Speaker, may I say, before you rule, that the provisions state that when a Member does raise a point of order, it is required that the Chair cite the precedent in question or the provisions of the Standing Orders which are applicable.

Some Hon. Members: Oh, oh!

Mr. Robinson (Burnaby): Under the provisions of the Standing Orders, it is clearly the case that the Chair is required to cite the provisions upon which the Chair relies. Of course, I do not need to cite that provision to the Chair. Pending that requirement being fulfilled, I would suggest that indeed there is no special status for members of the executive.

The Acting Speaker (Mr. Guilbault): No, the Chair has made a ruling which now stands. We will proceed, but meanwhile, to satisfy the Hon. Member, someone from the Table will research the rules in order to provide the Hon. Member, as he wishes, with reading of the proper citation.

[*Translation*]

The Hon. the Secretary of State.

Hon. Serge Joyal (Secretary of State): Mr. Speaker, I wish to move Motion No. 61 which reads as follows:

Motion No. 61

That Bill C-9 be amended in Clause 22 by striking out lines 38 to 40 at page 13 and substituting the following therefor:

"to apply for such a warrant after having obtained the approval of the Minister, the judge may, from time to time, renew the warrant for a period not exceeding the period for which the warrant may be issued pursuant to subsection 21(5) if satisfied—

The Acting Speaker (Mr. Guilbault): Order, please. The Hon. Member for Burnaby (Mr. Robinson) on a point of order.

● (1930)

[*English*]

Mr. Robinson (Burnaby): Mr. Speaker, I rise on another point of order. The Speaker can correct me if I am wrong, but it was my recollection that the Speaker did in fact call Motion No. 61 and that no one was present to move the motion. Whether or not that was the case, certainly no member of the executive rose—even if they are permitted to do so—at that time to propose the motion on behalf of another Member. Mr. Speaker, I suggest, with respect, that even if the case is—and that remains to be determined—that a member of the executive can move a motion on behalf on another member of the executive, this motion was called by the Chair but was not proposed by another member of the executive. How on earth, at this point, without unanimous consent, can the House revert to an earlier motion which was called but was not put? I suggest that the Chair might want to seek some guidance from the Table. The motion was called and there was no one present to put it. Without unanimous consent, surely it would be procedurally improper to permit any Member to return to a motion which was not put forward at the appropriate time.

[*Translation*]

Mr. Blais: Mr. Speaker, you have ruled on a point of order. You are on motion No. 61 and the Secretary of State (Mr. Joyal) was reading it. What the Member opposite is trying to do is to question the ruling you have just made. Indeed, the Secretary of State was reading the motion and he ought to continue, as he should after the ruling you have made.

[*English*]

Mr. Burghardt: Mr. Speaker, I rise on a point of order. If the Chair would like to refer to the point of order which the Hon. Member for Burnaby (Mr. Robinson) spoke to, I would point out that the Hon. Minister of Veterans Affairs (Mr. Campbell) tried to get the attention of the Chair and raised his hand when the motion was being called.

Some Hon. Members: That is not correct.

Mr. Burghardt: It is correct. I was here. I would bring that to your attention, Mr. Speaker. The Hon. Minister for Veterans Affairs raised his hand in an attempt to get the attention of the Chair.

The Acting Speaker (Mr. Guilbault): All the remarks which the Chair has heard since the Hon. Secretary of State (Mr. Joyal) read the motion, are reflections on the ruling.

Mr. Blais: That is right.

Some Hon. Members: No.

The Acting Speaker (Mr. Guilbault): The Chair has recognized and has agreed to the fact that the Hon. Secretary of State may move the motion. We have not moved to the next grouping of motions. We are still on the same motions. Therefore, the Chair sees no reason that the Minister should not be able to move the motion on behalf of his Party.

Mr. Robinson (Burnaby): Mr. Speaker, while we may have been dealing with a grouping of motions, the Chair called one motion. At the time the Chair called that motion; no one rose to speak to it.

Mr. Blais: You are in contempt. Sit down.

Mr. Robinson (Burnaby): It has been suggested that someone may have tried to rise. But, Mr. Speaker recognizes individuals who try to rise. Having called a motion, and no one having risen to put forward that motion, it is clearly out of order that the Government should now attempt to come back to it. It is a separate point of order, Mr. Speaker. It is clearly out of order.

Mr. Blais: You should be named.

Mr. Robinson (Burnaby): Stifle yourself, Blais. You will not be around anyway after the next election.

It is clearly a separate point of order. I ask the Speaker to take note of the fact that this is a separate point of order, completely separate from the question of whether another member of the executive could move the motion. Mr. Speaker, the bottom line is whether another member of the executive council—one who is not sleeping like the Minister of National Defence (Mr. Blais)—could move the motion. That is a separate question.

The question is simply this: Did the Chair call Motion No. 61? The answer to that question is yes. The Chair called motion by motion, 58, 59 and 60. Then the Chair called Motion No. 61. Having called Motion No. 61 the Chair did not recognize anyone; not the Solicitor General (Mr. Kaplan), not the Minister of National Defence, who was sleeping in his seat, to speak on that motion. Having called the motion and no one having risen to speak to the motion, I submit with respect that we cannot rewrite history.

Had the motion not been called, the argument could have been made that the distinguished Secretary of State (Mr. Joyal) might have moved the motion on behalf of his colleague. That is a separate question. The motion was called. No one rose to speak to the motion. That being the case, after a lot of scurrying around on the part of the incompetent Parliamentary Secretary, suddenly the Government realizes that it may have lost the motion. It is Your Honour's duty to uphold the rules and precedents in this House. I would appeal to the Table to advise the Chair with respect to the propriety of a motion of this nature.

After a motion has been called it is utterly wrong—if no one has spoken to it—for the Chair to permit another member of the executive council to attempt to put that motion. That is not a reflection on the previous ruling of the Chair. The previous ruling dealt with the question of whether a colleague of the Solicitor General could move the motion. That was the previ-

ous ruling of the Chair. With respect, the Chair did not rule on the question of whether or not a motion, having been called and no one rising to speak to that motion, could be attempted again, a second time, a third time or a fourth time. Once it has been called and no one has risen to speak to the motion, or was recognized by the Chair, and the Chair moves on, clearly without uanimous consent that motion cannot be put again. I appeal to the Speaker to uphold the rules and traditions of this House.

[*Translation*]

The Acting Speaker (Mr. Guilbault): The Parliamentary Secretary to the Solicitor General (Mr. Gourde) on a point of order.

Mr. Gourde: Mr. Speaker, before you rule on the point of order raised by the Hon. Member for Burnaby, I would point out, as the Minister of National Defence (Mr. Blais) said to you earlier, that a ruling had been made. The Secretary of State (Mr. Joyal) had just about finished reading the motion when he was interrupted by the Member for Burnaby who continues to do in the House what he did in committee, namely acting in the interests of the New Democratic Party rather than in the interests of democracy.

[*English*]

Mr. Neil: Mr. Speaker, it seems to me that we have a bit of a problem. The motions were grouped together. The motions were read and no one on the other side rose to move or second Motion No. 61. Debate then started on the grouping of the motions. Halfway through the debate, there was an attempt made to renew the motion. It seems to me that if this motion is allowed, there should be a provision made for Members to debate the group of the motions a second time.

Mr. Fulton: Mr. Speaker, on the same two points of order, I am quite sure that the Table Officers have advised you correctly, that members of the executive can, in fact, move motions for a member of the executive who is not present. The point which the Hon. Member for Burnaby (Mr. Robinson) and the previous speaker made is correct. I have sat here throughout this dilemma which seems to have seized the House. Mr. Speaker, I clearly heard you read—and I am sure the "blues" will demonstrate this—through those motions. When you came to Motion No. 61, no member of the executive—and there were two present, the Minister of Veterans Affairs (Mr. Campbell) and the Secretary of State (Mr. Joyal)—moved or seconded Motion No. 61.

Procedurally, in the five years I have been here I have never seen—after a motion has been called I have been called and no one has moved it, and once debate had already occurred—a case where the House reverted, to reintroduce a motion. I have never seen that situation. I would appreciate being informed of any citations which would allow that.

The Acting Speaker (Mr. Guilbault): There are two questions before us. The first is whether the Minister required unanimous consent to move a motion on behalf of his colleague. I will deal with this matter first, and I will provide a citation for the Hon. Member for Burnaby (Mr. Robinson). The citation can be found on page 300 of Bourinot's. It reads as follows:

—Ministers also have the privilege of proposing the motions of their absent colleagues.

I could read the whole citation, but that is the main sentence.

Mr. Kristiansen: We accept that ruling. There is no argument there.

The Acting Speaker (Mr. Guilbault): There was argument. Therefore, I am trying to clear it up.

With regard to the second point of order, I believe it will be much easier to deal with. We have not deferred this group of motions yet. Therefore, there is nothing which can stop the Chair from recognizing someone who wants to move one of these motions. As a matter of fact, the Chair had already ruled. But, out of courtesy, the Chair listened to several Members. However, if the Members look at the "blues", the ruling had already been made and the Secretary of State (Mr. Joyal) was in a position to read and move the motion on behalf of the Solicitor General of Canada (Mr. Kaplan). As a matter of fact, so-called points of order were raised at the time he was reading, an interruption, in fact, of what was going on. Therefore, the Chair sees no reason to change its previous ruling, and will revert to the Hon. Secretary of State (Mr. Joyal).

• (1940)

Mr. Joyal: Mr. Speaker, I have already read the text of the motion in French. I could read it again in English, if you wish. But I have completed the reading of the motion.

The Acting Speaker (Mr. Guilbault): I thought the hon. gentleman had been interrupted in the course of reading the motion.

Hon. Serge Joyal (for the Solicitor General (Mr. Kaplan)) moved:

Motion No. 61

That Bill C-9 be amended in Clause 22 by striking out lines 38 to 40 at page 13 and substituting the following therefor:

"to apply for such a warrant after having obtained the approval of the Minister, the judge may, from time to time, renew the warrant for a period not exceeding the period for which the warrant may be issued pursuant to subsection 21(5) if satisfied by".

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Burnaby (Mr. Robinson).

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, this motion is one which deals with the question of warrants. I know that this grouping includes as well a number of motions which deal with the question of the granting of warrants,

including motions proposed by my friend, the Hon. Member for Vancouver South (Mr. Fraser).

Unfortunately, I was not in the House at the time, but I know we would want to speak on Clause 21, which is the essential clause which grants warrants for some of the instrusive techniques permitted under this legislation. For example, Mr. Speaker, Motion No. 61, which is before the House, would permit the renewal of a warrant for the opening of first class mail. I know that the Hon. Member for Vancouver South, as a former Postmaster General, has some views on the question of the power to open first class mail. This grouping, indeed, refers to the question of opening of mail. It would grant powers to use a judicial warrant to access any government record, whether it be income tax records, confidential employment records or family allowance applications. Indeed, anything in the possession of the Government, Mr. Speaker, would be accessed under the provisions of this Bill. As well, Mr. Speaker, it would permit the breaking and entering into literally any place in this country.

That being said, I would note that this again is a new power in the hands of a security service, a power which does not currently exist. What we are saying, Mr. Speaker, is that even though the status quo is flawed, this Bill would take us backwards. It is a Bill which would give powers to the service to target Canadians who are suspected of being involved in so-called domestic subversion. I know that the Hon. Member for Vancouver South has an amendment in this grouping which deals with that question. It addresses the question of the deleting references to so-called domestic subversion. This Bill would permit intrusive techniques to be used against Canadians even though this proposal was rejected by the McDonald Commission.

Second, the Solicitor General (Mr. Kaplan) to this day has absolutely failed to justify his suggestion that intrusive powers are needed against so-called domestic subversives. Time and time again, Mr. Speaker, I have asked the Solicitor General where the evidence is which would suggest that there are groups or individuals in this country who must be targeted by the service because they are attempting to overthrow by violence the democratic structure of government in this country. The Solicitor General has refused to provide any evidence because the reality is, Mr. Speaker, that such evidence does not exist.

Yet, Mr. Speaker, even though the present Commissioner of the RCMP has clearly indicated that the use of such intrusive powers, or the possible use of such intrusive powers, would only be of marginal value at best in the pursuit of the security mandate, this Minister chooses to ignore that fact. He chooses to ignore the recommendations of the McDonald Commission and to completely ignore the practices in other jurisdictions. In the United States, for example, a criminal standard is applied before such intrusive techniques can be made available to the security service. There is no question, Mr. Speaker, but that if powers of this nature were being sought in the United States by the FBI, there would be a congressional uproar. Yet, Hon. Members on the government side sit like trained seals saying, "Ready I ready, Mr. Minister. We will do whatever you want".

The fact of the matter is, Mr. Speaker, that the powers which are referred to in this grouping, on which we will be hearing very shortly from the Hon. Member for Vancouver South, are so sweeping and so unprecedented that they constitute nothing less than a massive assault on the privacy and civil liberties of Canadians. And this is all done, Mr. Speaker, in the guise of protecting national security. What a chilling example, Mr. Speaker, of double-speak or double-think.

I would note as well, Mr. Speaker, that under the provisions of this Bill, for the first time the confidential medical records of Canadians will be accessible to members of the security service. The Canadian Medical Association, not exactly a left wing subversive group, has written to Parliament urging the Government not to proceed with this Bill. This letter is from the Secretary General of the Canadian Medical Association who concluded by saying, and I quote:

> In summary I must express to you in the strongest possible terms the CMA's concerns over the potential misuse and abuse of the information in medical records if the aforementioned sections are retained in the bill.

The Canadian Medical Association made those representations to the committee. But what does this Government do? It ignores the representations and chooses to proceed with this provision.

The Secretary of State should hang his head in shame at being the mover of motions which would in fact permit access to medical records and which would permit access to confidential government records. At one time that Hon. Member, the Secretary of State, was known as a defender of the civil liberties of Canadians. Unfortunately, in moving this motion on behalf of his colleague, the Solicitor General; this motion which flies in the face of all of the recommendations of the McDonald Commission, the Canadian Civil Liberties Association, la Ligue des droits et libertés, and all of the other witnesses who appeared before our committee, the Secretary of State has turned his back on the civil liberties of Canadians. I regret to say, Mr. Speaker, that is a sorry chapter in what has otherwise been a rather distinguished career.

I will conclude now, Mr. Speaker. I know I have little time and we will want to hear from Hon. Members of the Progressive Conservative Party on that important provision.

● (1950)

This legislation constitutes, without any doubt whatsoever, the most serious invasion of the privacy of Canadians that could be imagined. As I noted before, nothing is sacred. Even the church confessional can be bugged under the provisions of this Bill. There is one small exception, that of the census records. But why was it felt that the census records should be singled out, while at the same time allowing security access to medical records, journalist records; indeed, to all of the most confidential records which exist in this country? It is a shameful provision and I urge Members of this House to defeat this Bill, or any measure which would countenance such a massive onslaught on the privacy of Canadians.

Hon. John A. Fraser (Vancouver South): Mr. Speaker, I think the Government ought to explain to the House exactly what the purpose of Motion No. 61 is. It says:

That Bill C-9 be amended in Clause 22 by striking out lines 38 to 40 at page 13 and substituting the following therefor:

"to apply for such a warrant after having obtained the approval of the Minister, the judge may, from time to time, renew the warrant for a period not exceeding the period for which the warrant may be issued pursuant to subsection 21(5)—

That literally means that despite the caveat contained in the spirit of the Bill, for the first renewal the Solicitor General (Mr. Kaplan) must apply his or her mind to the problem. After that it would appear that there is no longer any requirement for the Solicitor General to concern himself or herself with further renewals. If I interpret the wording correctly, then that is really quite an extraordinary section to be moving into the Bill. I cannot understand why Government Members are not explaining what this really is intended to mean.

Mr. Deniger: Because it speaks for itself.

Mr. Fraser: I have forgotten the riding of my friend on the Government side. I will have to write it down because if he keeps making untoward interruptions I will have to put it on the record. He says the words speak for themselves. Well, they do, but is that what the Government intends? If they speak for themselves, they mean that once a warrant is granted the Solicitor General must agree to the first renewal, but after that they can keep renewing forever, before a judge, without the Solicitor General having to agree at all.

We have seen some quite extraordinary actions today on the part of the Government with closure and the refusal to accept any amendments whatsoever. We spent weeks in committee, heard from 25 groups and witnesses, and 50 briefs were filed. Despite all the nonsense that has gone on, and the fraudulent process, which has been commented on a number of times today, this is really quite an extraordinary amendment. I cannot believe, at least I would not want to believe, that Hon. Members sitting here tonight would seriously put this amendment forward and support it knowing what it says. Quite obviously the Government amendment has not been explained to anyone on the other side because they cannot explain it to us.

Just consider this. When you start renewing warrants, once, twice, four times, five times, and on and on and on, that is the very sort of situation the Solicitor General ought to be looking at. Suppose you had a group under surveillance for not just one year, but two years, five years or ten years. Is that not the kind of thing the Solicitor General ought to be addressing his or her mind to? Of course it is. Yet this amendment will legitimize a situation which was surely not intended. We can clutch at any straw of hope that may float by and say, perhaps there is a drafting error. But not a single Member of the Government wants to rise and tell us what in the name of all that is holy this amendment is all about. It does not make any sense. Quite frankly, I do not see how the Government can ask us to vote for it, or even against it, if Members opposite cannot explain it. They are not explaining it.

As you know perfectly well, Mr. Speaker, the position of our Party on these warrants is that they should be for 60 days, as are similar warrants under the Criminal Code. Members of the other Party have supported us on that, and even one Member of the Government side, who unfortunately cannot be here tonight, supports us on it. This clause does not make any sense.

One of these days someone is going to look at this legislation. If something goes wrong, they are going to take a long hard look at it. It will be interesting when Hon. Members on the other side, including the Solicitor General, are asked: You mean to say you put through a provision in this Bill that would literally keep the Solicitor General from knowing about renewals of warrants? This is really quite extraordinary. The whole purpose of having the Solicitor General look at the renewal the first time is to force the political person responsible for the administration of the security service to apply their minds to what is happening.

You can ask: Why is it necessary? It is necessary because the whole reason for this Bill, for the McDonald Commission, for Bill C-157 which went to the Senate, for the Senate report and all of the millions and millions of words expressed on this issue since the revelations of 1977, is to make sure that never again can a Solicitor General and a Prime Minister come in with the fatuous notion, as the Prime Minister did some years ago, that you do not have to worry about secret, illegal things because the courts will look after us. Those are his exact words. How the courts were going to look after us when things were secret and illegal I do not know. But the whole problem started because political Liberal Ministers were not asking the questions they should have been asking, and they were not controlling the security service as they should have been. There was no political control.

Therefore, I invite Hon. Members, if they can, to get up on their feet and explain to me and the public watching tonight, and to the media who I know are paying a great deal of attention, after a lack of attention the last couple of days—explain to all of us who are interested why in the name of heaven you want that amendment.

• (2000)

Mr. Dan Heap (Spadina): Mr. Speaker, since, by your ruling, we have this clause before us, I want to point out two things in general and give some examples. I first want to point out how astonishing it is that the Solicitor General (Mr. Kaplan) should insist on doing away with his own authority and responsibility and handing it over irrevocably to some appointed official. It is astonishing that he would insist on doing that in a matter in respect of which he is charged with safeguarding the liberties of citizens of Canada.

Second, I wish to point out how astonishing it is that we should be asked to approve a system in which surveillance of a persons not charged with any crime should be allowed to continue year after year in an automatic, bureaucratic way without any responsibility exercised by an elected official.

The public asked that several abuses which were carried out by the RCMP, no doubt at the direction of people such as the

Solicitor General, and which abuses were documented by several commissions of inquiry, be corrected. The public is expecting that these abuses will be corrected by this Bill rather than being confirmed, sanctified and extended, which is exactly what the Solicitor General is asking us to do.

An example of the abuses which have undoubtedly happened thousands of times in this country is when the secret police, in this case the RCMP, went to a bishop to try to influence him against licensing a priest because that priest had been engaged in criticizing a law such as the padlock law. The RCMP went secretly to the bishop to try to prevent that priest from being licensed.

Another example is when the RCMP went to the manager of a factory to suggest that a certain worker was perhaps not fit to work in that factory because he had been outspoken in criticism of laws such as the padlock law.

That is not the business of the police. It is not the business that the public understands the police to be engaged in. The police are supposed to be finding wrongdoers and bringing them to light. That is the business the public associates with the Gestapo in Nazi Germany, or with the KGB in the Soviet Union. That is the business of suppressing dissent by intimidation and by spreading malicious and oftern false rumours.

Men, women, children in their strollers and babes in arms come to peace demonstrations and walk at peace under the direction of city police. They obey the law and the officers of the law charged with keeping the peace on the street. Yet other uniformed or police not in uniform are taking pictures of them. Why? Are they finding tens of thousands of criminals, some of them not yet one year old? Certainly not. They are trying to intimidate them. They are trying to make people afraid to come out publicly and express their opinions. This kind of intrusion is to be extended limitlessly. The Minister in charge is to be excused from any responsibility for extending indefinitely the scope of this kind of intrusion.

Travellers to the United States have been fingered by the RCMP with information to the FBI. These are not criminals or suspected criminals. They are only people who have been engaged in legitimate, lawful political activity which the Government of the day does not like. This kind of fingering continues, based partly on information obtained illegally and partly on information obtained with warrants such as this. The Solicitor General is asking that the police have virtually unlimited power to have these warrants renewed year after year so that they can harass these people.

In the same way the police, with or without permission, have been found to have been issuing false, forged documents slandering citizens of Canada. Again, these are not citizens accused of any crime. They are citizens who have engaged in saying truthful things that the Government does not like to have said. The Solicitor General wants the secret police to be able to get those warrants and have them renewed year after year without him having any moral or political responsibility for the harm that is being done by that kind of intimidation of dissent.

The Solicitor General ought to be ashamed. Obviously he does not know the meaning of shame. I hope there is more than one Member of the Government side who is giving this matter some thought. Through you, Mr. Speaker, I would say to them that this could happen to any one of them. History is full of examples of that kind of reversal. The people who bring in these repressive laws finally fall under those same laws themselves. I ask Hon. Members opposite to think ahead and recognize what might be done if they ever conscientiously fall afoul of the opinion or the political dogma of some future Solicitor General. This law should not be allowed to pass in its present form.

[*Translation*]

Mr. Pierre Deniger (La Prairie): Mr. Speaker, I have listened to the outlandish comments made by the Members opposite and I can no longer remain seated after listening to the remarks delivered by the Hon. Member for Spadina (Mr. Heap) and the absolutely incoherent words gabbled by the Hon. Member for Vancouver South (Mr. Fraser).

If there is an amendment which to my mind should please most Members in this House, and when I say most, I exclude of course the NDP Members, it is certainly this one because what the Bill said before this amendment was moved, Mr. Speaker—and if I may I shall read it—was, and this is quite clear: "The judge may renew the warrant if satisfied by evidence . . ." The amendment adds two restrictions to what the Hon. Member for Spadina could consider excessive powers. The first restriction or buffer is that the judge may renew the warrant, but only from time to time. From time to time does not necessarily mean always. However, the Opposition Members are trying to tell the Canadian public that this would be an abusive power, and they are taking it for granted that every time a warrant is issued, it would be followed by a second, a third and a fourth, and all this for unspecified periods. This is the first restriction.

The second restriction, Mr. Speaker, concerns the duration of the warrant. In the first version of the Bill, there was no mention of the period covered by the warrant, while the amendment moved by the Solicitor General (Mr. Kaplan), which is an excellent amendment, says that the warrant cannot be issued for a period exceeding the first one.

Those two restrictions or buffers, which were not contained in the original text of the Bill, have been added to prevent any abuse.

When the Member opposite mentioned the Padlock Act, which all law students in Quebec have studied, he should have known that this type of abusive political power cannot exist under such a Bill unless he does not believe in the independence of the judiciary. Here again, there is a third restriction because there must be agreement between the judge and the Solicitor General or else the warrant will not be renewed.

In addition, to have a warrant renewed after getting the Solicitor General's agreement, going before a judge and giving evidence to justify the renewal of a warrant for a period not exceeding that of the first one, you would have to prove under the provisions of the Act and all the provisions of Section 21 how the security of Canada and so on are threatened.

Mr. Speaker, I cannot remain seated after hearing such misrepresentations, because if any amendment should please all the Members of this House, it is certainly this one and I urge all my colleagues to support it.

● (2010)

[*English*]

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, in speaking to the package of amendments now before us with respect to the security bill, I must ask the Government why it believes that it needs more power to snoop on subversives, real or imagined, because it does not require this under other legislation either past or currently before the House. Why does it want more power to snoop on real or imagined subversives than it requires to gather intelligence on murderers, financeers of the narcotics rackets and a host of other criminal activities that are generally considered to be much higher on the national agenda in terms of public concern than matters of so-called national security in Canada? I am not demeaning the nation in any way, but I do not know many Canadians who have believed in recent years that national security and the fear of being spied on is a matter of such paramount concern that we need to usurp our traditional freedoms in order to satisfy a whim of the Government.

Presumably the Government did not grab this idea out of thin air. What does it believe will happen in this nation that it must give unholy attention to the need for all of these mechanisms that are outlined in this legislation? Some of the provisions in this legislation simply do not exist in measures for the investigation of other crimes in Canada at the moment.

One of the amendments moved by my colleague, the Member for Burnaby (Mr. Robinson), is Motion No. 59 which states:

That Bill C-9 be amended in Clause 21 by adding immediately after line 34 at page 13 the following:

"(6) A warrant shall not be issued under subsection 3 authorizing the obtaining of any information or thing or intercepting any communication which would reveal confidential medical records except with the consent of the patient."

What does the Government envisage happening in Canada in the next few years that has never happened before that will require it to be allowed to snoop on the private medical records of patients against their will and the longstanding tradition of confidentiality?

Will we become another Bronx? It was not long ago that I was talking to two German deputies from Schleswig Holstein at a NATO parliamentary conference in Copenhagen. These two members of the Bundestag visited Houston, Texas, and New York City. The one who visited New York City spent two nights in a patrol car in the Bronx. He was horrified because it reminded him of bombed out industrial Germany when he was a child. However, it was not only the physical condition that affected him, it was that no one gave a damn.

Is that what the Solicitor General (Mr. Kaplan) and the Government perceives the situation to be in the inner core of Canadian cities? Is that why it is so concerned about the possibility of widespread subversion and civil unrest, that it wants to be able to pry into medical records, taxation records and to continue to snoop by electronic means and the opening of private mail that the law does not permit it to do today?

What does the Government know that we do not know? Perhaps a member of the Government will tell us why it considers this matter of espionage and subversion to be so high on our national agenda that it is prepared to shove every other piece of legislation aside in order to proceed with it. I hope this is a bad dream and a figment of the Government's imagination. There must be a reason why it is willing to subvert our whole process of law in a way that has never been done before in this nation. Perhaps a Government member will enlighten us as to exactly what is taking place that our national priorities, and what is acceptable and unacceptable in law must be changed or will change.

The matter of prying into medical records was the subject of a rather interesting letter from the Canadian Medical Association on May 4, 1984. Mr. Freamo, Secretary General of the Canadian Medical Association, wrote a letter to the Chairman of the Standing Committee on Justice and Legal Affairs in which he said:

My attention has been drawn to criticism of the Canadian Medical Association expressed by committee members during yesterday afternoon's hearing. The criticism appears to have been based on the perceived "non-interest" in Bill C-9 on the part of the Association and in this context I would like to outline for you the CMA's actions to date.

In September of 1983, the CMA was made aware of problems that could ensue if sections of Bill C-157

That was the parent Bill to this one. It continues:

—were to become law. Concern had been expressed by Dr. Phillip Berger in a letter to Ms. Lorraine Gotlib, QC and it was through the Canadian Bar Association (CBA), to whom the letter had been forwarded, that the CMA was made aware of Dr. Berger's concerns.

The joint committee of the CMA/CBA reviewed Bill C-157 and agreed that the concerns and reservations expressed by Dr. Berger were valid. The joint committee reported to its respective executive bodies. Subsequently the CMA communicated its views to the chairman of the Senate committee charged with reviewing Bill C-157.

In mid-April the joint CMA/CBA committee reviewed Bill C-9 and concluded that the concerns previously expressed had not been allayed by the new version of the bill.

Of particular concern to the CMA are the following sections: Section 16—Collection of information concerning foreign states and persons; Section 19—Authorized disclosure of information; Part II Judicial Control, Sections 21-28.

Section 16 does not appear to build in any safeguards in respect to the Service obtaining from physicians information about individuals not protected under the section. The physician may well be in the 'protected' category and as such not have his or her actions investigated; an attempt to do this is outlined in Section 16(2). This section does nothing to protect the patient from having his or her records examined and/or drawing the physician into providing information about a patient over and above what may be recorded in the record.

I do not intend to read any more of that letter. However, I want to again point out to the Government and the public that

this agency is going much further in regard to investigative powers than Canadian law has hitherto provided. Why is it necessary?

In the report filed by the Solicitor General for the period covering the last year, we see that some 44 per cent of the electronic snooping carried out in Canada was for reasons of national security. That in itself was a shock. However, when we see the Government paying undue attention to new and unheard of legal powers in Canada, we must be more than just a little disturbed.

Many of my constituents experienced the dark McCarthy era in the United States. We know what can happen even under a regime of law that has traditionally been much more protective of individual liberties than has our own. We have seen the abuses that have taken place once a certain climate of opinion is created. We saw how many people across Canada, including all of the people in the Government, were prepared on the very shallowest of evidence to obliterate or suspend civil liberties across Canada; because a few kids were running around in a couple of cars with guns. We know how easy it is for mass hysteria to be whipped up, just as it was against the Japanese Canadians during the early period of the Second World War.

• (2020)

It is important when we are dealing with these kinds of excesses and new powers that we remember we have to design law not only for normal times, but design the law in such a way that it will safeguard our basic rights at a time when national and public opinion may be, to say the least, abnormal and excited to the point where steps may be taken that would not normally be pursued.

The Acting Speaker (Mr. Herbert): Is the House ready for the question? The Solicitor General for Canada (Mr. Kaplan).

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I would like to begin by apologizing to Members for my short absence from the House in the last hour during which one of the Government amendments came up. It is not an amendement of tremendous consequence. It was merely an attempt by the law officers of the Crown to redraft an amendment which I accepted during committee hearings.

I am glad to see the Hon. Member for Vancouver South (Mr. Fraser) in the House, even though I believe he is hiding behind the curtain, because it gives me the opportunity to contradict the assertion that not one single amendment was accepted during the committee hearings. In fact, amendments were accepted during committee hearings. This is an example of one. I wish the Hon. Member would stop saying that absolutely not one single amendment was accepted during committee hearings.

The object of the redrafting is rather technical. It is to conform the ministerial approval feature to the method in which ministerial approval is provided in the earlier part of the Bill which deals with first application for a warrant.

In so far as the convoluted interpretation of the Hon. Member for Vancouver South about whether the Minister's approval is required for subsequent renewals, I can assure him that it is. In the way the legislation is drafted now, not only is the original application subject to ministerial pre-approval, but every renewal will require ministerial approval. I think that is a suggestion made by members of the committee from all sides of the House, which the Government was very pleased to accept. The amendment which is being proposed by me for the Government on this subject is simply an attempt to draft the ministerial renewal provision in the same manner as the ministerial approval in the original warrant clause provides.

The Hon. Member who just spoke has left the House, after asking some tremendously difficult questions. I can see that the questions he asks are very important ones, questions which ought to concern every Member of Parliament. But I would like to remind him, or tell him, because it may be news to him, that that is not the first time those questions have been asked. Those questions have been asked in committee and at second reading. I can assure the Hon. Member that very good answers were given by me and by other witnesses.

Mr. Kristiansen: Let's have them.

Mr. Kaplan: For example, the McDonald Commission itself recommended the powers which are provided in this Bill.

Mr. Robinson (Burnaby): Mr. Speaker, I rise on a point of order. The Solicitor General is misleading the House. The McDonald Commission did not recommend intrusive powers against so-called domestic subversives, and the Minister knows that well.

The Acting Speaker (Mr. Herbert): The Hon. Member for Burnaby (Mr. Robinson) does not have a point of order. The Hon. Solicitor General (Mr. Kaplan).

Mr. Robinson (Burnaby): The Minister should not mislead the House.

Mr. Kaplan: Mr. Speaker, the Hon. Member interrupted me. This is something the two of us have said to each other so often, I would say perhaps three or four dozen times. He has made the point that the McDonald Commission recommended these powers, and that is the point I have just made. But it did not recommend that they be available for domestic subversion. But when you talk about letter opening and all of the intrusive horrendous, in their view, powers which are being awarded to this service—

Mr. Kristiansen: Are they not?

Mr. Kaplan: —this is something which is news to the Hon. Member—They were recommended by the McDonald Commission for use, if the Hon. Member for Burnaby will let me finish, in connection with sub-paragraphs (a), (b) and (c) of the definition. I have taken the position for the Government that they should also be available for sub-paragraph (d). But again the Hon. Member for Burnaby and I have had this exchange so often that it is painful for me to repeat it.

Mr. Heap: It is painful for us to listen to you.

Mr. Kaplan: This, of course, is one of the reasons the Government has introduced time allocation. It is because you just cannot go on hour after hour, day after day, having the Member ask the same questions, having the Minister give the same answers, having the Member ask the same questions, and having me give the same answers.

Mr. Kristiansen: Give a substantive answer, then.

Mr. Kaplan: You reach a certain point—

Mr. Blais: Sit down and listen over there.

Mr. Kaplan: —I am not giving my substantive answer again. I have given a substantive answer which has satisfied the media. I have given a substantive answer which has satisfied my caucus. I can give an answer; I can explain something to the Members opposite, but I cannot understand it for them. That is up to them. If they are not capable of doing it, I think we should just move along to another section of the Bill.

Mr. Kristiansen: Explain it.

Mr. Kaplan: I will not explain it again because I am fed up explaining it again. My answers are on the record dozens of times and I am not making them again. It is insulting of that Hon. Member to arrive here hundreds of hours after this debate has begun and start asking questions that were asked in the first five minutes of those hundreds of hours and were answered in the first five minutes. Nuts to him.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): The question is on Motion No. 52, the first motion of the present series of motions which has been debated. The motion is moved by Mr. Robinson, seconded by Mr. Heap, who moves that Bill C-9 be amended by deleting Clause 21.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay

The Acting Speaker (Mr. Herbert): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Pursuant to Standing Order 79(11), the recorded division on the proposed motion stands deferred.

Order, please. The next grouping of motions starts with Motion No. 64.

Mr. Robinson (Burnaby): Mr. Speaker, I rise on a point of order. I take it that in having deferred that grouping, we deferred all motions which were included in that grouping?

The Acting Speaker (Mr. Herbert): The vote on Motion No. 52 is deferred and that, of course, will defer all the rest of the votes on the motions in that particular grouping.

[*Translation*]

Mr. Deniger: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Herbert): Order, please! The Hon. Member for La Prairie (M. Deniger) rises on a point of order.

Mr. Deniger: I just want to make sure that this is clear, so that there is no misunderstanding like before. They say here—and I understand that an affirmative vote on Motion No. 58 would dispose of Motions Nos. 53 etc., but that a negative vote would necessitate votes on Motions Nos. 54, 55, 56, 57, 58 and 59—now that I have read it again, I think I understand, don't you, Mr. Speaker?

The Acting Speaker (Mr. Herbert): Personally, I feel there is no misunderstanding.

[*English*]

Mr. Svend J. Robinson (Burnaby): moved:

That Bill C-9 be amended by deleting Clause 23.

The Acting Speaker (Mr. Herbert): For the benefit of the House, the motions before the House are Motions Nos. 64, 69, 70, 71, 72, 73, 80, 82, 87, 88, 90, 92, 98, 102, 104, 105, 106, 107, 110, 111, and 112.

• (2030)

Mr. Forrestall: Mr. Speaker, I rise on a point of order. I am not clear about Your Honour's ruling on the point of order raised by the distinguished Parliamentary Secretary.

Mr. Deniger: It was for clarification.

Mr. Forrestall: It was for clarification. Perhaps the Chair might reiterate that because I am not sure that what I heard left that impression.

The Acting Speaker (Mr. Herbert): It was for clarification. When the vote on Motion No. 52 was deferred, that automatically deferred the vote on all other motions in that particular grouping.

If the House wishes, I could read all the motions in this particular grouping. Shall I dispense?

Some Hon. Members: Agreed.

An Hon. Member: No.

The Acting Speaker (Mr. Herbert): Is that the pleasure of the House? I could read them all.

An Hon. Member: Read them all.

Mr. Kaplan: Mr. Speaker, I rise on a point of order. I would urge Hon. Members opposite not to require the Chair to go through the motion of reading the motions included in this grouping. If they are interested in debate, surely they are capable of reading them and can spend the time more usefully discussing them.

Mr. Robinson (Burnaby): Mr. Speaker, I rise on the same point of order. I appreciate the new-found interest of the Solicitor General (Mr. Kaplan) in providing time for debate.

Mr. Blais: That is unfair.

Mr. Robinson (Burnaby): However, I would remind the Solicitor General that there are people outside this Chamber who are watching what is going on. They are watching with anger and outrage what is going on. Surely they should be entitled to observe these proceedings as well.

Mr. Forrestall: Mr. Speaker, I rise on the same point of order. It is the desire of the Official Opposition not to require the Chair to read in detail the amendments. I believe they are familiar to the people of Canada. The people of Canada are quite aware of our general opposition to the amendments. We do not require the reading of them.

The Acting Speaker (Mr. Herbert): Whilst the Chair appreciates that comment, it is also the wish of the Chair to please all Hon. Members of the House. If certain Members require that the motions be read, the Chair will so do. The Chair has already read Motion No. 64. The remaining motions read as follows:

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 69.
That Bill C-9 be amended by deleting Clause 25.
Motion No. 70.
That Bill C-9 be amended by deleting Clause 26.
Motion No. 71.
That Bill C-9 be amended by deleting Clause 27.
Motion No. 72.
That Bill C-9 be amended by deleting Clause 28.
Motion No. 73.
That Bill C-9 be amended by deleting Clause 29.
Motion No. 80.
That Bill C-9 be amended by deleting Clause 32.
Motion No. 82.
That Bill C-9 be amended by deleting Clause 33.
Motion No. 87.
That Bill C-9 be amended by deleting Clause 35.
Motion No. 88.
That Bill C-9 be amended by deleting Clause 36.

[*Translation*]

Motion No. 90
That Bill C-9 be amended by deleting Clause 37.
Motion No. 92
That Bill C-9 be amended by deleting Clause 38.
Motion No. 98
That Bill C-9 be amended by deleting Clause 40.
Motion No. 103
That Bill C-9 be amended by deleting Clause 43.
Motion No. 104
That Bill C-9 be amended by deleting Clause 44.
Motion No. 105
That Bill C-9 be amended by deleting Clause 45.
Motion No. 106
That Bill C-9 be amended by deleting Clause 46.
Motion No. 107
That Bill C-9 be amended by deleting Clause 47.
Motion No. 110
That Bill C-9 be amended by deleting Clause 49.
Motion No. 111
That Bill C-9 be amended by deleting Clause 50.

[*English*]

Motion No. 112.
That Bill C-9 be amended by deleting Clause 51.

The Acting Speaker (Mr. Herbert): For debate on the grouping of motions, the Hon. Member for Burnaby (Mr. Robinson).

Mr. Robinson (Burnaby): Thank you, Mr. Speaker.

Mr. Blais: Mr. Speaker, I rise on a point of order. In view of the comments by the Hon. Member for Burnaby (Mr. Robinson) that indeed the people who are watching the debate on television should know exactly what is happening as a result of these motions, perhaps Your Honour would return to the initial section which is being eradicated as a result of the motions so that the audience will be able to see exactly what provision is being deleted. In that way they will be better able to understand the debate before the House.

The Acting Speaker (Mr. Herbert): I am afraid the Minister of National Defence (Mr. Blais) will have to provide some explanation to the Chair on that point of order as to precisely what he wants me to do.

Mr. Blais: Mr. Speaker, I am suggesting that you have indicated the motions being introduced and the numbers of the clauses to be deleted. Since there is no explanation of what clauses are being deleted, so that the audience will know in accordance with the wishes of the Hon. Member for Burnaby the content of the clauses, perhaps Your Honour would want to read each one of them. Perhaps the Hon. Member for Burnaby would like to read each one of the clauses.

The Acting Speaker (Mr. Herbert): Now I understand what the Hon. Minister is saying. I have read the motions, which is all I have to read. If anyone else wants to read the clauses,

they are perfectly at liberty to do so. The Bill is available to all Members of the House and I assume, on demand, to any member of the public who wishes to have it.

Mr. Forrestall: Mr. Speaker, I rise on a point of order. The purpose of the editorial electrification of our debates was for the edification of the people of Canada. It was not to prolong their suffering. Rather, it was to enable them to enjoy the House of Commons. The distinguished Member of Parliament who holds the portfolio of Minister of National Defence knows better. His remarks were somewhat facetious. On the other hand, I might join with him in the sentiment which he expressed because sometimes we do baffle people.

The Acting Speaker (Mr. Herbert): I do not consider that to be a point of order.

Mr. Robinson (Burnaby): Mr. Speaker, I want to proceed to a very sober consideration of this important grouping of motions to delete. The motions in question would delete a number of clauses. I will certainly not take the time of the House to refer to all of them in the 10 minutes available to me.

Mr. Masters: Why not?

Mr. Robinson (Burnaby): Because there are members of the public who have copies of the Bill available. I am sure they will follow with interest the debates in the House with copies of the Bill in their hands. They know that Liberal Members of the House have taken no interest whatsoever in the Bill to this point. Certainly we would welcome the participation of those Members in this debate for the first time.

• (2040)

Clause 23 gives a new power to enter any place, to remove anything which has been placed in a dwelling house, office or any other location. I would note briefly that this is a power which is being accorded to the service for the first time. As well, under the provisions of Clause 26 of the proposed Bill, none of the procedural safeguards which exist under the provisions of the Criminal Code with respect to interceptions of telephone communications under the code, none or at least minimal safeguards apply under this Bill. For example, the rules of evidence with respect to derivative evidence are not applicable. None of the safeguards that this Parliament insisted upon under the provisions of this Bill. We say that is wrong.

As well, under the provisions of the Bill that deal with the powers and functions of the proposed Security Intelligence Review Committee, I would note that this committee can engage in very sweeping powers, but the powers are circumscribed by one very essential element. That element is the oath of secrecy which is included in Clause 37. Under the provisions of Clause 37, the members of the Security Intelligence Review Committee are required to swear that they will not disclose or make known to any person any information acquired by them by reason of the duties that they are performing under the Act. Effectively what this does is to deny any power of meaningful oversight when coupled with the provision of this Bill that would deny them access to Cabinet documents as well.

In addition, the powers and functions of this review committee are set out at proposed Clause 38 of the Bill. These powers as set out in that clause fall short of those which are required for full and effective scrutiny and oversight. For example, there is no power under the provisions of the Bill as it is now worded for the service to review the relationships that exist between the security service and all other bodies and agencies engaged in security or intelligence functions in Canada. Despite the clear recommendation of the McDonald Commission and number of other witnesses that any review committee should have jurisdiction over all of the players in the intelligence community, this Bill would not grant that jurisdiction to the proposed Security Intelligence Review Committee.

As well, the committee has no explicit power to review the criteria which are set out for security assessments under subclause 13 of the Bill, security assessments which are obviously critical when it comes to the awarding of contracts, the hiring of individuals for government jobs or promotions. The criteria for those assessments are currently set out in an outdated Cabinet document, Cabinet Directive No. 35, which dates back over 20 years to 1963. There is no requirement whatsoever that the new review committee review the criteria of these security assessments to ensure that there is not an excessive number of such assessments and that such assessments are being carried out pursuant to carefully drafted criteria.

I would note as well there is no provision in the Bill that grants the review committee the power to review the terms of conditions of employment which are established by the director pursuant to Clause 8 of this Bill. I made reference to this on an earlier amendment, the possibility of unfair or unreasonable terms and conditions of employment being established by the director and with the denial of any form of collective bargaining rights to members of the service. They have no alternative whatsoever, no recourse at all. Clause 38 should permit the members of the service to have the terms and conditions of their employment reviewed by the Security Intelligence Review Committee.

Under the provisions of Clause 47 of the proposed Bill, where there is a complaint about the activities or conduct of the new civilian security service, the review committee has to tell the director ahead of time: "Excuse me, Mr. Director, there has been a complaint made about you. We are coming in to investigate." What does that do to the powers of independent investigation, this so-called independent watchdog that is supposed to be scrutinizing the new service? When they want to investigate a potential wrongdoing, before they get to first base they are denied any access to Cabinet documents and they have to inform the director that they are coming in to investigate. It makes a mockery of any suggestion of effective or independent oversight.

Clause 50 is another clause which would be deleted under the motions which have been grouped for the purpose of this debate. It was important that the Speaker not dispense with the reading of those motions so that the people of this country will know clearly that at least one Party in this House is

prepared, unfortunately without the assistance of the Secretary of State (Mr. Joyal), to fight the fight against this repressive legislation, a fight which in the past the Secretary of State was prepared to wage against similar repressive provisions in the Immigration Act.

Under Clause 50 of this Bill, the review committee has sweeping powers to summon individuals before it, to receive and accept evidence and other information, whether on oath, on affidavit or otherwise, as the committee sees fit. That means that in the case of an individual such as Victor Regolado, the El Salvadoran refugee who, despite being found to be a bona fide political refugee in this country was ordered out of Canada, ordered deported by virtue of a signature by the Solicitor General (Mr. Kaplan) and his colleague the Minister of Employment and Immigration (Mr. Roberts), the review committee could rely upon hearsay evidence submitted to them in the form of a letter from a secret police service in one of these repressive military dictatorships suggesting that the individual in question is a threat to security. There was a time when the Secretary of State would have stood in his place and denounced these repressive measures. Sadly, that time appears to have been passed. This provision makes a mockery of the rules of natural justice which should apply when dealing with the fundamental liberties of Canadians and indeed the fundamental civil liberties of visitors to this country.

In conclusion, I urge the Members of this House to support the motions before us. They deal with clauses which pose very serious concerns to Canadians. They deal with clauses which should be deleted in the interest of protecting and enhancing the civil liberties of all Canadians.

Mr. Dan Heap (Spadina): Mr. Speaker, this perversion in the Government's Bill of the idea of a review committee is one of the two or three most serious faults in it. We have been told that the Government's legislation follows much of the McDonald Commission's recommendations. On certain points it does. We have been told that it follows the Pitfield recommendations. On certain points it does. One point on which the McDonald Commission was explicit was that this review committee should be set up to have real powers of review and should be subject to Parliament. There is something now being proposed, given the same name, that in its essential nature was changed by the Solicitor General's Bill.

This review committee has no right to access to Cabinet documents. I have heard Members opposite state publicly and to the media that this committee will have access to all information. That is false. I think that Members opposite, including some of the senior front-benchers who have made that statement, must know that what they are saying is false and intended to mislead the public. The committee will not have access to all information. It will be denied access to any Cabinet document which the director or the Cabinet or both together may choose to deny it.

● (2050)

The committee will not have the unfettered right to inquire into the actions of the secret service. It will need to give notice so that matters can be covered up, re-arranged and fudged over before the committee looks at them. The committee will be limited by an oath of secrecy so that it may learn things only under circumstances which prevent it from acting on the knowledge it receives. It may find itself in a position of servere conflict of conscience.

Parliament is essentially denied its control over that committee. I was very sorry to hear the Hon. Member for Sarnia-Lambton (Mr. Cullen) say earlier this evening that the appointment of senior people to the committee will require the approval of the opposition Parties. That is false. I suppose the Hon. Member for Sarnia-Lambton knew what it was false when he said it. However, he is not present so that he may blush. According to the legislation, those appointments do not require the approval of opposition Parties. The recommendation of the McDonald Commission was that those appointments should require that approval.

I do not know the intentions of the Hon. Member, but I regret the fact that he is not here to correct any unintentionally misleading remark he may have made. It was certainly misleading when he said that such approval is required. That is entirely false and I am sorry that a front-bencher for the Liberal Party would make that kind of remark. We have been told how this matter has been discussed over and over in caucus so as to create the best possible Bill. I am sure the Hon. Member for Sarnia-Lambton was party to those discussions. He must know that on the very point about which he spoke, what he said was not true.

This Bill does not require that the members of the review committee be approved by the leaders of the opposition Parties. It only requires that the Prime Minister shall consult with the leaders of the opposition Parties. In other words, the Prime Minister may say: "I am going to appoint Mr. So-and-So and Mr. So-and-So, what do you think?" The leaders of the opposition Parties may say: "No, they are not fit," and the Prime Minister may reply: "Tough luck, boys, I am appointing them." That is consultation. It is consultation that is not subject to any requirement that the Leader of the Official Opposition or the leader of any other Party having 12 Members of the House should give approval.

It is very interesting that while the Solicitor General (Mr. Kaplan) is using every dirty trick in the book to drive this legislation through the House, his front-bench colleagues find it appropriate to mislead the public by saying that appointments to this vital review committee require the input of the leaders of the opposition Parties. They know that that is false. They should be ashamed of their attempt to mislead the public in such a fashion. They are not misleading the opposition Parties. This is a point about which both opposition Parties have already made a very clear complaint. However, it is a point about which it appears the government Party is willing to try to mislead the media or, through the media, to mislead the public. It is very unfortunate that government Members have stooped so low.

These clauses of the Bill ought to be deleted. Better still, they should be withdrawn by the Government for reformula-

tion so that they will be in accordance with the recommendations of the McDonald Commission. The recommendations of the McDonald Commission have the support of everyone in the country who has spoken to this matter, except the Solicitor General and his Party. They form the tiny minority in this country which disagrees with the McDonald Commission on this point, along with perhaps a few Party colleagues in the Senate.

The people who have spoken on this matter want that review committee to fall under the authority of the whole of Parliament, and not only the authority of the Government in consultation with the rest of Parliament. They want Parliament to have the powers of investigation that were recommended by the McDonald Commission. I urge the Government to withdraw these clauses. If that does not happen, I urge members of the Government to join with the opposition in voting them down.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): The question is on Motion No. 64, the first motion of the grouping which has already been read to the House.

All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion, the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Pursuant to Standing Order 79(11), a recorded division on the proposed motion stands deferred. As I said a little earlier, that automatically defers the divisions on the other motions contained within this particular grouping.

The next motion, the first in the grouping, is Motion No. 75. I shall read the motion.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 75

That Bill C-9 be amended by deleting Clause 30.

Motion No. 77

That Bill C-9 be amended by deleting Clause 31.

Motion No. 78

That Bill C-9 be amended in Clause 31

(a) by striking out line 16 at page 16 and substituting the following therefor:

"Parliament, the"

(b) by striking out lines 26 to 31 at page 16.

Hon. John A. Fraser (Vancouver South) moved:

Motion No. 79

That Bill C-9 be amended in Clause 31

(a) by striking out line 16 at page 16 and substituting the following therefor:

"Parliament, the"

(b) by striking out lines 26 to 31 at page 16.

The Acting Speaker (Mr. Herbert): For debate, the Hon. Member for Vancouver South (Mr. Fraser).

Hon. John A. Fraser (Vancouver South): Mr. Speaker, there are only a few minutes left. Certainly Motion No. 79 which stands in my name, along with the other motions in this grouping, is of very significant substance. I wonder if it might be the pleasure of the House to permit me to call it nine o'clock.

Some Hon. Members: Agreed.

• (2100)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 45 deemed to have been moved.

CROWN CORPORATIONS—NORTHERN TRANSPORTATION COMPANY LIMITED—PROPOSED SALE OF COMPANY. (B) CASH ASSETS OF COMPANY

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, when I raised a particular question in December my main concern arose from the prospect that members of the management of NTCL may be involved in a consortium to purchase NTCL. This would give them a decided advantage over all other interest groups as they have had over four years to prepare for the sale of the company. It is for this reason that I raised that question.

In July, 1983, as a member of the Indian and Northern Affairs Committee, I began investigating the operations of NTCL. I placed my many concerns on the Order Paper. I have not received answer to those questions, even though the Prime Minister (Mr. Trudeau) gave me the assurances that then would be responded to before the company was privatized.

My concerns regarded safety practices; the quality of the steel which was used to build the barges for bulk fuel hauling, general mismanagement, as evidenced by the Thruster bargers and the refitting of the M.V. Broderick and the M.V. Bankland, and the desire for public hearings in communities which are serviced by NTCL in order that the people in the North could provide their input as to the conditions of sale.

I would like to put three concerns before the House. They are the assessment of the land, the accounting of revenues and the legislative requirements of the sale. As this company is

intended to be privatized, it is important that there be an accurate assessment of the value.

The share value of the company is $25 million. There are shares of $250,000. The assessed assets are $60 million. That means that there is a share value of $240 per share. Some say that the assessed value is as high as $250 million. That would mean that the share value is $1,000 per share. If the assessed value is $100 million, the share value would be $400 per share. These are examples of assessed values. It is important for perceived buyers to know what the company is worth.

I would like to examine the Fort McMurray problem, which involves some 49 acres, most of which was seconded during wartime for this company. It was received at a very low book value, which is now the value it is assessed at in the company's assets. In Fort McMurray, the assessed value of its property, undeveloped, zoned industrial with no development plan at the present time is $5.5 million. As soon as a development plan is put forward and this property is zoned commercial the value will increase to $8.5 million. We know that NTCL has put forward a development plan, even though the chairman indicated that that was not taking place.

Now there is the arrival of First Boston of Canada. They are supposed to perform an assessment of the value of the company. It is important for that company to know what NTCL's assets are and what the potentials are if those assets are developed. We need a fair, accurate and real assessment. Therefore, I hope that the report of First Boston will be tabled in the House so that we all will know that it is an accurate assessment of the value.

We know that there is an architectural development plan for a shopping complex, complete with office towers, in progress. In fact, the present land has been re-zoned from industrial to commercial. Therefore, its assessed value will increase.

Another concern I have relates to the ARD-31. This ship was given to NTCL by treaty from the United States Government. NTCL is required by that treaty to report all revenues and profits to the United States Government. We are very concerned that this is not the case. We heard in the standing committee the state of the declared revenues from 1979 to 1980. There were no profits. In 1981, there was a profit of $4,000. In 1982, there was a profit of $233,000. In 1983, there was a loss of $321,000. It is impossible for NTCL to have revenues of $233,000 in 1982 if one company had leasing fees in that year of over $1 million. NTCL serves many other companies.

My concern is that for some reason there has been an improper reporting to the United States Government of the actual revenues and profits that the ARD-31 is earning in the North. I have been listening to the questions of a Congresswoman in the United States regarding the reporting of this income. The President of NTCL was asked to provide answers to those questions and he refused to do so. That indicates that there is some suspicion of what is taking place.

I have a copy of a letter which is addressed to the Congresswoman, the Hon. Patricia Schroeder, wherein it reads:

The Air Force contract administrator, Captain Mohn, attempted to obtain the requested information; however, Mr. L.R. Montpetit, President of NTCL, declined to provide the information.

● (2105)

Grimshaw Trucking, a wholly-owned subsidiary of NTCL, a Crown corporation, had been bidding for contracts this year at 1980 rates. Is it fair that a company which is a Crown corporation should be under-bidding the private corporations in that area, many of which are showing losses? They can in no way compete with these 1980 rates. Why would that company be doing this now, at a time when it is supposedly going to be privatized? The only reason I can see for that is they want to bring the value down so that those people who are interested in buying the company, perhaps even the managers themselves, will have a better opportunity to do so.

If one looks at the company, one will find that it has liquid assets almost equal to half the value of the company. It is almost possible to buy the company out with its own cash and the sale of some of its subsidiaries. That is why, Mr. Speaker, I want answers to these questions before this Government privatizes that company. I believe that anyone who would buy that company would want the same kinds of answers. I want to make sure that the taxpayers of this nation get fair value for what they have put into this company and that the citizens of the north who depend on it for service continue to receive that service.

[*Translation*]

Mrs. Éva Côté (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I am pleased with this opportunity to answer the question raised by the Hon. Member for Wetaskiwin (Mr. Schellenberger) concerning the sale of Northern Transportation Company Limited.

The Hon. Member's concern seems to be that the Government of Canada is proceeding too quickly with the sale of this company to the private sector. However, it stands to reason the Government would want to expedite the sale. The Hon. Member should realize that once the decision has been made to sell the company, there is no reason to delay the sale. Any delay would create confusion that would cause concern among both employees and prospective buyers. We want to avoid this as much as possible. We would like to dispose of the company in circumstances conducive to getting us the best price. We would like Northern Transportation Company Limited to continue its important function as a reliable and efficient supplier for Northern communities and businesses.

As for the questions raised by the Hon. Member, I can assure him that the Minister of Transport (Mr. Axworthy) is aware of these questions and that they will be answered. There is no connection between the decision to sell the company and questions that have been raised about details of the company's operations. Our decision to sell Northern Transportation Company Limited was made after an exhaustive analysis of the implications for native peoples and Northern development, not out of opportunistic, short-term considerations.

The Hon. Member has expressed concern about the company's assets. He ought to know that the company runs a seasonal operation which therefore needs more working capital than most other operations. He should also realize that the end of the year happens to be the time when the company's cash flow is at its maximum. It is therefore inaccurate to infer a connection between the financial situation of the company and the shutdown of the Athabasca operation. The decision to shut down the Athabasca operation was made after substantial financial losses were ascertained and after a thorough analysis of the situation, which confirmed there were acceptable alternatives to this traditional service.

As far as the Churchill operation is concerned, Northern Transportation Company Limited has not slowed down this operation at all, whatever the Hon. Member's questions may seem to suggest. Traffic depends on customers and not on Northern Transportation Company Limited.

• (2110)

[*English*]

ENERGY—PRINCE EDWARD ISLAND ENERGY COSTS—GOVERNMENT POLICY. (B) IMPACT OF NATIONAL ENERGY PROGRAM

Mr. Tom McMillan (Hillsborough): Mr. Speaker, on May 25, and then again on June 14, I posed questions to the Minister of Finance (Mr. Lalonde) concerning the astronomically high electrical costs that burden the people of Prince Edward Island. Those costs are twice as high as those faced by the people of even the neighbouring provinces of New Brunswick and Nova Scotia. In Ottawa, people pay one third the electrical costs of people in Prince Edward Island. This situation prevents P.E.I. from being competitive with the rest of Canada because high electrical costs force up over-all costs of production, rendering the price of our goods and services unattractive to potential customers.

Indeed, high electrical cost was one of the key factors which forced the closure of Canada Packers in Charlottetown, the Island's second largest private sector employer. Cavendish Farms, a food-processing company located about 30 miles west of Charlottetown, estimates that its electrical bill alone exceeds $1 million a year, well over twice as high as that of its principal competitor, McCain Foods Limited of New Brunswick.

If Prince Edward Island is ever to achieve any degree of economic self-sufficiency, the province will require federal assistance with its electrical costs. Even a modest investment by the federal Government will go a long way toward reducing electrical costs for Island industry and consumers alike.

I asked about that possibility in my questions to the Minister of Finance in the House, but his reply was totally negative. He suggested that the federal Government was already subsidizing the Island's electrical costs through conservation programs, contributions to the cost of building the underground energy cable between P.E.I. and New Brunswick, and through other initiatives, including transfer payments which he said were higher for that province on a per capita basis than any other province in Canada. Most telling of all, the Minister said that Prince Edward Island had its opportunity to obtain cheaper energy by buying into the Lepreau nuclear plant in New Brunswick but had rejected that option for fear of, in the Minister's words, getting nuclear electricity out of its light bulbs.

I will ignore the Minister's claim that P.E.I. is already receiving its share of federal dollars in the form of transfer payments, for example, except to say this. It is largely because the federal Government has not recognized or helped with the Island's unique energy problems that we are so dependent on federal handouts, whether they be equalization payments to the provincial Government or unemployment insurance payments to individuals. If the federal Government would address our root problems, especially energy and transportation, it would cost the federal Government much less money in the long run, by enabling us to stand on our own feet.

As for the argument that we blew our opportunity for cheaper energy from Lepreau, the Minister is simply dead wrong. As P.E.I. Minister Fred Driscoll rightly pointed out at a recent news conference, the acquisition by P.E.I. of part of the Lepreau plant would not have reduced rates, it would have driven them up. The fact is P.E.I.s current purchases of power from the Dalhousie coal and oil-fired generating plant will be cheaper than the Lepreau option every single year right into the 1990s.

• (2115)

Comparative costs of purchasing power at January, 1983 levels based on 20Mw of Dalhousie power and 30Mw of LePreau power—the original entitlement amount—are 10.5 cents per kilowatt hour for Dalhousie and 10.7 cents per kilowatt for LePreau power. Even cheaper than Dalhousie would be power from Quebec Hydro, if that power could be transmitted through New Brunswick, a possibility the P.E.I. Government is now vigourously pursuing with the two governments concerned.

I hasten to point out that P.E.I. did not reject the LePreau option for environmental reasons alone, as the Minister suggested. The P.E.I. Government of Premier Angus MacLean recognized that by buying into LePreau it would have committed itself, as a part owner, to a share of all liabilities should the plant encounter problems or even have to shut down altogether, without any guarantee that a single kilowatt of electricity would be delivered to the Island. Given the problems with certain nuclear facilities in Ontario, such a doomsday scenario was not, and is not, far-fetched.

Why should the Minister be so shocked by my suggestion of a direct energy subsidy? Experts suggest that a $20 million one-shot subvention would be all that is needed to bring the Island's electrical costs in line with the rest of the Maritimes.

I will conclude by saying that the federal Government has been prepared to subsidize energy in practically every other province, from nuclear generating plants, to pipelines, to natural gas prices pegged at 65 per cent of oil prices, to every

manner of other energy initiatives. Why should P.E.I. be discriminated against? You can be sure, Mr. Speaker, that the Minister would be much less reluctant if his native province of Quebec were in P.E.I.'s position. I urge the Minister, at the very least, to view this entire issue with an open mind.

Mr. Ralph Ferguson (Parliamentary Secretary to Minister of Finance): Mr. Speaker, it is not federal Government policy to directly subsidize electricity rates in any province, including Prince Edward Island. We have encouraged Prince Edward Island to negotiate long-term, firm power purchases with New Brunswick power and Hydro-Quebec. Such an arrangement represents the best opportunity for Prince Edward Island to bring its electricity rates down to the national average over the long term.

It is, and has been, federal Government policy to subsidize energy costs generally in P.E.I. in a variety of ways. In 1976 Canada provided assistance to P.E.I. through construction of an underwater electrical transmission cable linking the Island's distribution system to that of New Brunswick. The $36 million cost of this cable was supported by a 50 per cent federal Government grant and a 25 per cent loan.

Prince Edward Island's particular energy circumstances were recognized in the National Energy Program of October 1980. A number of measures special to Prince Edward Island were announced. The enhanced conservation portion of the Canada Oil Substitution Program provided special grants for residential investments reducing oil heating costs on the Island. The Altantic Energy Conservation Investment Program was established, providing grants to firms for investments that increase energy efficiency. In addition, Prince Edward Island benefited from national conservation and renewable energy programs. To date $19.16 million has been expended in Prince Edward Island under the following programs: Canada Oil Substitution Program, $2.85 million; Canadian Home Insulation Program, $10.01 million; Atlantic Energy Conservation Investment Program, $.35 million; Conservation and Renewable Energy Demonstration Program, $3.25 million; Forest Industry Renewable Energy, $1.9 million; National Energy Audit Program, $.8 million.

In 1982 Energy, Mines and Resources agreed to undertake a special study, Prince Edward Island energy alternatives. The first phase of this study, which was completed in December, 1983, concluded that the most economic means of reducing energy costs on the Island lay primarily in conservation and the use of wood or biomass. Both alternatives involve a significant degree of provincial content generating economic benefits to the Island.

The federal Government is in the process of concluding an energy sub-agreement with Prince Edward Island which would expend several million dollars on initiatives which would concentrate on utilizing underdeveloped biomass and agricultural waste resources as alternative fuel sources, help to offset high energy costs, reduce the province's relatively heavy dependence on oil and provide a significant economic stimulus to the province itself.

• (2120)

NATIONAL DEFENCE—MILITARY ACCIDENTS—RELEASE OF INQUIRY TRANSCRIPTS. (B) NAMES OF INQUEST WITNESSES

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I rise to follow up on a question that I asked of the Minister of National Defence (Mr. Blais) some time ago. When I rose in the House on that day I was concerned that a promise the Minister had made on the nationally televised CBC, *The Journal*, was not being kept up to that point.

I was referring to the fact that the Minister had appeared on *The Journal* with respect to a case, which came to his attention through my raising it in the House, of the accidental deaths of two militia privates in Saskatchewan in August of last year. It is a long story which I will not go through, but through a series of questions in the House we came to a point where we broke some new ground in terms of the release of information to parents of militiamen killed in accidents while on duty.

The Minister indicated to me that no longer would people have to go through the access to information route to get copies of the transcripts of the inquiries that the militia conducts when such incidents occur. I had to go through that process on behalf of my constituents in order to set some precedents, and after that the Minister said that from now on parents or designated next of kin would not have to go through that process. All that they would have to do is indicate that they wanted a copy of the transcript and they would get it. That is the commitment that he made on national television that evening.

Some weeks later, however, I phoned the mothers of two militiamen who had been killed and they still had not received the transcripts, even though the Minister said on television some weeks before that all they had to do was call the next morning and he would see to it that everything was looked after and would turn out just fine. Yet we found out some weeks later that although those people had phoned the next morning they had not heard back from anybody and had not received a copy of the transcript. I rose at that time to push and hopefully embarrass the Minister into doing something about living up to that commitment.

I did make one accusation that day that I want to correct. At that time I indicated that the coroner who will preside over the coroner's inquest which is to be held this Friday in fact, into the Krosney-Laurendeau accident had been unable to get a copy of the Board of Inquiry transcript from the Canadian Armed Forces. That was the situation to the best of my information when I said that to the Minister in the House on that day. I learned later that day, from talking to people who were concerned, that the coroner had on the previous weekend been supplied with a copy of the transcript. Just for the record, and out of respect for the facts, I wanted to make that correction on the record.

However, a number of other concerns still stand. I would like to know, and I hope that the Parliamentary Secretary who is here to answer for the Minister will be able to tell me,

whether or not the two designated next of kin who were the object of my discussion with the Minister the last time I rose in the House have now received a transcript. The Minister indicated to me in a letter that he would be in communication with those parents and would be providing them with the transcript. I would like to know if that has happened.

• (2125)

I would also like to know, Mr. Speaker, why in the case of Krosney there only seems to have been reform from the top down so far. I have to give the Minister some credit for having responded to the pressure we put on him through the media, through questions in the House and through petitions, etc. It took some doing, but nevertheless there has been some response. We see this reform from the top down but we still see no reform at the bottom, so to speak, at the regional and local level within the militia. The parents of Private Krosney and Private Laurendeau have still not heard from the militia. They have not received a letter of explanation, apology, or regret that all of this hassle had to be gone through, on top of their grief.

I wonder whether the reason for that is because in the final analysis, in spite of the fact we now have the transcript, and we were even able to get the recommendations which were initially hidden from us through the use of the access to information exemption, the fundamental question of whether or not Private Krosney on that day was trained to drive the vehicle he was driving was not addressed in the recommendations. In the evidence there is plenty of indication that he was not trained. In fact, there was a bald admission that he had no previous training driving a jeep with a gun on the top and a trailer behind it. If that is not addressed in the recommendations, maybe that is why there is still that kind of silence. I do not know, Mr. Speaker. I hope the Minister will have some answers for me.

May I just say that I do not want my comments in any way to be construed as an attack on the militia or the cadets or anything like that. I am a supporter of them. I rose in the House the other day to ask for increased funding for the army cadet leader course at Vernon. There are many other issues on which I will have occasion to rise in support of some of the work the militia and the cadets are doing. But they have to clean up their act with respect to how they relate to accidents and how they relate to next of kin. I hope the Parliamentary Secretary will have something positive to report.

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I want to commend the Hon. Member for Winnipeg-Birds Hill (Mr. Blaikie) for his continued interest and his continued support and concern for the militia. I understand the Minister has written the Hon. Member a letter in response to his May 23 question in the House. I believe in the three minutes allotted to me that it is worth recording the salient points which the letter contained.

When a member of the Canadian Forces dies in the course of his military duty, Canadian Forces authorities, by regulation, are required to conduct an investigation into the circumstances surrounding the death. This investigation usually takes the form of a board of inquiry which, I might add, is not a substitute for the provincial coroner's investigation, report or inquest.

In addition to determining reasons for and cause of death the Canadian Forces investigation may be used in support of an application for a pension for dependants, it may identify problems regarding material, it may alert authorities to critical requirements pertaining to operations and training. The investigation is a record as defined by the Access to Information Act and, as such, one may gain access to it in accord with and subject to the provisions of that Act.

The Minister has directed that the designated next of kin of a deceased member of the Canadian Forces need not follow the prescribed procedures in the Access to Information Act. Such a request, be it written or oral, is to be treated as if it were an access request under the Access to Information Act. It will be reviewed and subject to the exemptions provided in the Access to Information Act and the Privacy Act, the investigation will be provided to the requester.

Addressing now that part of the Hon. Member's question which dealt with the provision of information to the Coroner of the Province of Saskatchewan in respect of the deaths of Privates Krosney and Laurendeau, I am able to inform you that on 27 April 1984 the Minister personally corresponded with Dr. McMillan. He also directed Canadian Forces authorities to extend fullest co-operation with the Coroner in the discharge of his duties. To that end, a copy of the minutes of the proceedings of the board of inquiry convened to investigate the deaths of Privates Krosney and Laurendeau was provided to the Coroner. The minutes provided were complete and include the names of personnel who gave evidence with the exception that the findings and recommendations portions had been removed. The minutes were provided to him for his personal use in the performance of his duties and, as a consequence, they were not to be made public or form part of teh evidence submitted at the inquest.

I am pleased to advise the Hon. Member that the Minister has personally written both to Mrs. Anne McKinnon and Mrs. Caroline Davies forwarding each a copy of the Board of Inquiry they requested. This should have given them the information the Member requested concerning the licence to drive. The only information not contained is that which is exempted from disclosure under the Access to Information Act and the Privacy Act.

[*Translation*]

The Acting Speaker (Mr. Herbert): The motion to adjourn now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 2(1).

At 9.31 p.m., the House adjourned.

HOUSE OF COMMONS

Wednesday, June 20, 1984

The House met at 2 p.m.

• (1405)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

POLITICAL PARTIES

RESULT OF LIBERAL PARTY LEADERSHIP CAMPAIGN

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, thinking that the Liberal Party still retains some vestige of collective intelligence, I had so wagered on the Minister of Energy, Mines and Resources (Mr. Chrétien) last weekend. However, the death wish was amongst them and they disregarded the one candidate who might have stood them one small chance of success in the next election.

Doomed to failure with a Leader whose first act as the Prime Minister designate was to impose closure on the security Bill, therefore showing his disdain for Canadians and the institution of Parliament, the Liberals struggle manfully on to the oblivion that awaits them at the polls. Now that our friend from the ivory towers of Bay Street corporate law is to give up his lucrative directorships in CPR, Massey-Ferguson, Bechtel, Seagram's, et cetera, let me suggest that after the next election Mr. Turner could always keep body and soul together by selling Glad bags on television.

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POLITICAL PARTIES

LIBERAL PARTY LEADERSHIP CONVENTION—ROLE OF EDMONTON MAYOR

Mr. Arnold Malone (Crowfoot): Mr. Speaker, westerners are proud people of honour who believe that a handshake agreement is a contractual bond. Then the bomb arrived. The true Grit Edmonton mayor who nominated the Minister of Justice (Mr. MacGuigan) for Leader of the Liberal Party did a 100-yard dash to self-serving safety, right in the middle of round one. Commitment and loyalty were consumed by nervousness. The mayor's Liberal instinct was to seek power with honour if necessary, but not necessarily an honourable power. His was a buddy system that left his friend choking in the water while he climbed into a new self-preservation suit. What may we expect of a person who so openly betrays a friend? Would this person also pretend to oppose wage and price controls, or fool people into believing that we could have cheap gasoline in spite of world price, or speak with a forked tongue about co-operative federalism?

Apparently winning was more important than honour. In his game the score is irrelevant. The rules, written or otherwise, are there to be broken. All that matters is the glitter of the trophy at the pinnacle of power. When Lawrence was elected mayor of Edmonton, some people thought they might be getting a polished apple for the West; sadly, all we got was Decore.

* * *

MEDICAL CARE

ROLE OF MEDICINE IN LAW ENFORCEMENT

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, concern over the uncertain role of medicine in law enforcement is growing among many Canadian doctors. The focal point of their concern is that government intervention in the practice of medicine is increasing, and the time-honoured concept of doctor-patient confidentiality is in a state of serious erosion. Some of the questions doctors are now asking are: should a physician be required to use his or her clinical skills, or the information gathered, to enforce the laws of the land? To what extent should he or she be allowed to use professional discretion in determining the relevance of the knowledge so acquired?

Doctors generally agree that confidentiality is not for their benefit but for the patient's. If this confidentiality is destroyed, patients will be reluctant to communicate certain intimate facts, and physicians will stop keeping accurate records. The Canadian Medical Association is particularly concerned about pending CSIS legislation which will give an investigator special status, authorizing him to go into a physician's office and obtain information pertaining to matters under investigation. Physicians need to be reassured that access to medical records is a rare requirement in protecting the security of Canada, and that it is to be subjected to a rigorous process of control and review by Ministers of the Crown and the judiciary, along with a Security Intelligence Review Committee.

* * *

PUBLIC SERVICE

EXERCISE OF POLITICAL RIGHTS BY EMPLOYEES

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, earlier today a number of students from the Canadian Labour College gathered on Parliament Hill to make a clear statement

that public sector workers should have their political freedom. Over 400,000 public employees across the country are denied their basic political rights. In a democracy the freedom of a citizen to take political action is considered to be a basic right. It should only be removed when persons have proven themselves to be unworthy of that right. In the case of public sector workers, it was removed because the political Parties, their employers, were abusing the power and the system.

In the 1980 federal election all political Parties were asked if they supported the principle that public sector workers should have the same basic rights as other citizens to participate in the political processes of Canada, and, if elected, would their Parties introduce legislation to that effect. All three Parties agreed that the law should be reviewed and revised. In 1979 an all-Party committee said:

> Simply because political participation is a right of citizens, we believe that this should be the principle that applies to public servants, only limited in the exceptional cases where any indication of partisan political interests would compromise the reputation of the public service for impartiality or would damage the individual's effectiveness as a public servant.

Only the NDP has kept that promise. My colleague, the Hon. Member for Regina West (Mr. Benjamin), has at present just such a Bill on the Order Paper, C-248, and I ask all Members to help keep their own Parties—

Mr. Speaker: The Hon. Member's time has expired.

* * *

LABOUR CONDITIONS

EMPLOYMENT—POSITION OF LIBERAL PARTY LEADER

Mr. Jim Hawkes (Calgary West): Mr. Speaker, yesterday we may have been a little premature in criticizing the new Liberal Leader so heavily for being briefed. Today's *Globe and Mail* tells us that it seems the briefings are doing some good. The new Leader has discovered there are two million unemployed in the country, including 800,000 young people. For that we thank the briefings.

The other revealing part of that article is that there seems to be a concern on the part of the new Liberal Leader to have some activity on the employment front prior to the next federal general election. What that tells us is that during those briefings the new Liberal Leader may have discovered where the hidden pot of job creation money is. We have stood in this House and said that the Government opposite has hidden funds which it intends to trot out just prior to an election. Ministers are using the unemployed as pawns in a political game. They do not really care about getting jobs. They do care about getting re-elected. These briefings seem to confirm that fact. There is a difference between beef and baloney, and we know the difference.

• (1410)

ENVIRONMENTAL AFFAIRS

POLLUTION OF ONTARIO RIVERS—DELAY IN PAYMENT OF COMPENSATION

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, in 1970 the English and Wabigoon River systems in Ontario were declared unsafe due to methyl mercury pollution from the Reed Paper Company's pulp mill at Dryden. These rivers are still closed today. The closing of these rivers destroyed the economic base of two Indian communities. The Indians of White Dog and Grassy Narrows lost their incomes, their employment, their source of food, as well as their dignity. Since then Great Lakes Forest Products bought out the Reed Paper Company after that company agreed to compensate the native community with some $15 million. To date this has not been done, after 15 years.

In the interest of human dignity and justice, I would urge the Prime Minister-elect to use his new position, and I might add his position as director of CP Limited and CP Investments, which are the major shareholders of Great Lakes Forest Products, to put in a good word and urge this company, of which he is still a small part, to fulfil their promise of compensation to the native population of Grassy Narrows and White Dog.

* * *

HUMAN RIGHTS

URUGUAY—DETENTION OF OPPOSITION LEADER AND SON

Mr. Bob Ogle (Saskatoon East): Mr. Speaker, today I would like to bring to the attention of the House the fact that Amnesty International has declared that Wilson Ferreira and his son, Juan Raul Ferreira, are detained in custody in the country of Uruguay. This man was the Leader of the opposition Party which is known as the Blancos. He was attempting to return to Uruguay to participate in the election which is scheduled for October. During the 11 years that he has been in exile he has protested against the human rights violations which have taken place in his own country. Members of this House in all three Parties who served on the Latin American sub-committee know about this situation from personal experience. Ferreira has attempted to bring this reality to the whole world.

At this time I call upon the Government of Canada to protest vehemently against what has happened to Mr. Ferreira, a fellow parliamentarian, if it has not done so already. I call upon the Minister of External Affairs to ensure that our embassy in Buenos Aires, which looks after Uruguay, approaches the Government of that country to see that these two people are released immediately from prison.

CANADA POST CORPORATION

DELAY IN MAIL DELIVERIES

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, Canada Post Corporation has of late taken many interesting detours from its only mandate, delivering the mail. It has experimented with selling goods for Consumers Distributing, and has considered selling sports pool tickets. While on its detours it seems to have lost its sense of time and direction.

I received a complaint from a constituent this week which described how it took from May 18 until June 9, 22 days, to deliver a letter from Toronto to Bolsover, Ontario, a distance of 75 miles. Another constituent waited 13 days in May for a cheque to be delivered from Pefferlaw to Markham, a distance which can be travelled in less than an hour. Yet another constituent demanded a trailer be unloaded by Canada Post to see if it contained a christening gown which was long overdue. Sure enough, when the trailer was searched the gown was found, long after the christening.

On behalf of my constituents and all Canadians I urge the Government to allow Canada Post to return to its primary mandated function. It is about time it devoted its time to improving mail service and nothing else.

Mr. Speaker: The Hon. Member for Winnipeg-Birds Hill.

Mr. Blaikie: Mr. Speaker, I am rising on Standing Order 21.

Mr. Speaker: The Chair has not called Oral Questions. The Chair recognizes the Hon. Member.

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POLITICAL PARTIES

OUTLOOKS OF LIBERAL AND PROGRESSIVE CONSERVATIVE PARTY LEADERS

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I would like to point out that my Tory colleagues to my right missed the point yesterday when they were going on about how the future Prime Minister ought to have resigned his various corporate boardroom directorships, as of course he should have.

Some Hon. Members: Hear, hear!

• (1415)

Mr. Blaikie: Thank you. But the real point is that one cannot resign a way of looking at the world, and neither John Turner nor the Leader of the Opposition (Mr. Mulroney) can resign the way they have learned to look at the world and its problems in the boardrooms of the nation. That is what they have to resign if they ever want to be able to lead this country.

Oral Questions

ORAL QUESTION PERIOD

[*English*]

THE ADMINISTRATION

LIBERAL PARTY LEADER—RESIGNATION OF CORPORATE DIRECTORSHIPS

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, I cannot help but remember that the Hon. Member who just spoke used to be, unhappily, a member of my Party. He has managed to change his view of the world.

Some Hon. Members: Hear, hear!

Mr. Clark (Yellowhead): My question is directed to the Prime Minister. Would he tell us whether the Leader of the Liberal Party, the future Prime Minister, has resigned, effective immediately, all of the several directorships which bring him into an appearance of conflict of interest? If he has not resigned them immediately, does he intend to resign them immediately?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I cannot say for sure what Mr. Turner will do, but we did talk about this matter yesterday. It seemed to me that his inclination was to let his resignation stand as it was.

Mr. Clark (Yellowhead): That then brings Mr. Turner into a very clear apparent conflict of interest.

CONFLICT OF INTEREST GUIDELINES—APPLICATION TO MINISTERS

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, I would like to read into the record of the House the conflict of interest guidelines set down by the Prime Minister. There are two principles:

(1) The onus for preventing real, apparent or foreseeable conflicts of interest rests with the individual;

In this case, Mr. Turner.

(2) Ministers must perform and appear to perform their official responsibilities and arrange their private affairs in a manner that will conserve and enhance public confidence and trust in government and that will prevent conflicts of interest from arising;

Acceptance of that standard is the price that Ministers must pay for access to confidential documents about the business of the country. Will the Prime Minister explain to us why the standards of a future Prime Minister should be lower than the standards of a serving Minister?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I did lay down guidelines for Ministers. I did not lay them down for Leaders of Parties.

Some Hon. Members: Oh, oh!

Mr. Clark (Yellowhead): Our great regret and our great fear, of course, is that the new Leader of the Liberal Party will have standards as slack as those of the outgoing Leader of the Liberal Party.

Oral Questions

APPLICATION OF GUIDELINES TO MINISTERIAL EXEMPT STAFF

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, in this document containing conflict of interest guidelines there are guidelines that affect exempt staff. I quote:

> Each Minister is responsible for designating those exempt staff members to whom the ministerial guidelines apply. At a minimum, they normally should apply to Executive Assistants and Senior Policy Advisers—

We have executive assistants to Ministers and senior policy advisers to Ministers bound by conflict of interest guidelines, but we do not have the man who is going to be the next Prime Minister of Canada bound by those same guidelines. Will the Prime Minister explain to us why there should be a tougher standard for an executive assistant than there is for the future Prime Minister of the country?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, for the simple reason that I have no authority over future Prime Ministers. I have no authority over a Leader of the Party. He is preparing the transition. He is doing it with officials in the Privy Council Office, not with exempt staff of my office or any other office. What access he has to confidential material will be under the discretion of the Secretary of the Cabinet, and that is good enough for me.

[*And the Minister of Energy, Mines and Resources having entered the Chamber, all Members rose in tribute.*]

• (1420)

Mr. Clark (Yellowhead): Mr. Speaker, before asking my closing supplementary question, let me simply welcome back to his place of honour in the House of Commons *le petit gars de Shawinigan.*

Some Hon. Members: Hear, hear!

POSITION OF PRIME MINISTER

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, the Prime Minister does have control over what confidential documents are made available for the Prime Minister designate. Why will the Prime Minister of Canada not honour his own guidelines and stop the circulation of those confidential documents to Mr. Turner in a situation which amounts to an apparent conflict of interest?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we are in the presence of a doubt in the mind of the Hon. Member about the conduct—

Mr. Nielsen: The Right Honourable.

Mr. Trudeau: The Right Honourable, I stand corrected—of the Secretary of the Cabinet, the highest civil servant in this land, to whom I confided the responsibility of briefing the Prime Minister designate in whatever way he found appropriate. I repeat, as I said in my previous answer, that I have confidence in Mr. Osbaldeston. I have confidence in his judgment. I have confidence in the choice of documents that he will feel necessary to show to Mr. Turner. Second, we are dealing with a former Member of this House, a former Minister of the Cabinet, a Privy Councillor who is bound for life by his oath of office, and I have confidence also in the honourability of Mr. Turner's conduct as a Privy Councillor.

REPORTED FUND RAISING CAMPAIGN TO MEET TRANSITIONAL EXPENSES

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, my question is also for the Prime Minister. The June 10 issue of *The Toronto Star* reported that fund raisers for John Turner were attempting to raise some $600,000 for so-called transitional expenses of Mr. Turner if he were successful in getting his Party's leadership. These expenses would include moving his family to Ottawa, and other personal expenses. Has the Prime Minister discussed this matter with Mr. Turner, and does the Prime Minister believe that it is appropriate for the Prime Minister designate to be indebted to secret private donors in this way?

Mr. Regan: Little Lord Fauntleroy is worried.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I notice that the Hon. Member did not ask if any of these funds came from abroad. We understand that funds came from abroad to help his Leader when he was in transition.

Mr. Beatty: Mr. Speaker, the Prime Minister attempts in a rather cavalier way to dismiss this.

PRIME MINISTER'S POSITION

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): I want to put the question to the Prime Minister again, Mr. Speaker. Does the Prime Minister feel it is appropriate for his successor, the Prime Minister designate, to be receiving some $600,000 from secret private donors, to be used, among other things, for personal expenses? Should he be indebted in this way?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I repeat, the Leader of the Opposition, the Member of Parliament for Central Nova—

Mr. Regan: For the moment.

Mr. Trudeau: —obviously received funds for his campaign too.

Some Hon. Members: Oh, oh!

Mr. Trudeau: Does the Hon. Member know that he received no funds in order to help him sell his Montreal house for a reasonable price and come and settle in Ottawa? I don't know, and I don't know about Mr. Turner either. I just presume that both of them are honourable. I wish to hell the people on the other side would treat other Members as honourable too.

Some Hon. Members: Hear, hear!

Mr. Hnatyshyn: It is tough defending Turner, isn't it?

ENERGY

PETROLEUM INCENTIVES PROGRAM—INQUIRY WHETHER GRANTS MADE TO EAST COAST RESOURCES LTD.

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. I would like to congratulate him on his recent conduct and showing. Is the Minister aware that Petro-Canada had 40 per cent of the East Sable field, the Venture gas field off Nova Scotia, that 10 per cent of that field was given to the Nova Scotia Government under the Canada-Nova Scotia agreement, and that 10 per cent of that was given by the Nova Scotia Government through its energy company, to a company called East Coast Resources Ltd.? This was a popular investment among senior Conservatives. It has gone from $15 per share to 80 cents per share. Has any Petroleum Incentive Program money gone to East Coast Energy Ltd., to that company? Has the Government investigated whether any of this money was diverted to the anti-Joe Clark campaign in the recent Tory leadership convention?

• (1425)

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Mr. Speaker, I do not know what the Government of Nova Scotia does with its shares in that field. It is entitled under legislation to its share of the back-in. By the way, the Official Opposition opposes that provision officially, but the Government of Nova Scotia wants it badly. What it does with it, if it sells it back to some company, is a decision of the Government of Nova Scotia. I respect its jurisdiction. If it gives a break to some Tories in the province, it might be that it does not have the same standards as we have here.

K. D. MARINE (MARITIMES) LTD.

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I ask the Minister this question seriously because we are talking about standards here today as well as a lot of federal money which goes into these projects. Has his Department had cause to look into a company called K. D. Marine (Maritimes) Ltd.? One of its directors, Michael Cogger, recently admitted to doing some political work for that company, anti-Joe Clark work, in 1982. Has the Minister looked into the conduct of the brokerage firm called McLeod Young Weir, as well as Mr. Walter Wolf and some of the allegations he has been making? Could the Minister confirm to the House that no federal PIP grant money has gone into funding this company?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Mr. Speaker, I can see that there might be some problems in the other family. The opposition family is different from the Liberal family.

Some Hon. Members: Hear, hear!

Mr. Chrétien: As long as the money has been channelled through this company, through the Tory administration of Mr. Buchanan, according to the Opposition, it is supposed to have very high standards. I hope the Leader of the Official Opposition will write to Mr. Buchanan to indicate that he should conduct himself in Nova Scotia with the standards of this Government.

* * *

THE ADMINISTRATION

LIBERAL PARTY LEADER—BRIEFING BY CABINET SECRETARY

Mr. John Bosley (Don Valley West): Mr. Speaker, my question is directed to the Prime Minister who admitted earlier that the responsibility for whom the Secretary to the Cabinet briefs rests with the Prime Minister himself. Therefore I will ask the Prime Minister the following question. Will he tell the Secretary to the Cabinet that Mr. John Turner has a choice? Mr. John Turner can spend the rest of this month earning the directors' fees he probably needs. In other words, Mr. Turner has a choice—the money or the briefings.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, that is very interesting. I will take that as a representation and make sure that Mr. Osbaldeston hears about it.

BASIS FOR CONFLICT OF INTEREST GUIDELINES

Mr. John Bosley (Don Valley West): Mr. Speaker, I ask the Prime Minister this question: if he believes that conflict of interest guidelines mean nothing more than trusting entirely the honour of a member of the Ministry, then why have them at all?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, they are exactly that. They are guidelines. They do repose on trust. They do repose on confidence. That has been my approach to government. I am happy to say that, after these many years in office, I have heard many, many questions and hints about scandals, and I am proud to leave at a time when there has been no real scandal in my time.

Some Hon. Members: Hear, hear!

* * *

AIR TRANSPORT

REGIONAL CROSS-BORDER SERVICES—STATUS OF NEGOTIATIONS WITH UNITED STATES

Mr. J.-Roland Comtois (Terrebonne): Mr. Speaker, my question is directed to the Hon. Minister of Transport. Since Monday Canadian and U.S. government officials have been negotiating and trying to reach an agreement on an aviation deal which would expand regional cross-border airline services. Could the Minister tell the House the status of these negotiations and what the implications will be for Mirabel?

[*Translation*]

I may add, Mr. Speaker, that the matter is of great interest to all Members from the Mirabel area.

[*English*]

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, as Hon. Members of the House will know, we have been engaged in developing a number of new initiatives in the area of airline policy designed to provide more choice for consumers. I am pleased to indicate that the discussions with United States officials have reached the stage of agreement in principle for a new local and regional airline service that will provide a number of new opportunities for service between Canadian and American points.

● (1430)

Second, we have been able to negotiate an interesting experimental program for under-utilized airports which will allow more extensive use of Mirabel so that we will be able to provide direct service to a number of American cities and develop that as a starting point for new, low cost, no-frills airlines over a period of time. We have been able to proceed successfully with those conclusions. We have the agreements in principle. I hope by the end of the day we will have a full signing of those agreements. That will provide a larger choice for Canadian and American consumers, and provide for further growth in the airline industry.

* * *

THE ADMINISTRATION

APPLICATION OF CONFLICT OF INTEREST GUIDELINES

Hon. David Crombie (Rosedale): Mr. Speaker, my question is for the Prime Minister. It deals with the line of questions which were asked previously with respect to conflict of interest. It is my understanding that the principle the Prime Minister used when he drew up the guidelines in April, 1980, was that any Cabinet Minister accepting responsibility and the acceptance of documents which were confidential in nature had to divest himself at that time of those things which could give the appearance or indeed the fact of a conflict of interest. That appeared to me to be the principle. If that is the principle, does the Prime Minister think that is a principle that should be applied to Prime Ministers and Prime Ministers designate, as well as to Cabinet Ministers?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is an important principle, but there is a more important one. Appearing to be right, and appearing to be truthful, and appearing to be honest, are important, but it is more important to be right than to appear to be right.

RESPONSIBILITY FOR APPLICATION OF GUIDELINES

Hon. David Crombie (Rosedale): Mr. Speaker, when the Prime Minister drew up those guidelines, was it in his mind that the responsibility for those guidelines lay with the Prime Minister, the Ministers, or the head of the Privy Council?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Prime Minister was intended to be the one who would look at the application of those guidelines. That is why the questions about ministerial conduct are perfectly justified. However, Mr. Turner is not a Minister. He does not come under the guidelines in a technical sense. As a matter of honour on his part, and perhaps as a matter of honour on the other side, do not try to dredge up another phoney scandal, which is the only kind of scandal I have seen them dredge up in the past 15 years.

* * *

RAILWAYS

PROPOSAL TO PHASE OUT CABOOSES

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I have a question for the Minister of Transport. In answer to a question asked some days ago by the Hon. Member for Sarnia-Lambton, the Minister indicated that the matter of whether or not cabooses were to be phased out by CNR and, in turn by the CPR, was one that the Minister perceived as something that would be decided by collective bargaining. Has the Minister had a chance to consider his answer to that question, and will he say today that it is not just a matter for collective bargaining? There is an application before the RTC, something in which the Canadian Transportation Commission will be involved. It is also a matter having to do with larger questions of public policy with regard to technological change, public safety, et cetera. Will the Minister take an interest in the issue and not simply leave it to collective bargaining because, in fact, is it not just left to collective bargaining?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I can give the Hon. Member the assurance that I have already taken an interest in the issue. I have met with the unions involved and have also had discussions with railway officials about the matter. What I did in my answer to the Hon. Member for Sarnia-Lambton was to point out that, on the question of adjustments that might be occasioned as a result of this, it would be a matter best left to the negotiations between management and labour. Any question concerning the safety or technology aspects of it is before the CTC.

As the Minister to whom the CTC must answer, I am in the position where I may have to deal with an appeal or response, and therefore would not want to make any judgment at this time. That would be stepping beyond my bounds and would not allow the CTC to give full and proper account to the representations made before it. We are certainly taking into very deep and serious consideration that it is a matter of concern to the railways and the railway unions. The actions taken are to follow the normal prescribed procedures and not interfere or intervene in an unnatural way and simply distort the process.

EFFECT OF TECHNOLOGICAL CHANGE

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, if I recall the question of the Hon. Member for Sarnia-Lambton, it did not have to do with adjustments but with questions of public safety and the question of what was before the CTC. The question of adjustments is a matter that should only come up if and when, and hopefully only if, the decision to phase out the cabooses is actually taken. I would not want to prejudge that question by getting into the question of adjustments.

Will the Minister consider making technological change on the railways a case for technological change in general? Will he consider appointing a special task force, or something of that nature, made up of members of the unions affected, public interest groups and whatever, to look at technological change in the railways and the way in which it can perhaps be used as an example of how technological change should occur, instead of it just happening in a happenstance, ad hoc, and totally management-oriented way as now takes place on the railways?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I would point out to the Hon. Member that it was about three or four weeks after I was appointed to this position that I wrote to the chairmen of each of the boards of the Crown corporations that come under my jurisdiction. I indicated that I consider major changes affecting communities and workers due to technology or to productivity as a matter of high priority. I asked each of the board of directors of those corporations to address it as a number one priority, to establish a working committee of that board, to work with the respective unions and managemment in their corporations, and to come forward with prescribed answers.

I would further point out that the recent appointment of Alderman Hewes from Edmonton as chairman of the board of CNR, someone who is well known as having a great deal of experience in those kinds of negotiations and having an understanding of the impact of changes between workers and management because of her experience in the City of Edmonton, is further endorsement of our deep concern that, in the area of transportation, we will take the lead in responding to whatever impact new technology brings with it.

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[*Translation*]

REGIONAL INDUSTRIAL EXPANSION

REQUEST THAT GOVERNMENT ASSIST PÉTROMONT

Hon. Roch La Salle (Joliette): Mr. Speaker, my question is directed to the Minister of Regional Industrial Expansion. The Minister is aware of the problems now facing a company known as Pétromont in Montreal. Last year, we applauded the fact that the company was offered a federal subsidy. This year, because of the absence of any energy policy, the company is now in a situation where, it seems, it is about to announce the company is closing down, which would put 500 employees out of work. In the circumstances, considering the interest shown by the Minister a year ago, and also since there is a report that seems to offer a solution for the petrochemical industry, could the Minister promise today he will give some urgently needed assistance, and what kind of assistance is the Minister prepared to offer Pétromont in order to save 500 jobs in Montreal?

[*English*]

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, the Hon. Member should know, of course, that Petromont's largest customer is the Union Carbide plant in Montreal. He has read articles in the paper similar to ones I have read. Union Carbide is giving consideration to closing that plant. Even if we were prepared to provide some money for Petromont tomorrow, that would not solve the problem of finding a market for its products, given the fact that Union Carbide might make this decision.

Second, I want to correct one thing for the Hon. Member. The $25 million we have provided to Petromont was not for one year. It was for two years. That money is still applicable to March, 1985.

[*Translation*]

REQUEST THAT MINISTER HELP SAVE 500 JOBS

Hon. Roch La Salle (Joliette): Mr. Speaker, I have a supplementary. The Minister knows, first, that there has been no reply to the report, which said that only a policy that would make it possible for the petrochemical industry to buy oil at competitive prices could resolve the problem, and second, that if Union Carbide is obliged to close down its branch, it is because the Government did not respond to the recommendations made in the report last February.

The fact remains that the Minister is aware of the risk that this Montreal plant may close down this week. My information sources urged me to ask the Minister if he intends to take action to help this industry survive, as he did for Canadair and de Havilland when these industries were judged to be indispensable. To Quebecers, Pétromont is as important as the automotive industry in Ontario which the Minister helped last week, and he is to be congratulated for that. Is the Minister prepared to show the same concern for the Pétromont plant, in order to save it? I am saying it again on behalf of the company's 500 workers. I know the vast majority of Members on the other side agree with me and that they hope to have an answer from the Minister as soon as possible.

● (1440)

[*English*]

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, I repeat that it is for Union Carbide to make a decision whether to close its operations for very sound business reasons. We have had discussions with the SGF shareholders with respect to their business intentions, but if

Presence in Gallery

Union Carbide does decide to shut down, no amount of money we would provide to Pétromont would provide a market for its products. We have indicated to several of the companies that if they are willing to present us with sound, viable, economic business plans, we will consider financial assistance with respect to conversion and also, through the IRDR program, provide assistance to downstream companies should they be affected by a closure in the industry.

* * *

[*Translation*]

NATURAL RESOURCES

REPORTED AGREEMENT SIGNED BETWEEN NEWFOUNDLAND PREMIER AND LEADER OF THE OPPOSITION

Mr. André Maltais (Manicouagan): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources, who may not have won the leadership of the Liberal Party but who has indeed won the respect and admiration of all Canadians.

Some Hon. Members: Hear, hear!

Mr. Maltais: Last week, Mr. Speaker, the Leader of the Official Opposition released a so-called agreement on natural resources, signed by his Party with the Premier of Newfoundland. I would like to ask the Minister of Energy, Mines and Resources whether he has heard of this agreement? What is, in his view, the value of this agreement and what benefits will accrue to both parties if the agreement should be finalized? What difference is there between the terms of this agreement and those of agreements proposed previously by the present federal Minister of Energy, Mines and Resources?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Mr. Speaker, I think it was just a publicity stunt orchestrated by the Leader of the Official Opposition, because this document has absolutely no validity. In fact, if we take a closer look, it is far from comprehensive. In fact, the revenue for the Province of Newfoundland would be less under this agreement than what we ourselves have offered. Furthermore, it is quite possible that some time in the near future, I shall be starting negotiations with the Newfoundland Leader of the Opposition, Mr. Stephen A. Neary. I am sure it would be much easier to obtain an acceptable agreement with Mr. Neary than has been the case with Mr. Peckford.

* * *

[*English*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF AUSTRALIAN GOVERNMENT MINISTERS

Mr. Speaker: May I call to the attention of the House the presence in our galleries of two distinguished visitors, the Hon. Ralph Willis, the Australian Minister of Employment and Industrial Relations, and the Hon. Michael Duffy, the Minister of Communications for Australia.

Some Hon. Members: Hear, hear!

* * *

CANADIAN ARMED FORCES

NAVAL UNIFORM MATERIAL

Mr. Howard Crosby (Halifax West): Mr. Speaker, I have a question for the Minister of National Defence concerning the safety of Canadian Armed Forces personnel in Maritime Command. The Minister must be aware of media reports that claim that the polyester uniforms worn by members of the Canadian navy are dangerous because the material is not heat resistant. The British navy had a bad experience with this material in the Falkland Islands conflict, and chose another fabric to replace the polyester fabric. Is the Minister aware of this problem? What action does he propose to take? Although our navy must use ancient equipment, surely we can supply it with safe clothing.

Hon. J.-J. Blais (Minister of National Defence): Yes, Mr. Speaker, we are aware of the conditions described by the Hon. Member. The experience that was gained by the British navy indicated that when it used cloth of a similar composition, with a heavy percentage of polyester, difficulties were created. As a result of that experience we have been looking at a replacement textile, and in fact we have found a replacement textile. In fact—

Some Hon. Members: Blue!

Mr. Blais: Mr. Speaker, we will now be going to the marketplace with identified specifications in the hope of being able to have those specifications met in the very near future.

REQUEST THAT NEW UNIFORMS BE BLUE

Mr. Howard Crosby (Halifax West): Mr. Speaker, I would urge the Minister to take action very quickly. This fabric can create a very serious problem in a boiler room within a seagoing ship. Now that he is going to change the fabric of the uniforms so that they will be safer, and now that he is going to acquire new materials for new uniforms, may I ask one more thing of the Minister? It would be a simple matter to make those new uniforms blue. Please do.

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, I get the distinct impression that the hon. gentleman wanted to ask the second question first.

Some Hon. Members: Oh, oh!

FISHERIES

LEGISLATION TO RESTRUCTURE WEST COAST FISHERY

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, in the absence of the Minister of Fisheries and Oceans who, I would have thought, would be present today after having draft legislation tabled on Monday, I address my question to the Parliamentary Secretary to the Minister of Fisheries and Oceans. On Monday the Parliamentary Secretary did table draft legislation on the restructuring of the Pacific fisheries at the same time as the Minister was holding a press conference in Vancouver, outlining a direction for the Pacific fisheries which is much different from the one taken by the legislation that was introduced in the House.

In view of the importance of the fishery to British Columbia fishermen and British Columbia residents in general, and in view of the complexity of this Bill, I would like to ask the Parliamentary Secretary if the Minister and the Government are really serious about introducing legislation now to be dealt with in the last two weeks of the Session, considering how all-encompassing that legislation is to be. Is the Government serious about attacking the problems that have been lingering for the last 21 months since the Pearse report was received?

Mr. Maurice Harquail (Parliamentary Secretary to Minister of Fisheries and Oceans): Yes, Mr. Speaker.

Mr. Miller: Mr. Speaker, I think the answer of the Parliamentary Secretary reflects the concern of the Liberal Party for the British Columbia fishing industry and for those communities dependent upon it. I see the Minister has just arrived.

BUY-BACK PROGRAM

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, I would like to ask the Minister of Fisheries and Oceans a specific question regarding the legislation that was introduced on Monday. I would like to find out if the Government has made a commitment to deal with the Pacific fishing industry in a constructive way in the last two weeks of this Session.

Will the Minister introduce a specific Bill dealing with the buy-back program which has now been universally accepted in British Columbia because of the need for a reduction in the fleet, for both the preservation of the stocks and for the preservation of the financial viability of the industry? Will the Minister specify the amount of funds that are available and whether or not the banks are to be involved in it, and how the banks will be bailed out? Will he specify how fishermen will be protected from the loss of their homes through a buy-back arrangement, and will he specify whether or not he can say what the fleet mix will be after the buy-back—

Mr. Speaker: I would suggest that the Hon. Member might ask one question at a time. The Hon. Minister could then reply.

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, the Government is committed—

Some Hon. Members: It should be.

Mr. De Bané: If we could have the co-operation of both opposition Parties—I do not know why Hon. Members seem to be taking this so lightly. The Government is committed to having that legislation passed before the adjournment of this Session. Of course it is ultimately up to members of the Opposition to make up their minds.

Opposition Members did prove their responsibility when they passed so swiftly the Atlantic restructuring Bill. I hope we will be able to expect from opposition Members the same readiness to pass this Bill before the adjournment of the House. If opposition Members are opposed to it, it will obviously not pass and, as the Hon. Member suggested, hundreds and hundreds of fishermen in the West could face very serious economic hardships.

This Bill would achieve several things. First, it would limit the participation of the Department in the management and protection of the resource and would put the management of the fishery back in the hands of the fishermen. Essentially, the Government has accepted the philosophy put forward by the fishermen.

When I was in B.C. two days ago I was very heartened when the members of MAC asked me what they could do to see that the Bill is passed before the adjournment. I told them to phone the Hon. Member for Nanaimo-Alberni and the Hon. Member for Vancouver South who hopefully would listen to their representations.

REQUEST THAT MINISTER INTRODUCE SEPARATE BUY-BACK LEGISLATION

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, I am asking specifically if the Minister will separate all of the horrendous aspects of that Bill from the provision in it which was specifically requested by the Minister's Advisory Committee and fishermen in British Columbia, whether they be native, sports, or commercial fishermen? Will the Minister do away with the part of that legislation that is nebulous and inept, and deal specifically with a buy-back program which will be useful in management processes and in reducing the financial burden on fishermen? That is what we are prepared to look at right now. We are not prepared to look at the other horrendous aspects of that legislation that give the Minister more than dictatorial power.

• (1450)

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, I am absolutely shocked by the distortion which was made by the Hon. Member about what is the philosophy of the Bill. I hope when the Hon. Member is in B.C., or when he talks to his constituents—except, of course, Mr. Jack Nichol who has said that he will do his darndest to prevent the passage of the Bill—that he will listen to the wide spectrum of views. I can assure him that the reaction will be very, very positive.

To separate the Bill into two sections and to pass only the buy-back provision would be most irresponsible. I would remind the Hon. Member that this will be the third buy-back in 12 years. I believe the people of this country expect that those who want to get out should be helped a last time in order that they can get out with dignity. The people also expect a system to be established which would prevent any re-occurrence of the fantastic over-capacity which is the most extreme case of over-capacity in the world.

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INDUSTRY

PETROCHEMICAL TASK FORCE RECOMMENDATIONS—TIMING OF GOVERNMENT RESPONSE

Hon. Bud Cullen (Sarnia-Lambton): Mr. Speaker, my question is supplementary to the question which was asked by the Hon. Member for Joliette, and is directed to the Minister of Regional Industrial Expansion. Unfortunately the Hon. Member for Joliette left the impression that there was only one recommendation flowing from the petrochemical task force. In point of fact there were 19 or 20 recommendations. I know meetings have been held by the Minister and the Minister of Energy, Mines and Resources with the officials. Is the Minister now in a position to tell us when he anticipates a response to the petrochemical task force report?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, at the present time we are contacting the provincial Ministers who have participated in the discussions with respect to the task force. Over the next 24 hours we will be meeting with the co-chairmen of the task force. I would hope that by the end of this week, or by the first of next week, we will announce the Government's response to the petrochemical task force.

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TRADE

POSSIBLE UNITED STATES ACTION TO CURTAIL STEEL IMPORTS

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, I would like to direct a question to the Minister for International Trade regarding the ruling which was made by the International Trade Commission in the United States. That ruling was made under the safeguard of GATT. It could well affect some $700 million worth of Canadian steel exports to the United States. Could the Minister inform the House and the workers employed in that industry what action his Government has taken to protect that large amount of export, as well as the thousands of jobs which are in jeopardy as a result of the ruling by the International Trade Commission?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, I would be happy to inform the Hon. Member of some of the things which we are doing. First, our opposition to such action by the United States has been made known by the Deputy Prime Minister to Secretary of State Shultz. I have made it quite clear to the United States Secretary of Trade, Mr. Brock, on several occasions during the time that this investigation, under the petition, was proceeding. We are now in the process, both at the ministerial level and through the Canadian Embassy in Washington, of making it quite clear to the Americans that they have existing mechanisms for pinpointing the transgressors who may be creating the problem to the extent that it exists, and that they are not required to take this universal type of action.

What has happened thus far under their law is that a quasi-judicial investigation is under way which cannot be turned off by the U.S. Government. The American administration cannot stop the investigation. The only point at which the Government of the United States becomes involved is after July 24, when the USITC reports to the President. At that point our Government will deal with the American administration. Actually, we are dealing with them in advance. On Monday I am meeting with representatives from the Canadian steel industry to ensure that efforts are co-ordinated between industry and Government. I am also keeping the provinces informed.

GENERAL AGREEMENT ON TARIFFS AND TRADE—CANADIAN OPTION

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, my supplementary question is directed to the same Minister. It is all very well to express knowledge and concern about the ability of the American administration and the way in which the investigation must be continued. However, the Minister knows full well that under Article 19 of GATT when imports are restricted and a country is harmed—such as Canada will be—that Canada has the ability to retaliate if our markets are restricted in the United States. Has the Minister informed the United States administration that that is the exact action which Canada will take, that of retaliation, if Canada's imports are restricted to the United States?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, I suggest to the Hon. Member that he leave it to me to deal with the Americans, with a feeling of confidence on his part that I will take the steps which are most appropriate.

Some Hon. Members: Oh, oh!

Mr. Regan: The Hon. Member, in achieving that feeling of confidence, will recall that when the Americans took such a step in relation to specialty steel, our Government retaliated. At that time Secretary Brock stated that that was a very important message for the American industry.

Mr. McKnight: Give it to them again.

Mr. Regan: It is all very well to give it to them again, but I would like to suggest to the Hon. Member that there is a balance and that it is really not wise for a country our size to get into a trade war with the United States. The American administration has shown repeatedly that it is supportive of

trade liberalization and resists protectionist actions. I have a certain confidence that it will continue to do that.

At the same time, I think the Americans know me and I think they know that if it is necessary to get the message across more forcefully, I will do that.

* * *

FISHERIES

WEST COAST SALMON FLEET—EFFECT OF BUY-BACK PROPOSAL

Mr. Thomas Siddon (Richmond-South Delta): Mr. Speaker, I also have a question which I would like to direct to the Minister of Fisheries and Oceans. Recognizing that the West Coast salmon fleet is worth some $2 billion, will the Minister confirm that his $100 million buy-back proposal will do no better than eliminate 5 per cent of the fishing capacity in the West Coast salmon fleet? Will he also confirm that, after the next election, a Liberal Government would propose to tax West Coast fishermen by way of a royalty, amounting to 10 cents—

Mr. Speaker: The Hon. Member has asked the first part of his question. It seems to me that the second part of his question, which relates to what might happen after an election, and another Government, is hardly a ministerial responsibilitiy of the present Minister.

Hon. Pierre De Bané (Minister of Fisheries and Oceans): Mr. Speaker, may I remind the Hon. Member that during the hearings of the Pearse Commission, the Royal Commission on the Pacific Fishery, if there was one item on which every single group agreed, and on which there was total unanimity, it was that they favoured a royalty system to finance the operation.

The Hon. Member said that that fleet was worth $2 billion. I think that he is a shrewd enough businessman to know that the only value which one can put on any equipment or fishing gear is related to the income which can be generated with that gear.

As the Hon. Member may know, the value of those licences three years ago was $600 million. Now the value is $300 million. The projected loss for this summer for fishermen is over $70 million. I beg the Hon. Member to hear what those fishermen are asking: to allow those who want to get out to get out with dignity, to prevent personal bankruptcy, and to prevent the loss of family residences. Those who remain want a regime to be established which would bring stability to that sector.

* * *

PENITENTIARIES

PROPOSED EARLY RETIREMENT FOR CORRECTIONAL OFFICERS

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is directed to the Solicitor General. It has been seven years since the Parliamentary Sub-committee

on Penitentiary Reform recommended that there be implementation of early retirement provisions for correctional officers because of the nature of their work and the stressful circumstances under which they work. On May 22 the Minister responded to a question which I asked in committee. He said that legislation to implement this provision would be introduced in the House early in June. Where is that legislation? Also, could he tell us where is the report of the Vantour Committee, the inquiry into violence in the penitentiaries, which was promised for the first of June and has not yet been made public?

[*Translation*]

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, with respect to early retirement, I can inform the Hon. Member that the Bill is now before Cabinet. Although we have only a week and a half left until the end of this session, I will do my best to get some progress on this issue.

As for the Vantour Report, I have received it but it is in English only. I have asked my Deputy Minister to have it translated as soon as possible, and I am expecting the translation any day now. I shall release the report as soon as I can.

* * *

● (1500)

[*English*]

MANAGEMENT AND MEMBERS' SERVICES

TABLING OF LETTER RESPECTING ACCOMMODATION NEEDS

Mr. Speaker: I have the honour to lay upon the Table a letter dated June 14, 1984, addressed to the Speaker of the House of Commons from the Chairman of the Standing Committee on Management and Members' Services, concerning the future accommodation needs of Members of the House of Commons. I call this to the attention of every Hon. Member of this House.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Tuesday, June 19, 1984, meet the requirements of the Standing Orders as to form.

I have the honour to inform the House that the petition presented by the Hon. Member for York-Peel (Mr. Stevens), by filing with the Clerk of the House on Tuesday, June 19, 1984, meets the requirements of the Standing Orders as to form.

Point of Order—Mr. Deans

POINT OF ORDER

MR. DEANS—BILL C-9—PROCEDURE RESPECTING MOVING OF MOTIONS

Mr. Speaker: I believe the Hon. Member for Hamilton Mountain wished to be recognized on a point of order at this stage.

Mr. Ian Deans (Hamilton Mountain): Thank you, Mr. Speaker. I want to put before you, very briefly, a concern I have over the proceedings which took place last evening. I would ask, Mr. Speaker, if you would review those proceedings and, at the very least, guarantee that what occurred last night will not be used as a precedent. On page 4841 of *Hansard* of last evening, the following appears:

THE ACTING SPEAKER (MR. GUILBAULT): Motion No. 61 is proposed by the Solicitor General of Canada (Mr. Kaplan). Will another Hon. Member move it in his absence?

SOME HON. MEMBERS: No.

THE ACTING SPEAKER (MR. GUILBAULT): No.

Motion No. 62 stands in the name of Mr. Fraser who is also absent from the House. Mr. Ellis is prepared to move the motion if there is unanimous consent. Do we have unanimous consent?

SOME HON. MEMBERS: Agreed.

The Acting Speaker then went on to move Mr. Fraser's motion. Proceedings continued for some time and on page 4842 of *Hansard* there appears, at the bottom of the page, the following:

MR. JOYAL: Mr. Speaker, when you called the various motions, there was one numbered 60 in the name of the Solicitor General (Mr. Kaplan).

AN HON. MEMBER: No. 61.

MR. JOYAL: I am sorry, No. 61. With your permission, I should put it to the House so that it may be debated and voted on eventually.

The only question I have, Mr. Speaker, is this. When the motion was originally put to the House by the Acting Speaker, there was no one prepared to move it. The Acting Speaker then went on to the next motion. I would ask you to consider for the purposes of the future—I do not ask that anything be done about yesterday—that we have a clear understanding that if a motion is put to the House and that motion is not moved, and a subsequent motion is then placed before the House, notwithstanding the fact that it all appears in one grouping, the very fact that the motion is not moved is an action of the House itself. When the request is made by the Speaker for the mover of a motion, if there is no mover of the motion, if there is no alternative mover, and if there is no request for unanimous request to move the motion, then that motion has been dealt with.

From that point on, that motion cannot come before the House again except by way of unanimous consent. I make that point and ask you to consider it, Sir, in order that we might not have either a repeat of last evening or, for that matter, that this particular dealing could not be considered a precedent in the future.

Mr. Speaker: The Hon. Member's observations carry a great deal of weight with the Chair. The Hon. Member prefaced his statement by stating he was not challenging a ruling of the Chair. However, he is calling attention to a practice which certainly is one which Hon. Members should have to think about. There is no question that Hon. Members should be alert. The fact that a number of clauses are grouped for debate by no means excuses the responsibility for proper moving of the motions at the proper time.

ROUTINE PROCEEDINGS

[*English*]

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

PRESENTATION OF SIXTH, SEVENTH AND EIGHTH REPORTS OF STANDING JOINT COMMITTEE

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, I have the honour to present the sixth, seventh, and eighth reports of the Standing Joint Committee on Regulations and Other Statutory Instruments in both official languages, to which, pursuant to Standing Order 69(13), the committee requests a comprehensive response.

[*Editor's note: For above report, see today's Votes and Proceedings.*]

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VISIBLE MINORITIES

TABLING OF RESPONSE TO REPORT OF SPECIAL COMMITTEE

Hon. D. M. Collenette (Minister of State (Multiculturalism)): Mr. Speaker, pursuant to Standing Order 46(2), I am tabling herewith in both official languages the response of the Government of Canada to *Equality Now*, the report of the Special Parliamentary Committee on Visible Minorities in Canadian Society.

* * *

STATUS OF WOMEN

TABLING OF FEDERAL-PROVINCIAL REPORT ON WIFE BATTERING

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, as Minister responsible for the Status of Women, I rise in accordance with Standing Order 46(2) to lay upon the Table of the House two copies in both official languages of the Federal-Provincial Territorial Report on Wife Battering to the meeting of Ministers responsible for the Status of Women.

PETITIONS

MR. FLIS—REPORT ON VISIBLE MINORITIES

Mr. Jesse P. Flis (Parkdale-High Park): Mr. Speaker, I have the honour to present a petition of the undersigned members of the Kababayan Community Centre and the Chinese Interpreter and Information Services Agency in the constituency of Parkdale-High Park, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide a remedy, and humbly sheweth that the undersigned citizens strongly support recommendations 2, 3 and 6 of the Report of the Special Committee on Participation of Visible Minorities in Canadian Society, supporting the concept of continued funding of community efforts which assist visible minorities and immigrants to become self-sufficient participants in the economic and social life of Canada. And as in duty bound your petitioners will ever pray.

[*Translation*]

MR. PELLETIER—AMERICAN PRESENCE IN CENTRAL AMERICA

Mr. Irénée Pelletier (Sherbrooke): Mr. Speaker, I have the honour to present a petition from several hundred constituents of mine.

To the Hon. the House of Commons of Canada, in Parliament assembled. The petition of the undersigned residents of Canada who now avail themselves of their ancient and undoubted rights thus to present a grievance common to your petitioners in the certain assurance that your Hon. House will therefore provide a remedy. The petition was drawn up by the Comité Estrien pour l'Amérique Centrale, an umbrella organization for a number of organizations such as the Carrefour de Solidarité Internationale, the Service d'Entraide Internationale, and Développement et Paix de Sherbrooke.

Briefly, the petition expresses the desire:

First, that the Canadian Government urge the United States to recall all its troops and advisers from the territory of Central America.

Second, that the Canadian Government accept the hand of friendship offered by the Government of Nicaragua and as of now maintain privileged diplomatic relations by opening an embassy in Managua.

Wherefore your petitioners humbly pray and call upon Parliament to consider the two aforementioned requests made by the Comité Estrien pour l'Amérique Centrale. And as in duty bound your petitioners ever pray.

[*English*]

MR. MITGES—RADIO AND TELEVISION SIGNALS

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, I would like to present a petition from the broadcasters of my riding who are requesting a public hearing on the issue of cable distribution of distant Canadian radio and television signals. It is pointed out in the petition that additional competition in the form of distant radio signals will weigh heavily against a viable future for the industry all across Canada by further reducing interest in local services and that the introduction of more outside stations will increase fragmentation and, at the same time, decrease the penetration of the local stations which would tend to move in the direction of reducing interest in the station serving the area with local programming.

It is the hope of the petitioners that representation will be made by the Government to the CRTC to oppose any action being taken to further any move by the CRTC in this direction.

MR. LEWYCKY—RIGHTS OF THE UNBORN

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, I have 236 petitioners from the areas of Swan River, Durban, Brandon, Minitonas, Kenville and Benito who ask that the Criminal Code be changed to ensure that the unborn are given the same rights and respect to live as the born.

* * *

• (1510)

AN ACT TO GRANT ACCESS TO RECORDS OF THE SPECIAL COMMITTEE ON THE DEFENCE OF CANADA REGULATIONS

MEASURE TO ESTABLISH

Hon. John M. Reid (Kenora-Rainy River) moved for leave to introduce Bill C-252, an Act to grant access to records of the Special Committee on the Defence of Canada Regulations.

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Reid (Kenora-Rainy River): Mr. Speaker, the purpose of the Bill is to make available to the public the records and information acquired by the Special Committee during World War II. Those records are still under lock and key and are not available. It is now 1984 and the war ended in 1945. I believe it is time those records were made available to the Canadian public.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

PUBLIC ACCOUNTS

CONCURRENCE IN FOURTH REPORT OF STANDING COMMITTEE

Mr. Doug Lewis (Simcoe North): Mr. Speaker, there have been discussions among the House Leaders and I believe that there will be unanimous consent to pass the motion standing in my name on the Order Paper.

Mr. Speaker: Mr. Lewis, seconded by Mr. Mitges, moves:

That the fourth report of the Standing Committee on Public Accounts, presented to the House on Wednesday, June 13, 1984 be concurred in.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

* * *

POINT OF ORDER

MR. COLLENETTE—PROPOSED INTRODUCTION OF MULTICULTURALISM LEGISLATION

Hon. D. M. Collenette (Minister of State (Multiculturalism)): I rise on a point of order, Mr. Speaker. It had been my intention to introduce today for first reading the Multiculturalism Act. Unfortunately the royal recommendation has yet to be appended. If we secure that later this day I hope I will have the consent of the House to introduce it, since I tabled the report of the Committee on Visible Minorities just a few moments ago.

Hon. Ray Hnatyshyn (Saskatoon West): The Minister approached me with respect to obtaining leave to table this Bill. I should say at the outset I was surprised he would approach me because in the *Ukrainian News* of Edmonton, Alberta, of March 14, Mayor Lawrence Decore accused the Minister of being frightened of Ukrainians. He said he had not done very much for the Ukrainian community. On the other hand, I was quite prepared to give unanimous consent.

Mr. Speaker: With all due respect to the Hon. Member for Saskatoon West (Mr. Hnatyshyn), we cannot enter into debate at this point. I am sure the Hon. Minister is not seeking unanimous consent at this point.

Mr. Hnatyshyn: I would just say that in spite of all this I am interested in seeing this Bill. When the Minister approaches me again I want to get an explanation of this article and also find out what he is going to do about the multiculturalism Bill.

Mr. Speaker: It appears the Minister does not have unanimous consent of the House at this point.

Mr. Hnatyshyn: Later on today.

* * *

VACANCY

CALGARY EAST—JOHN KUSHNER, BY DECEASE

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I think it is now appropriate to give notice of a vacancy, pursuant to Section 10 of the House of Commons Act, for the electoral district of Calgary East:

To the Honourable Lloyd Francis, Speaker of the House of Commons:

We, the undersigned, hereby give notice pursuant to Section 10 of the House of Commons Act that a vacancy has occurred in the representation of the House of Commons in the electoral district of Calgary East, in the province of Alberta, by reason of the untimely death of John Kushner, the Member therefor.

Given under our hand and seal at Ottawa, this 20th day of June, 1984.

The notice is signed by myself and by the Hon. Member for Saskatoon West (Mr. Hnatyshyn), and witnessed by the Hon. Member for Yukon (Mr. Nielsen).

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 707 and 767.

[*Text*]

CUSTOMS AND EXCISE OFFSHORE APPLICATION ACT

Question No. 707—**Mr. Skelly:**

1. Did the Government announce a policy with respect to duty payable on vessels built, or whose construction was contracted for, after January 6, 1983 and, if so (a) on what date (b) what rate of duty was announced?

2. Did the Department of National Revenue exempt Offshore Marketing International Ltd., of Harbour Grace, Newfoundland from duty payable on two 73 metre offshore anchor-handling vessels to be built by the Hyundai Corporation of South Korea for delivery in January, 1985 and, if so, for what reason?

Hon. Pierre Bussières (Minister of National Revenue): 1. The proposed Customs and Excise Offshore Application Act was introduced as a Ways and Means Motion on December 7, 1983, retroactive to June 30, 1983. This motion provides for revisions to the Customs Tariff as it pertains to various types of vessels and other water-borne craft. In essence, provision is made for a 25 per cent rate of duty applicable to most vessels and other water-borne craft with the exception of drilling rigs and platforms which are rated at 20 per cent duty. The other main provisions of the motion are to expand tariff jurisdiction to British registered craft and to extend customs jurisdiction offshore to the greater of 200 miles and the edge of the continental shelf.

Recognizing that capital goods such as ships, drilling rigs and platforms are ordered considerably in advance of delivery date, the proposed legislation contains a provision exempting from duty any such goods ordered on or before January 6, 1983, which would otherwise have been subject to duty. January 6, 1983, was the date on which the Government announced publicly its intention to seek legislation in this area.

2. No, the Department of National Revenue, Customs and Excise, did not exempt Offshore Marketing International Ltd. from duty payable on the said vessels.

APPLICATION FOR PERMITS TO EXPORT LOGS

Question No. 767—**Mr. Manly:**

In each year since 1979 did Pacific Forest Products Company of Victoria, British Columbia (a) make applications for (b) receive any export permits and, if so, how many and, in each case, what type of wood, quantities and destinations were granted such permits.

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): (a) Applications for

permits to export logs were received from Pacific Forest Products Ltd. of Victoria, B.C. as follows:

1979: none
1980: none
1981: 22
1982: 76
1983: 90
first quarter 1984: 8

(b) In each case, an export permit was issued.

The additional information being sought is considered to be commercially confidential.

[*English*]

Mr. Speaker: The questions as enumerated by the Hon. Parliamentary Secretary have been answered.

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

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I would ask that all notices of motions for the production of papers be allowed to stand.

Mr. Speaker: Shall all notices of motions for the production of papers be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed consideration of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereof, as reported (with amendments), from the Standing Committee on Justice and Legal Affairs; and Motions Nos. 75, 77 and 78 (Mr. Robinson (Burnaby), and Motion No. 79 (Mr. Fraser).

Hon. John A. Fraser (Vancouver South): Mr. Speaker, a couple of minutes before nine last night I was addressing the House on several amendments, but in particular one which this

Party has put forward. I want to take this opportunity to say to my friend, the Solicitor General (Mr. Kaplan), that he is correct about one thing; there were several amendments accepted at committee. I thought I left the impression yesterday that there were no substantive amendments accepted. However, I have looked at the record and I am prepared to say, out of courtesy to my friend, that I should have stuck with the word "substantive", because there were several amendments accepted. However, I still remain of the opinion that the amendments accepted were not substantive amendments.

I also remind the Minister again that the amendment to Clause 39, which would have allowed the review committee to see the Cabinet documents that refer to the security service, which was passed in committee, is now being attacked by the Minister with a specific amendment wiping it out. I am honour bound to correct the record which I regret was not absolutely accurate but, as I say, my position in substance is sustained.

The provision we speak to now concerns Clause 31 of the Act. What is all that about? I know that today the media are watching this debate and they will be interested in this. Clause 31 follows Clause 30, of course, which sets out the functions of the Inspector General. Under this Bill the Inspector General is to:

(a) to monitor the compliance by the Service with its operational policies;
(b) to review the operational activities of the Service; and
(c) to submit certificates pursuant to subsection 33(2).

The Inspector General is a review officer. He will make sure that this service conducts itself properly and within the mandate as set out in Bill C-9. What our amendment does is to say that the Inspector General should be able to see the Cabinet documents that relate to the activities of the intelligence gathering service. It is necessary to have such an amendment because the Solicitor General made sure that this Bill came in with a special provision that, notwithstanding the fact that the Inspector General was to do this review, he is not allowed to look at Cabinet documents. Exactly the same provision is in Clause 39, which I referred to, with respect to the review committee. It is not allowed to see the Cabinet documents related to the security service either. As I just reminded the Solicitor General, we got an amendment through committee, by accident, I suppose, because some Government Member did not vote, that would have allowed the review committee to see the Cabinet documents which relate to the security service. That is going to be wiped out by an amendment which the Government will get through in this place. This amendment deals specifically with allowing the Inspector General to see them. It is obvious why we ask that. In the words of the Senate committee report on the old Bill C-157, the Inspector General is to be "the Ministry's eyes and ears on the service". Clearly the Ministry's eyes and ears on the service should allow the Inspector General to see the Cabinet documents.

● (1520)

The Senate committee also said:

If any Cabinet documents relating to operations are in the control of the Canadian Security Intelligence Service, the Inspector General should have access to them.

It is very curious that the Solicitor General cites the Senate committee report for what he chooses to put in the Bill and ignores it for what he chooses not to put in the Bill. In a speech the Attorney General of Ontario gave in Ottawa on February 7, 1984 he said:

The danger is that this secrecy provision can permit the Government to exercise political control over the activities of the service in a manner which is immune from effective review. I believe that there is great merit in the words of Professor Peter Russel, who said in relation to the denial of access to Cabinet documents that: "A Government that is itself so distrustful is not entitled to the trust that this legislation demands from the people it represents."

To make it absolutely clear once again today why we are so angry in this Chamber, it is that these are the kind of substantive amendments which were put forward in committee after listening for weeks to eminent Canadians who appeared before the committee and said that there are things we should do to fix that Bill up. These are the substantive amendments that the Solicitor General and the Government, now headed by the reform man, John Turner, is absolutely refusing to accept. That is the charade and shame that is going on in this Chamber.

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I rise in support of the motions which are presently before the House. These motions deal with two very important clauses in the Bill. I do not think I would argue that they are the most essential clauses by any stretch of the imagination. Yet the Minister has argued strongly that the Inspector General, who is appointed pursuant to the provisions of these two clauses which are before the House now, is indeed to be the Minister's man, an independent watchdog, within the frame work of the security service.

Let us look at the motions which we are dealing with. The motions would delete Clauses 30 and 31 and would ensure that if Clause 31 is passed the Inspector General should have access to all documents in the possession of the security service. That is a fundamental principle which I would hope Members of the House would see fit to adopt.

With respect to the role of the Inspector General, I argued strongly in committee that this position should only be filled following consultation with and ratification by members of all Parties in the House. It is not good enough that the Government should be in the position of appointing the person who is effectively supposed to act as the watchdog, on a day to day basis, of the operations of the proposed civilian security service. There should be consultations which extend beyond the Government merely talking to itself.

The most important element of the amendments which are being dealt with in this package of amendments is Motion No. 78. That motion would delete the glaring loophole which now exists in this Bill which denies the Inspector General, the person who is supposed to have day to day surveillance of the activities of the new service, access to what are called confidences of the Queen's Privy Council for Canada. The Solicitor General introduced Bill C-157 last May which was supposedly the Government's best response to the recommendations of the McDonald Commission. That Bill was soundly condemned from one end of the country to the other by every analyst and group that read it. Despite that, the same Minister was parading up and down the country telling us what a tremendous Bill it was and what an improvement it was in terms of the protection of civil liberties of Canadians. The same Minister, having suggested that the predecessor Bill, Bill C-157, was a wonderful Bill and a work of art, now comes before the House and asks us to trust him again. Some of us have some difficulties in doing that.

The Pitfield committee, which was chaired by Senator Pitfield in the other place, made a series of recommendations for improving Bill C-15. A unanimous recommendation made by that committee was that if the watchdog was to have any power whatsoever he should obviously have access to documents in the possession of the security service. It sounds pretty straight-forward. If the watchdog, appointed to ensure that there are no political abuses of the operations of a new civilian security service, went to the Director of the service and said that he understood there had been a directive received from the Solicitor General instructing him to spy on the peace movement and asking to see that directive—

Mr. Kaplan: All directives of the minister are available.

Mr. Robinson (Burnaby): —which falls within the definition of a confidence of the Queen's Privy Council—

Mr. Kaplan: It does not. If it is a directive it does not.

Mr. Robinson (Burnaby): That document falls within the definition of the confidence of the Queen's Privy Council. That is an incredibly broad definition.

Mr. Kaplan: It certainly does not include directives to the service.

Mr. Robinson (Burnaby): I will welcome the Solicitor General's intervention on this point in defence of his rejection of the recommendation by the Pitfield committee on this important amendment. If that is the case, the Director of the new civilian security service can tell the so-called watchdog to get lost. He can say that he does not have to show him that document.

The Committee on Security and Intelligence, which is chaired by the Prime Minister (Mr. Trudeau) and of which the Solicitor General is a member, decides the mandate and scope of the Communications Security Establishment. That is the shadowy body which has the power and technical capacity to spy on literally any conversation in the country. The Solicitor General asks us to trust them because the Cabinet does not allow them to do that under its present mandate. What if another Cabinet, at the stroke of a pen, as they could do, changed the mandate of the Communications Security Establishment? They could say that henceforth the CSE will be

used to feed information to the civilian security service. We are put in a ludicrous position under the terms of this Bill. If the Inspector General somehow got wind of that particular decision and demanded to see the documents in question from the Director of the security service, the Director could tell the Inspector General that he does not have to show him that document. So much for the confidence of the Canadian people in the oversight process of this particular civilian security service.

• (1530)

I emphasize that Senator Pitfield is not a person who lightly recommends that certain confidences of the Queen's Privy Council be made accessible to any individual. Indeed, he was the chief architect of the exemption in the access to information law that led to that particular exemption. Yet that same individual along with other members of the Senate committee said that if there is to be effective oversight and if the public of this country is to have confidence in the oversight mechanism, surely as a minimum, if these documents are already in the possession of the security service, they should not be denied to the people who are supposed to be scrutinizing the activities of that same service. That was the recommendation of the Pitfield committee which the Minister chose to ignore.

I am pleased to say that at least one member on the Government side who I see in the House today, the Hon. Member for Rosemont (Mr. Lachance), who was chairman of the committee, strongly urged the committee to accept it. However, despite those urgings by that member of the committee and by a former Solicitor General, the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand), what does the Government do? It says to forget it; it will not trust its own appointed watchdogs with those documents. What incredible arrogance! What a devastating blow to the oversight process that the Government is suggesting meets the concerns of the public in terms of accountability!

The Government denies the right of Parliament to play a role. The basis for its rejection of Parliament's role is that there is another oversight process, an Inspector General and a review committee. That oversight process is gutted of any effective strengths if the Government defeats the motion which is before the House at this point. I appeal to Members of the House to look at what they are doing in terms of the future of this country, to look at what they are doing in terms of oversight. Surely it is not an unreasonable proposition that this motion, which would ensure that the watchers are able to fully carry out their mandate of scrutiny, must be adopted if that mandate is to be pursued with any effectiveness at all.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I also wish to make a few comments on this clause. Having spent several days listening to the clause by clause debate and to the amendments that have been proposed, you can see that this Bill is defective in many ways. However, it is not so defective that it could not be improved if we had more time to do so. The only reason we are being forced on this long march is that the Minister is worried about the end of the session approaching and he wants to have this Bill go through.

We have heard about the defects to the Bill and listened to arguments about whether the service should remain with the RCMP or should be a new civilian agency. It is an honest difference of view and while I believe it should remain with the RCMP, as do 75 per cent of the people, more time would let people hear the arguments on both sides and resolve it. It is evident that in this great country of ours it takes a month before people on the street really do come to see the issues clearly.

Mr. Kaplan: Do you think it has been a month? It has been 18.

Mr. Thacker: It has not been before the House of Commons for that long. When we are debating it in the House, that is when it really does get into the homes of the people.

We have also heard the dispute over the powers. We believe that the agency has too many powers. As parliamentarians, we should let the agency begin with narrow powers and expand them in the future if needed.

We have heard arguments on judicial warrants. We have also introduced amendments to limit the time of their effectiveness. Unfortunately, the Government has rejected all of these very reasonable amendments that would perfect the Bill rather than leave it in its present defective state.

With respect to Clause 30 which deals with the Inspector General, while it is a good idea to have oversight on a day-to-day basis by a person who is responsible to the Minister, the credibility of that man or woman could be vastly improved if there was consultation on the appointment of that person so that it was seen to be a position like that of the Auditor General who is accountable to Parliament rather than to the Minister himself. Perhaps that is an idea worth considering. The Minister refused to consider these ideas. We also believe that that individual should be able to see the same documents on which decisions are being made in order properly to enforce his or her mandate and be able to hear both sides of the story. Yet the Minister is restricting that person from seeing these documents, which are Cabinet documents.

As the Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand) told us in committee, the Cabinet documents which may be involved have been accessible not only by the Minister but the executive assistant to the Minister and the secretaries who typed the document. In fact, several layers of the bureaucracy have access to Cabinet documents and they are not nearly as secret as we might believe. As the former Solicitor General asked, why are we restricting that document from the Inspector General, who is supposed to be a check, when several layers of the bureaucracy at the political level and in the civil service have had access to it?

The Minister's arguments to restrict Cabinet documents failed on the weight of the evidence. I hope that even at this late stage Government Members will remind the Minister that he has been generous in the past. I agree that the Government

has been generous in opening up the process for public scrutiny and it deserves credit for that. This would be a further step in that direction and would bring great honour to the Minister. Therefore I would ask him once again to change his mind and give the Inspector General at least access to these Cabinet documents.

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I think I should take a moment to explain once again the Government's position with respect to confidences of the Queen's Privy Council. I know that I cannot make any yards with the Hon. Member for Burnaby (Mr. Robinson). He challenged the Government to be reasonable. He is a Member who does not know the meaning of the word reasonable. If he did, I think we would have had more legislation proceed through this Parliament. In fact, in the context of this amendment, it makes me think of the great difficulty that the NDP has in recognizing the necessity to balance a variety of interests in order to get anywhere. They take the attitude, particularly the Member for Burnaby, that in measure after measure if they cannot get the whole cake, all the icing and all the candles, they would rather starve.

That is not the kind of attitude that permits any Parliament to work. In this particular case, Bill C-157, which I think is greatly improved by Bill C-9, was in itself a considerable improvement over the present arrangements. Bill C-9 takes us that much further. If the Hon. Member had his way and this Bill did not proceed, we would have no reform at all to the system of national security. The Hon. Member for Lethbridge-Foothills (Mr. Thacker) was good enough to recognize that the review process, which is a reform in itself, does represent a considerable improvement and step forward. But as far as the Hon. Member for Burnaby is concerned, unless he gets his amendments or all the amendments, the review process is meaningless.

Let me suggest that the review process as it appears in the Bill is very meaningful. I appreciate the Hon. Member for Lethbridge-Foothills recognizing that it is in itself a step forward. The Inspector General and the review committee open the door. Although I can never explain adequately to the Member for Burnaby, let me explain again why it is that confidences of the Queen's Privy Council will—

Mr. Keeper: Mr. Speaker, I rise on a point of order. The Minister continues to make reference to the need to explain to the Member for Burnaby. The Minister has to explain to the people of this country why he is mandating a service without proper overview.

The Acting Speaker (Mr. Herbert): Order. If the Hon. Member wants to rise on a point of order, he should stick to a point of order. That is debate.

Mr. Kaplan: During the administration of the Prime Minister, this Government has moved very considerably to reduce all of the prerogatives of the Government and of the Queen's Privy Council. I would say, and I do not think anyone here could contradict me, that the prerogatives of government have been reduced by legislation more in the last 16 years than in any comparable period in the history of the parliamentary system of government. We have introduced access to information legislation so that the former prerogative of the Government to keep all documents confidential unless it chooses otherwise has been very considerably reduced. We have introduced the Canada Evidence Act amendments which have reduced the number of documents that can be withheld from court process. We have introduced the Crown Liability Act so that the prerogative could not be asserted which prevented citizens of this country from using the Crown as a matter of right. That power has been reduced. In so many ways we have moved to reduce prerogatives of the Crown, and we have done it for a very good reason. It is because we want, to the maximum extent possible, to have an open and accessible government.

● (1540)

This is not recognized at all by the New Democratic Party but I know it is recognized by the Canadian people. One very important reservation which continues to be reserved are confidences of the Queen's Privy Council. These have been reserved in the Canada Evidence Act. These have been reserved in the Access to Information Act, and they have been reserved for the very good reason that in the opinion of this Government the functioning Cabinet, under the cabinet system of government, requires that Ministers of the Crown and their advisers can communicate with each other in confidence. We think that government is more effective, that decisions are better, if members of the government and their advisers can communicate with each other knowing that those exchanges will not be made public and will not be made available beyond the realm of the cabinet system without the approval of the Prime Minister.

I do not know, but Hon. Members opposite in the New Democratic Party have never given any weight at all to this requirement of cabinet government. I am wasting my time to ask them to do so. I would like, at least for the benefit of the people in the gallery, to explain that you cannot have as effective a cabinet system of government if confidences are not protected.

Mr. Robinson (Burnaby): Tell that to Michael Pitfield.

Mr. Kaplan: Let me explain that one of the aspects of privileged communication is advice. I go to Cabinet, and I take to my Cabinet colleagues the best advice I can about how things in the area of national security should be handled. That advice is what we are trying to protect here. If that advice has to be made public or can ultimately be made public, or it is accessible to anyone, there is a very good chance that the Minister will not ask for advice because he may decide not to take it. If he knows that advice can be made public and he can be asked to explain why he asked for advice, why good advice was given to him and he did not take it, he will be less inclined to get advice. The same thing applies to legal advice. I have encouraged all of my officials to get legal advice from the law officers of the Crown whenever they think it will be helpful to

them. That advice is privileged. If they knew that advice could be made public whenever somebody requested it, they would be less inclined to seek advice. I think it is in the interest of good government in this country that that advice should be sought. We are seeking to reserve the prerogative of confidence of the Queen's Privy Council, notwithstanding the establishment of this review committee.

The Hon. Member opposite says that if they cannot get Queen's Privy Council confidences, the whole review process is useless. How wrong that is. I can tell the Hon. Member opposite that no privileges of the Queen's Privy Council have gone to the security service in all of the time that I have been Solicitor General. If that privilege were removed, there would be nothing to be made public under that heading so far as decisions or discussions of Cabinet Ministers going to the security service are concerned.

I think again Hon. Members opposite are very seriously exaggerating the significance of Queen's Privy Council confidences so far as the operations of the new agency are concerned. I can assure them that the review committee system and the Inspector General system will be very effective without it.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I rise to make a few comments on the little sermon we just heard from the Solicitor General (Mr. Kaplan). First, the Solicitor General is dead wrong and he knows that he is dead wrong when he says, as he just did, and as he said on other occasions, that members of the New Democratic Party will not support a proposal, not support legislation, unless it contains everything they want. Nothing could be further from the truth, Mr. Speaker.

I can think of two matters which are still before the House about which we are very co-operative in order to get them through before Parliament adjourns, even though they do not meet the problems which we think they are supposed to solve. We are not satisfied with the proposal to increase the guaranteed income supplement by $50 a month, but we will support it because it is better than nothing at all. We are not satisfied with the amendments to the Labour Code which are being brought forward. We think much more should have been done. In as far as they go, they are an improvement on what we have had. We not only support them but we have indicated very clearly that we will let them through with very little debate on our part.

Those are just two illustrations of the policy we have always followed of supporting legislation if it moves in the right direction, even though it does not contain anything we want.

I think the Solicitor General almost dislocated his shoulder trying to pat himself on the back while speaking. He talked about how Parliament had become more relevant and how much more open the Government is than it used to be. There is a consensus in the country and, I am sure, among Members of Parliament who do not happen to be Cabinet Ministers—I speak not just of Members of the Opposition but of backbench Members on the Government side—that Parliament has never been as irrelevant, has never been as little consulted, because the Government decides everything in advance and simply will not listen to any suggestions no matter from where they come.

The Minister talked about the great Access to Information Act. I have had some experience with that Act. We know from the McDonald Commission report that the RCMP security service collected personal files on 700,000 Canadians. I had a suspicion that I may have been one of those people. I followed all the procedures, filled out all the forms, and applied for permission to see my file. I still do not know whether the RCMP has a file on me, although I am reasonably certain it does because I was told that under the provisions of the Access to Information Act such information is confidential. Therefore, I cannot be told even whether there is or not.

Similarly, and I have mentioned this already, using the United States Freedom of Information Act, I applied for the same kind of information from the Federal Bureau of Investigation. Lo and behold, not being a citizen of the United States, I got from the Federal Bureau of Investigation what they had on me in their files. It was not of any consequence, but there is the difference. That is just one single illustration of the difference between the American Act and the Canadian Act. Our Act is to a large extent a hoax, just another way of creating the image that the Government has done something when in fact it has done very little.

It is the same thing with this Bill, Mr. Speaker. Of course, we need an Act with regard to the security service. What was wrong before was that there was little or no control over the security service. We do not need an Act which purports to lay down rules, regulations and procedures that the security service shall follow and at the same time gives it the power to do, not only everything it wants to do, but that which it did before that the McDonald Commission, among others, indicated was improper and immoral and broke the law. This Bill is changing the law to give the security service the right to do the things which it was not permitted legally to do before.

● (1550)

The Solicitor General, either deliberately or because he does not understand, tried to suggest that we are proposing in this amendment that all Cabinet documents be made available to the public. This is not the time nor the place to discuss what Cabinet documents should be made public. However, it is interesting to anyone who follows what happens in the United States to look at some of the books and articles published in recent years in that country. They will see the vast amount of information about what is going on in the American Government which is now available to the public—Cabinet documents, remarks of Secretaries, who are comparable with our Ministers, and so on.

What we are saying in this proposal is that the Inspector General is supposed to be the watchdog. Supposedly he is the person who will guarantee to the public that the security service is not misusing its powers. The Inspector General is to be the watchdog. The public is to assume that he is there and

has the authority to ensure that the security service does not overstep its bounds, does not break the law, and gives adequate protection to the people of Canada. If the Inspector General cannot be trusted to get all relevant information, to see all relevant documents and to see all the motions passed by Cabinet, what is the point of having an Inspector General? The only point is the one that we have come to expect from Liberal governments. They will give the appearance of doing something and of dealing with a question. They will create the appearance that the public is being protected while in fact they, the security service or any other department, will be able to continue in the same secretive, high-handed, unilateral manner in terms of decision-making as they always have. This is why we proposed this amendment and why the Solicitor General ought not to try to cloud the issue.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): The question is on Motion No. 75. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Pursuant to Standing Order 79(11), the recorded division on the proposed motion stands deferred. For purposes of clarity, the recorded divisions on the other motions in this particular grouping, Motions Nos. 77, 78 and 79, are also deferred.

The next grouping will be Motion No. 85 and Motion No. 86.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 85

That Bill C-9 be amended by deleting Clause 34.

Motion No. 86

That Bill C-9 be amended in Clause 34 by striking out lines 38 to 44 at page 17 and substituting the following therefor:

"(2) Each member of the Review Committee shall be appointed to hold office during good behaviour for a term not exceeding seven years."

and by renumbering subsection (4) accordingly.

He said: Mr. Speaker, the purpose of these motions which are now before the House, Motions Nos. 85 and 86, is to attempt to point out some very serious deficiencies in the proposed wording of the legislation with respect to the socalled watchdog, the Security Intelligence Review Committee or the SIRC, as it is known.

The Government does not trust Members of Parliament to oversee the operations of the new service. It refused to accept the recommendation of the McDonald Commission in this respect. It refused to accept the precedents of West Germany, United States and a number of other countries in this respect. Instead the Government says that we should trust its oversight process because it is establishing the Security Intelligence Review Committee.

What are some of the flaws in that oversight process, that SIRC process? First, although there is a requirement for consultation before the appointment of the members of that review committee, ultimately it is a decision of the Government as to who will be named to the committee. Government Members can name cronies of the Liberal Government or whomever else they choose without any opportunity for Members of the Opposition to have an effective say in the choice of members of the review committee. In terms of the appointment process, that is the first flaw in this provision.

Second, having appointed these people, what powers do they have under the terms of the legislation? The first constraint on the review committee is that it is bound by an oath of secrecy. Members of the review committee are bound by an oath of secrecy, so they cannot report to Parliament, to the elected representatives of the people of the country, anything which would breach their oath of secrecy. What kind of effective oversight does that give to Parliament? This secret, shadowy security service will be operating without any meaningful accountability whatsoever.

Another significant barrier to effective oversight is the fact that the review committee will not have the power, if the amendment proposed by the Solicitor General (Mr. Kaplan) is accepted in due course, to access Cabinet documents or confidences of the Queen's Privy Council.

I could do no better than quote Professor Peter Russell who talked about the sheer arrogance of this provision and how ridiculous it was that one group of Privy Councillors was not prepared to trust another group of Privy Councillors with information already in the hands of the security service. That effectively guts the review process of any meaning or any substance whatsoever.

Let us look at the tremendous powers which the new security service will have. It will have the power to break into anyone's home, to break into an office or any other place, to steal documents, to remove literally anything it wants to remove, to have access to confidential medical and psychiatric records, to have access to journalists' documents, the offices of Members of Parliament and their documents, and to have access to income tax records. The list goes on and on. We are told not to worry because there will be an oversight committee which will ensure that there are no abuses.

• (1600)

I suggest that this oversight committee is a completely toothless watchdog because it does not even have access to the essential documents in the hands of the security service. Some of us suspected that the RCMP security service was hung out to dry because of the failure on the part of former Solicitors General to accept political responsibility for their actions. That would continue to be possible under the provisions of this legislation.

We say that the oversight process is a sham. Only the involvement of Members of Parliament in a parliamentary oversight committee, as was strongly recommended by the McDonald Commission, is adequate if these sweeping new powers are not to become a political weapon in the hands of the government of the day. That is the purpose of Motion No. 85, to delete Clause 34.

Motion No. 86 would change the length of tenure of the proposed review committee from one term of five years which would be renewable for a second five-year term to one non-renewable term of five years. There is a real danger that the agency which is established to oversee the operations of the new security service could become captured by the very service that it is supposed to be overseeing.

There is a danger that if members of the review committee are currying favour with the Government and seeking reappointment to their positions, they will not be as vigilant in their oversight. Limited though it may be, they will not be as vigilant in that oversight as they should be. The amendment before the House would establish a term of office of seven years and would provide that that term should not be renewed in order to prevent that kind of toadying to the government of the day by the review committee.

The bottom line in this series of motions now before the House is that the Government has betrayed the trust of the people it was elected to represent. It refuses to provide for meaningful accountability and oversight for the operations of this new service which theoretically would have the power to say no, no to the suggestion that the security service might target hundreds of thousands of Canadians. Indeed, the RCMP security service opened files on close to one million Canadians, men and women who broke no law whatsoever, activists in the peace movement, activitists in support of the liberation movements in South America and South Africa; yet this Government has the audacity to bring a Bill before this House that would in effect countenance and make legal what was so clearly documented as being illegal by the McDonald Commission, institutionalized wrongdoing.

The purpose of these motions is very fundamental. It is no less than an attempt to restore some semblance of parliamentary oversight; failing that, it is an attempt to ensure that this toothless watchdog, the review committee which is denied access to documents in the possession of the security service, should at the very least not be currying favour with the government of the day in an attempt to win reappointment. Surely this Parliament should accept nothing less if we are serious about any kind of oversight of the operations of such a powerful agency in a democratic society.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, Clause 34 which sets up the Security Intelligence Review Committee is another area where our Party differs substantially from the Government. Canadians are entitled to be aware of the difference. Our view is that the officials of the review committee, SIRC, should be elected. Our neighbour to the South with its enormous security problems has its CIA and FBI accountable to an elected body of officials both in the Senate and in the House of Representatives. It is the elected officials who bear the ultimate responsibility to the people. We find that principle attractive.

Canadians need to know that the Government is not of the view that it should be putting responsibility and trust in the elected officials, that it wants to leave those responsibilities with people that it, the Cabinet, appoints. It is always dangerous to put information into the hands of elected people who are accountable to the populace in general. They may act in the interest of the people instead of in the interest of the government of the day. As we know from the actions of the Liberal Government, it finds that to be dangerous. People need to know. We have that fundamental difference as to who would be on this body.

When you look at the appointees to the hundreds of Crown corporations who have been appointed by the Governor in Council, the Cabinet, you see immediately why we are concerned. While a Crown corporation can work in certain jurisdictions, whenever they got into deep trouble it has been as a result of the appointees to their boards, appointed by the Liberal patronage machine. Canadair lost almost $2 billion of taxpayers' money, yet the directors of Canadair, all appointed by the Liberal Cabinet, received an increase in salary this year. They are not truly responsible because they are just political hacks rather than people who are genuinely accountable to the shareholders of that corporation. de Havilland also lost money. Every few years this Parliament has to write off $700 million or $800 million which CNR has lost because its directors, appointed through the political patronage of the Liberal Party, have not done their job. When Canadians see the billions of dollars that Petro-Canada has lost with the senior management of that corporation having been appointed by the Liberal patronage machine, they will be absolutely ill. They will be sick at heart because the Government does not have to operate that way. The Government will have to live with the judgment of the people in the next election.

In trying to ease the concern of people, the Government said that appointments would only be made after consultation with the Leader of the Opposition in the House of Commons and the Leader in the House of Commons of each Party having at least 12 members. That is a small step. I suppose consultation is better than absolutely nothing. However, let us look at what the witnesses said. These people tried to do what was right. They took time to read the Bill, ponder it, discuss it, and then gave us the benefit of their thinking. For example, the CJC suggested that in naming its members, the Prime Minister

should seek the consent of the Leader of the Opposition and should consult the Leaders of the other Parties in the House.

I would go further. If we really want SIRC to have genuine credibility, the Leader of the Official Opposition should be able to appoint one in three or three in five of the review committee. The purpose of the review committee is to lend credibility to the security service so that Canadians know that that security service is not getting into areas that it should not. If we want that committee, which will have to issue a report to Parliament, to be totally believable, the ideal situation would be to have a key person involved, and it should be the Leader of Her Majesty's Official Opposition. If that person were to appoint one out of three or two out of five of the commissioners, the Government would still do the bulk of the appointing but the committee would have enormous credibility if the Leader of the Official Opposition had that right.

● (1610)

Again the Government rejected that proposal, which we had put forward sincerely. The witnesses thought that there should be opposition consent, if not outright opposition appointment, and the Government rejected that. Therefore, as is true with all of the other proposals, whether they are to leave the service with the RCMP, the power of the agency is too broad or the judicial warrants are in effect for too long a period of time, the Government will have to accept the judgment of the Canadian people. The Canadian peole will have to take this matter in hand to get their sovereignty back. The Government will have to be defeated so that a new Government can continue an ongoing review process and make changes to bring the legislation back into line with our traditional Canadian freedoms which we have all come to respect and which I believe are being pushed rather hard by this Bill.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): The Hon. Member for Spadina (Mr. Heap).

Mr. Dan Heap (Spadina): Mr. Speaker, this grouping of motions concerns the clause by which the members of the review committee are appointed. It has been pointed out that the chief problem with the manner of appointment is that this review committee becomes the creature of the Government. Its members are appointed by the Government only, perhaps with some little official consultation. The appointments are decided on only by the Government and the appointees are therefore not in any sense responsible to Parliament.

It is not surprising that the Government, after indicating that the group will not be appointed by Parliament or be in any sense responsible to Parliament, has further indicated that the group should not trust Parliament and must take an oath of secrecy which separates it from Parliament. That oath would in fact bind the committee to the very group it is supposed to be watch-dogging. It is a strange kind of watchdog which must have a greater loyalty to the group it is supposed to watch than to the group whose interests it is supposed to defend. That is the case here.

This committee will owe its first obligation to the Minister's secret service and any obligation to Parliament will only be such that the secret service will allow. That is to say, the secret service will tell this committee what its limits are under the oath of secrecy, what information it is permitted to reveal to Parliament and what information it is not permitted to reveal to Parliament. It is because of that that we are experiencing this charade of Privy Council confidences.

The Solicitor General (Mr. Kaplan) has said that there are no confidential Privy Council documents being used by the secret service at present. He did not say that no such documents would be used but he did say that there are not any being used at present and that this is not an issue. If in fact this is not an issue, he should not have insisted on putting that restriction into law. He contradicts himself in that way. What is he afraid of? Is he afraid that people who have been hand-picked by the Government are not to be trusted? He tells us a ridiculous story about how every Cabinet document cannot be made public.

No one on this side of the House has suggested that every Cabinet document should be made public. We have suggested that if a Cabinet document has been made public to the extent of being shown to the security service for its use, something which the Minister says has not yet happened but clearly thinks might happen—and he might even want it to happen—then it should also be made available to one more person. It should not be made available to the whole world. It should not be made available to the press of Members of Parliament per se. It should be made available to the Inspector General and to the people who have already been hand-picked by the Government to review such documents. The Solicitor General acts in such a schizophrenic way that he now says that the group he is supposed to trust is not to be trusted.

The question is why we should trust the Solicitor General and the Government he represents. This is the party which used the War Measures Act against the Japanese in Canada 40 years ago, an action that has been regarded almost universally as being shameful and unjustified on the grounds then given of security. In recent years it has become apparent that the then Prime Minister and his Cabinet knew that such action was not justified on grounds of security because their own security advisers in the RCMP and the army had told them that it was not justified. They did it for other meaner purposes than security but used security as a cloak.

Likewise, the invasion of Montreal 14 years ago by the troops of the Prime Minister (Mr. Trudeau) occurred after the Liberal Government again invoked the War Measures Act for reasons that have not yet become clear. The actions taken at that time did help to disrupt a reform threat in the Montreal municipal elections but we really do not know what the Government was after. It certainly did not accomplish any of its stated purposes by invading Montreal with tanks and by

throwing 300 or 400 people into jail, none of whom was found chargeable.

Very soon the voters will be asked to elect Members of Parliament. They will be told by the smooth talkers in the Government that the people they elect will defend their liberties as well as do other good things. They will be told that they are sending people to Parliament to guide and if necessary oversee the Government. Yet if this Bill has been passed by that time, that purpose will be completely frustrated because those who will be sent to Parliament, even the majority of those on the government side, will not have an opportunity to look into what is happening with the security service. Only a privileged few within the Cabinet itself and perhaps a few other Privy councillors who are satisfactory to the Prime Minister will have that opportunity. No one elected to represent the great majority of the ridings in Canada will have any right to watch over the actions of the security service. That is a destruction of the liberties we enjoy in this country.

I received a telegram from one of my constituents which reads:

> The Canadian Government sometimes forgets it is elected to serve the Canadian people. We, the Canadian public, cannot allow our fundamental rights to be "subverted" by government bureaucrats and the RCMP.

He might well have added to that "and by the new security service". This legislation will be marked as being the achievement of 1984 in Canada. The tradition of democratic control of the police, democratic control of the state that uses force and information search and intrusion techniques, democratic control of the powers of coercion, will be decisively taken away from the elected representatives of the country. That will be a sad day, Mr. Speaker.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I do not wish to delay the House but I do wish to say a word or two in regard to the Security Intelligence Review Committee. I think the provision for this committee is probably one of the most important items in the Bill because the public will depend upon the committee to see that things are done properly and correctly.

I would like to hear the comments of the Solicitor General (Mr. Kaplan) on one or two points in connection with Clause 34. The committee is appointed by the Governor in Council or by Cabinet. The committee is therefore responsible to Cabinet, not to the House of Commons or to Parliament. I do not have any great objection to that, although I would much rather have it responsible to the Parliament of Canada. However, being responsible to the Cabinet is certainly not too far-fetched if the Cabinet is responsible to the House of Commons and gives the House of Commons the information which is available and which it needs or wants.

● (1620)

There is a provision in Clause 6(2) which bothers me. That is the fact that the review committee is not able to give any information to the House of Commons committee for review. The House of Commons committee is denied that under Clause 6(3). It reads:

> *Security Intelligence Service*
>
> Directions issued by the Minister under subsection (2) shall be deemed not to be statutory instruments for the purposes of the *Statutory Instruments Act*.

Therefore, directions which are issued by the Minister to the review committee are being denied to the House of Commons committee. What is that? The committee in the House of Commons is composed of Members of Parliament from all Parties. The committee is the only access which Members of Parliament have to this type of information. If the House of Commons committee is denied information by a direction from the Minister and that information is made available to the Director or to the review committee, then that information is not available to Members of Parliament.

That is a very strange way of making Parliament responsible. Surely a committee set up in this House to review statutory instruments should have access to information which pertains to that. Why should information which concerns the civil liberties of the people of Canada be denied to a parliamentary committee? I cannot follow that. Is it that the parliamentary committee cannot be trusted? The review committee is being trusted. If it originally came from the Minister, that would mean that a number of public servants had already seen the information. Anyone in the Minister's office would have had access to that information. Several layers of public servants would have had access to it. Yet the House of Commons committee, which is set up by Parliament and under the rules of the House, would not be able to look at the information.

I do not think that is sound. If Parliament is responsible then the committee is accountable to Parliament and Parliament must have all of the facts—not just the facts which the review committee wants to give to it, but all of the facts. If the Parliament of Canada is denied that, it would indicate that the Parliament of Canada cannot be trusted; or, in broader terms, that the people of Canada cannot be trusted. The information should be made available to a committee of the House of Commons in order that it can analyse the information to determine if the information is right and proper. It might well be that a Minister issues directions which he feels are in good sense and good order. However, sometimes there are differences of views in regard to what is right and what is wrong. The Minister may very well issue instructions to a committee or to a public servant that are not correct and not in the interests of the people of Canada. Perhaps the instructions might be in the interests of an individual or in the interests of a political Party. Then what happens? A committee is set up in Parliament to review those instructions and to keep tab on them, but that committee cannot see them.

That is not accountability in my view. That is hiding the facts from the public. It is slipped in here in such an innocent way that I would think probably one out of every ten people would not even realize that it is in the legislation. Does the press realize that this type of information will not be given to the House of Commons committee which was set up to study it? I have not seen any mention of it in the newspapers. Therefore, the people outside this House are not able to receive the information. We might send a few of these Bills out to our

constituents. However, unless those constituents have been given some guidance as to what is going on and what parliamentary terms mean, the Bills become almost meaningless.

I would like to mention another point which has been raised by the Hon. Member for Burnaby (Mr. Robinson). It is in connection with the oath of secrecy. When the members of the committee are appointed by the Government in Council, they must take an oath. That oath is included in the Bill. I have no objection whatsoever to the oath of office because I think it is right. I think there are bounds within which people who are members of committees must be restrained from giving information to every Tom, Dick and Harry or Mary, Ann and Josephine. However, surely that should not be applicable to Members of Parliament who are responsible to the people. The oath of secrecy reads:

> I, . . . , swear that I will not, without due authority, disclose or make known to any person any information acquired by me by reason of the duties performed by me on behalf of or under the direction of the Canadian Security Intelligence Service or by reason of any office or employment held by me pursuant to the *Canadian Security Intelligence Service Act*. So help me God.

"Without due authority". From whom would they get the authority? From the Cabinet? Perhaps from the Minister. Normally the authority would be given by those who appoint a person. They are the only people who should have responsibility. When it is everybody's responsibility, it is nobody's responsibility.

I think we should give careful thought to this whole matter to ensure that this body will be responsible and accountable to Parliament—not only to the Cabinet but to Parliament which represents the people of Canada. That is the number one issue as far as I am concerned.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): The question is on Motion No. 85. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion, the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Pursuant to Section 11 of Standing Order 79, the recorded division on the proposed motion stands deferred. Of course, that will also automatically defer the vote on Motion No. 86.

• (1630)

The next group of motions is headed by Motion No. 93. This series of motions for debate includes Motions Nos. 93, 94, 95, 96 and 97. Motion No. 93, proposed by Mr. Burnaby—by Mr. Robinson (Burnaby), seconded by Mr. Orlikow, moves that Bill C-9 be amended in Clause 38 by striking out lines 5 to 7 on page 19 and substituting the following therefor—

Shall I dispense?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 93

That Bill C-9 be amended in Clause 38 by striking out lines 5 to 7 at page 19 and substituting the following therefor:

"(vi) to review the regulations,

(vii) to compile and analyze statistics on the operational activities of the service,

(viii) to review criteria for security assessments pursuant to subsection 13,

(ix) to review the relationships between the service and all other bodies and agencies engaged in security or intelligence functions in Canada, and

(x) to review terms and conditions of employment established by the director pursuant to section 8 of this Act;".

Hon. John A. Fraser (Vancouver South) moved:

Motion No. 94

That Bill C-9 be amended in Clause 38 by adding immediately after line 7 at page 19 the following:

"(b) to review, generally, the effectiveness and the propriety of Canada's security and intelligence functions and arrangements, including such functions as are carried on by any agency, department or institution of the Government of Canada;"

and by re-numbering the subsequent paragraphs accordingly.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 95

That Bill C-9 be amended by deleting Clause 39.

Hon. Bob Kaplan (Solicitor General of Canada) moved:

Motion No. 96

That Bill C-9 be amended in Clause 39

(a) by striking out line 27 at page 19 and substituting the following therefor:

"evidence, but subject to subsection (3), the Review Committee is entitled"

(b) by adding immediately after line 42 at page 19 the following:

"(3) No information described in subsection (2), other than a confidence of the Queen's Privy Council for Canada in respect of which subsection 36.3(1) of the *Canada Evidence Act* applies, may be withheld from the Committee on any grounds."

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 97

That Bill C-9 be amended in Clause 39 by striking out lines 30 to 32 at page 19 and substituting the following therefor:

"Inspector General and to receive from the".

Mr. Waddell: I rise on a point of order.

The Acting Speaker (Mr. Herbert): The Hon. Member for Vancouver-Kingsway (Mr. Waddell) on a point of order.

Mr. Waddell: Mr. Speaker, when you were reading the motions, you referred to the Hon. Member for Burnaby (Mr. Robinson) as "Mr. Burnaby". I just want to point that out. While he has perhaps properly acquired the title in his work in this debate, in the interests of equality in the House, when you refer to me next, could you call me "Mr. Vancouver", please, Sir? It would help in the re-election of all our Hon. Members!

The Acting Speaker (Mr. Herbert): I appreciate the correction. As I recall, I did make a slip of the tongue and used the constituency, although I then added the words "Mr. Robinson". Debate.

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, this series of amendments is absolutely critical to the Bill, and Canadians genuinely have to understand that the Parties have a very distinct and different view of them. What the Government has done, I feel, is just simply wrong. It is going to pay a bitter penalty for it. While we think we could have convinced Government Members to make some changes, part of the problem is the New Democratic Party. It has attacked every clause with equal vehemence because it had no sense of judgment as to what was absolutely critical to the Bill, and because it has used an elephant gun even on the pigeons, now that we have come to an elephant. Because of its stalling tactics, Canadians do not appreciate how critical this clause is.

Let us not forget, Mr. Speaker, that the review committee, in our view, should have access to Cabinet documents. The Senate committee which looked at this matter and heard dozens of witnesses felt that the review committee should have access to Cabinet documents. The Government did not and so there was no access put into Bill C-9. The witnesses who came before the committee said that the review committee should have access to Cabinet documents. A motion was put forth to bring that about at committee stage and it was passed by that committee so that, as the Bill which was reported from the committee stood, the review committee would have access to Cabinet documents.

The Cabinet has now put forth Motion No. 96 which would reinstate secrecy and the review committee would not have access to Cabinet documents. I sat in committee that night when this clause was being discussed at committee stage. Government Members on the committee were divided. As a result, one of the Government Members voted for our amendment, and that was quite appropriate, Mr. Speaker.

I guess what I am saying is that we have a process here in Parliament and we should trust that process and not let a Cabinet lay on its heavy hand. The Government is wrong. The Government is abusing the parliamentary process with the amendment it has put forth. It is abusing the trust of the Canadian people. Those Government Members are going to have to be defeated, every single one of them in the next election, by the looks of it, in order that we can get that trust back.

On this question, Mr. Speaker, I urge the Liberal back-benchers to search their conscience and to look at this issue. We know many of those Hon. Members believe there should be access to Cabinet documents. Indeed, the former Solicitor General who was part of the Cabinet and was the Solicitor General through the FLQ crisis, or at least part of that time, believes that this review committee must have access to Cabinet documents in order for that review committee to have credibility for it to be able to function effectively in holding the agency to account.

Where is Mr. Turner on this issue, Mr. Speaker? We know that his first official act in his role as *pro tem* Prime Minister, after being briefed in the afternoon, was to permit closure to be brought in on this Bill. We know that his second act was to have this Bill attack the real cultural tradition of this institution.

Mr. Evans: How do you know that?

Mr. Thacker: I presume that the Liberals are smart enough to brief their *pro tem* Prime Minister. Am I to assume, Mr. Speaker, that those Hon. Members are not informing their leader of these attacks on our institution?

However, his third act, Mr. Speaker, is to condone an action whereby the Cabinet is attacking the very parliamentary process which he claims he is going to strengthen. He is calling for more free votes. Well, let us have a free vote on this because I am confident that the Liberal Members of Parliament, in using their heads, would agree with our position on the issue and would vote with us. Indeed, they did at the committee stage, Mr. Speaker. Now Cabinet is going to sit on its members. Cabinet is saying to those Hon. Members: "You might be elected by the people, but if you do not go with us, we are going to hurt you. You will not get on any boards or commissions. There will be no judicial appointments for you. Either you fall in line or we will punish you". That is how the Liberal Cabinet has traditionally kept those Hon. Members in line.

Motion No. 94 in the name of my colleague, the Hon. Member for Vancouver South (Mr. Fraser), should also be accepted, and I believe it would be accepted by Liberal back-benchers if we could have a free vote. What this motion says is that the review committee should not only have access to the documents and the work of the security service, but it should also have access to the security functions of other branches of government.

• (1640)

For example, we know that the External Affairs Department conducts extensive intelligence work, as does the Department of National Defence. Yet only the new agency will be subjected to overview by this review committee. Given the history of this Cabinet, there is no doubt what it will do when it is into something it wants to be kept secret. It will try to get the security service to do it. If the Director, because he has a review committee, says no, he will not touch that with a

ten-foot pole, they will simply assign the job to the Defence of External Affairs security service and do indirectly what they cannot do directly. The motion by my friend from Vancouver South says "no way". All of these agencies have to go through the review committee so it will have a broad overview of what is going on and provide for some real accountability.

Make no bones about it, Mr. Speaker, this is a critical Bill. I regret that the NDP have sort of dissipated its importance by attacking everything equally. By applying some judgment to it, we should have forgotten about all the small clauses and honed in on the five or six critical areas. I think we could have more effectively convinced the Canadian people to go with us and put enough pressure on back-benchers on the other side that they could have stood against the Cabinet.

Hon. John A. Fraser (Vancouver South): Mr. Speaker, I am very happy to rise again in this debate, especially after my colleague was interrupted by the Hon. Member for Ottawa Centre (Mr. Evans). This distinguished Government Member was shouting across the Chamber because my colleague said what must be said. That is, that the first act of the reform-minded John Turner, who brought in the War Measures Act and never explained why, and never explained why he left this place, in fact never explains anything until a clarification comes up and you have to wait a long time for that—

Mr. Evans: Your fear is showing.

Mr. Fraser: The first act of the new Leader of the Liberal Party was to approve closure on the security Bill. If my hon. friend from Ottawa Centre (Mr. Evans), who happens to be my Member of Parliament, is prepared to rise in his place and tell this House that the Hon. John Turner, this reform-minded fellow from yesterday, is not in favour of closure on this Bill, then let him stand up and say so.

[*Translation*]

Mr. Gourde: Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Herbert): Order. The Hon. Parliamentary Secretary to the Solicitor General (Mr. Gourde) on a point of order.

Mr. Gourde: Mr. Speaker, I do not know whether my hon. friend from Vancouver South (Mr. Fraser) has finished, but I just want to remind him of the rules of relevance in debate.

The Acting Speaker (Mr. Herbert): That is not a point of order. The Hon. member for Vancouver South.

[*English*]

Mr. Fraser: Mr. Speaker, my good friend, the Parliamentary Secretary, was there in committee. He contributed mightily to the committee's work by moving a motion that would have cut off any debate whatsoever on any amendments. He contributed a great deal and he talked to me about relevance. Let me say something about relevance. It was not a Member on this side who raised the issue of whether Mr. Turner agreed with closure. It was the Hon. Member for Ottawa Centre who raised it. All I was doing was giving my friends on the Government side the courtesy of responding to them.

There is another thing being done by this reform-minded Mr. Turner. Motion No. 96 is in the name of the Solicitor General of Canada (Mr. Kaplan). In the committee the only amendment of substance that was passed was one which said that the review committee should see the Cabinet documents that relate directly to the security service. That is what we managed to get done in committee. Now, with Mr. Turner's blessing, the Solicitor General comes in here a couple of days after this great reform convention—they are going to open this place up and let the fresh air in—with an amendment which would wipe out the only substantive amendment passed in committee. Some reform! As I said yesterday, it is not a new deal, it is the old deal writ large. We are going to be asking the Canadian public the simple question: Would you buy a used government from Mr. Turner? That is what they will be getting. That is what the issue will be in the coming campaign.

It is absolutely incredible. This Government tells us to get on with second reading, to get the Bill into committee, listen to the witnesses, make our motions for amendments, and the Government will give them due consideration. If there are sensible suggestions from sensible people they will listen and accept them if appropriate. We get an amendment in which finally gives the review committee what they absolutely have to have if they are going to be a review committee, and that is the right to see the orders from Cabinet. Sure, it was by accident because a Liberal Member was asleep in his chair, but we got it through nonetheless. But then what happened? The first thing Mr. Turner tells the Solicitor General to do this week is to get an amendment in to make sure there is no way in the world the review committee could ever look at what the Cabinet orders the agency to do.

This reminds me of the marvellous theory of the Prime Minister (Mr. Trudeau). In 1977 we asked what they had been doing after these revelations of wrongdoing. He said we do not need to worry about secret acts done in the night by the police, the courts will protect us. That is what that great law professor, the Right Hon. the Prime Minister, said. What a laughable notion that was and is. If there are secret things done by the police in the dark of night, the court will never hear about them so they cannot protect us. But that notion is alive and well in this Chamber. The Solicitor General is imbued with it, as is the pack of mummified creatures which represent their constituencies on the Government side. No matter how ancient they may be or what wisdom they may have accumulated, they are all wrapped in mummy clothing and all you will ever get out of them is dust from their old, staring faces. These are the people who are going to go along with this quaint notion of the Prime Minister. They will make absolutely sure of it because the new Leader has made sure that the only substantive amendment the Solicitor General has at report stage is to wipe out what we managed to do in committee. How can a review committee give the public any confidence that it will know what is going on if it cannot see those documents? The fact of

the matter is it cannot; the Government knows it but it just does not care.

[*Translation*]

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, my hon. friend, the Member for Vancouver South (Mr. Fraser), has often mentioned the good relationship we both have. He is right, on a personal basis, and I also admire him as a parliamentarian, because the way he works is usually very non-partisan.

Unfortunately, during the last few hours he has started fighting the next election. That is unfortunate, because at this stage of a Bill, we should be dealing with individual clauses. He said, for instance—and not once but several times—that the Government did not accept any substantial amendments in committee. I would like to emphasize at this point that we accepted about fifteen amendments to this Bill at the committee stage, including several to narrow down the definition of threats to national security by adding the qualifier "serious", which was proposed by the Official Opposition and the Senate, since it was a fairly serious amendment.

We also clarified the provision that gives individuals the right to appear in person before the Review Committee. We agreed to make substantial changes in the Immigration Act. And we also reduced the maximum duration of warrants issued in cases of subversion to sixty days, from the previous duration of one year.

If we include Bill C-157, there have been fifty or more amendments up to now. Since a number of those amendments were presented by the Hon. Member and by the Progressive Conservatives, the Hon. Member must admit these were amendments of substance.

• (1650)

[*English*]

Mr. Taylor: I rise on a point of order, Mr. Speaker.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Bow River (Mr. Taylor) on a point of order.

Mr. Taylor: Mr. Speaker, I was wondering whether the rules of the House have changed. Are Members now permitted to take photographs inside the Chamber? If they have changed I would like to take a few photographs too. One of the Liberal Members just took a photograph a few moments ago. That is against the rules of the House.

The Acting Speaker (Mr. Guilbault): The taking of photographs is not allowed in the House except by personnel of the House of Commons with special permission of the Chair. I would ask all Members to refrain from such a practice.

Mr. Taylor: I suggest the film should be destroyed.

The Acting Speaker (Mr. Guilbault): The Hon. Member for Welland (Mr. Parent) on the point of order.

Mr. Parent: Mr. Speaker, I am the one who took a picture. I was trying to see if there was film in the camera and it will be destroyed. You have my word.

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I rise to speak on Motions Nos. 93 through 97 which are presently before the House. We are now at the point in the deliberations of the House at which the Solicitor General of Canada (Mr. Kaplan) is attempting to reverse the one decision of substance by the committee to strengthen the provisions of this Bill. I emphasize that and hope that Members of the House are aware of exactly what is going on here. On a casting vote of the chairman of the Justice Committee the committee decided that the Security Intelligence Review Committee should have full access, at least to all of the documents which are in the possession of the security service itself. That was the decision of the Justice Committee.

I note that that decision was taken despite the fact that the former Solicitor General, the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand), was yanked off the committee. Although he attended meeting after meeting of the committee and heard the witnesses that appeared before the committee, when it came to the tough decisions on voting, despite being the Solicitor General of this country for four years, the Member for Notre-Dame-de-Grâce-Lachine East was replaced by members of the Liberal Party who had never attended meetings of the Justice Committee.

Mr. Evans: Are you sure he did not ask to be taken off?

Mr. Robinson (Burnaby): What a shameful manipulation of the committee—

Mr. Evans: Did he tell you he was yanked off?

Mr. Robinson (Burnaby): —by members of the Government. Despite his expressed desire to vote on amendments, the Member for Notre-Dame-de-Grâce-Lachine East was pulled off the replaced by the trained seals on the other side.

On this motion the Member for Notre-Dame-de-Grâce-Lachine East said:

> Mr. Chairman, the purpose of the review comittee was to give credibility to the Bill, to assure the public that there would be a balance between the needs for security and the needs for protection of civil rights and so on. There are not too many occasions when Cabinet documents will be the subject matter of review by the security service, or in their hands.

He went on to say:

> But refusing to allow the review committee to examine them I think raises again more suspicions in the minds of the public. I have made this argument many, many times. I just cannot understand why we insist on preventing them—

That is a man who was the Solicitor General for four years. He is indicating that he has no idea why the Government is refusing access to these documents by the review committee. The chairman of the committee himself cast the deciding vote. The Liberal Member who chairs the committee said:

> The chairman has reflected for a long time on this subject and has heard all arguments. The chairman has never been convinced by the Minister that there was reason for those documents in possession of the service not to be shown to

the oversight committee. For those reasons the chairman votes in favour of the amendment.

The amendment actually carried in committee. It was the one amendment of substance to be put before the committee and adopted. Now before the House the Solicitor General tells his trained seals that they do not want to accept the decision of the Justice Committee and tells them to reverse it. What insufferable arrogance on the part of the Solicitor General!

Professor Peter Russell was one of the many witnesses who appeared before the committee. The witnesses were virtually unanimous on the question of access to Cabinet documents by members of the review committee. Professor Russell said:

It is preposterous that some of the Queen's Privy Councillors cannot trust other of the Queen's Privy Councillors.

The Government that seeks our trust in establishing a civilian security agency under its direction must trust the watchdogs it will appoint on our behalf.

Those are the remarks of Professor Peter Russell. He talks of the sheer arrogance of the Government in this provision.

For once the committee was actually prepared to listen to the witnesses. Then the Government turns around and says to hell with the Justice Committee. Even though the Government puts its trained seals in, the committee will still be prepared to accept the amendment. But the Government is going to reverse what the Justice Committee did in the one area of substance. What a mockery of the independence of committees in the House!

The Senate committee was chaired by Michael Pitfield. He surely is not one lightly to disregard conventions of Cabinet secrecy and so on. Even the Senate committee strongly recommended this amendment. It unanimously recommended that the Security Intelligence Review Committee should have access to all documents, including Cabinet documents, in the possession of the security service. The Pitfield committee said:

As with the Inspector General, the SIRC should have access to all cabinet documents in the possession of the CSIS. Finally, the committee believes that the staffing of the SIRC is a very important matter and should be done with care to ensure that it is a small but effective body.

● (1700)

We can hear from the Minister's flunky, his Parliamentary Secretary, if he dares to stand up and defend this provision, if he is capable of defending this provision, which some of us doubt. We can hear from the Minister's flunky in due course.

However, the Pitfield committee makes it very clear that at least the review committee which is made up of Privy Councillors should be trusted by other Privy Councillors with documents in the possession of the security service. We reject the suggestion of the Minister that the decision of the Standing Committee on Justice and Legal Affairs should be overturned and that secrecy should be the order of the day with respect to this review committee, particularly when the Government refuses to accept the recommendations of the McDonald Commission and the many witnesses who appeared before the committee. Parliament itself should play a role, not just to a group of handpicked former Privy Councillors. The Congress of the United States has trusted members of Congress to play a role in oversight.

The Government denies elected representatives the right to full and effective oversight and says that it is establishing a committee. But even though that committee will be made up of Privy Councillors, it will not be trusted with documents that are in the hands of the security service. What insufferable arrogance on the part of the Government. What denial of any meaningful oversight.

The motions before the House would also ensure that the relationships between the security service and any other bodies and agencies engaged in security or intelligence functions in Canada would also come under the umbrella of the review committee. Otherwise it will be all too easy for a government to evade its responsibility and evade the scrutiny of the oversight committee by in fact transferring responsibility from the Security Intelligence Service to some other shadowy intelligence agency that does not fall under the umbrella framework of this legislation.

Therefore, I urge Members of the House for once to display a little bit of independence. We know we cannot rely on the flunky, the Parliamentary Secretary to the Minister, to do so, but certainly I know that when the time comes to vote on this important motion perhaps there will be one or two Members on the other side of the House who will display some sense of integrity and dedication to the principles of effective oversight and will vote against the Solicitor General's motion.

Mr. Howard Crosby (Halifax West): Mr. Speaker, in joining this debate on the motions that are now before the House, I want to make some particular remarks about Motion No. 96 which deals with the amendments permitting greater access by the Security Intelligence Review Committee to information held by the Cabinet. One must consider this amendment in the context of the whole creation of the Canadian Security Intelligence Service and all that has gone on before in terms of freedom of information. Those are the general thoughts that I want to put on the record in the House.

First, the Government brought before the House of Commons a freedom of information Bill called the Access to Information Act. The purpose of the legislative measure was to throw light on information held by the Government and to make it of a public nature, to the extent that it was in the public interest to do so. The principle that was adopted by the Parliament of Canada in enacting the access to information legislation was to allow sunshine to come into the government arena so that those who needed information from the Government for whatever purpose could obtain that information. That was a principle that was endorsed almost unanimously by the House of Commons. It is in that context that we must approach any attempt to keep information held by the Government secret.

We must start with the premise that all information should be public and that there must be very serious reasons for keeping information away from the public in general terms. The point I want to make is that the Government and the Solicitor General (Mr. Kaplan), in dealing with this matter of access to information by the Security Intelligence Review Committee has not only disregarded the general principle of

access to information but has disregarded the real need for access to information in this particular circumstance.

The public concern about a Security Intelligence Service for Canada is that the powers given to a service and the officers employed in such a service can be abused. The only safeguard against that kind of abuse is a review by some authority independent of the Security Intelligence Service. If that authority, which is the Security Intelligence Service Review Committee in this case, has its powers hampered by unnecessary legislative constraints and restrictions it will simply not be able to carry out its task.

What is more important is the signal that this kind of legislation amendment gives to those who are deeply and properly concerned about security intelligence legislation. The signal that is sent out by the kind of legislation amendment that is now being demanded by the Solicitor General is that the Government does not intend to have free access to information in this area of the review of the Security Intelligence Service. It wants to allow matters to be covered up, hidden away or obscured. That is entirely inconsistent with the purpose of a review committee. If the review committee has anything hidden from its purview and has any restrictions placed upon its access to information that relates to the operation of the security intelligence service, then that committee will not have the kind of power and authority that is essential to carry out its mandated function.

In simple terms, if the ability of a review committee to search out facts is going to be restricted, then there might as well not be a review committee. Those who want to hide the facts will simply hide them under that particular carpet. They will find ways to characterize and classify information as falling within the exception to the rule of access rather than to falling in the general right to access to information.

Those are the kinds of games that government officers throughout the bureaucracy of the Government of Canada has been playing in the last 16 years. The minute that a method is provided to hide information from those who would otherwise have a right of access to that information, they will use that exemption to hide that information in question. If Members doubt the ability of bureaucrats to utilize that kind of provision, I can say, after a number of years of experience in dealing with these matters, that that is exactly what they do. How do you think the Department of Finance hides away information concerning the finances of Canada? How do you think Revenue Canada hides away processes and procedures that it follows, as we have seen demonstrated time and time again? It is all under the claim of exemption and under a claim that there is no need for the public to have knowledge of that particular action. It is always under some statutory exemption or colour of right. That is what the Solicitor General is giving to the Canadian Security Intelligence Service. He is giving the service the colour of right to hide away information from the review committee. In that way the Solicitor General is destroying the whole purpose and *raison d'être* of that review committee.

I believe we must stand and point out these matters. In my view, the public is not interested in this Bill in the way it has been presented to the House of Commons. There is no urgency. The only urgency is the empty space a few streets away from the House of Commons that the Solicitor General had rented for the Security Intelligence Service. There is no need to have a Security Intelligence Service this month as opposed to the next month or the month after. It is a false sense of urgency attached to the presentation of this Bill in the House of Commons. That false sense of urgency has been used as an excuse for such steps as closure that has been forced upon the House of Commons in relation to its deliberations on Bill C-9.

● (1710)

It is that idea of urgency that excuses the Government's action in invoking closure in this situation. But that will not wash with the people of Canada. There is nobody out there waiting for the establishment of the Canadian Intelligence Security Service, waiting for it to catch spies and to stop the espionage that may or may not be taking place in Canada. I do not know of one person who has approached me and said: "Get the Canadian Security Intelligence Service into operation before the Government and the country collapses". That false sense of urgency is in the big lie category that we have to get this service in operation quickly to save the country. That is nonsense. That is the kind of unnecessary speed and haste that can cause grave difficulties in the future. That is the kind of speed and haste that causes Parliament and parliamentarians to overlook the real problems that are involved in the Canadian Security Intelligence Service and the legislation relating to it.

Mr. Evans: Fifteen years is speed and haste?

Mr. Crosby: The Hon. Member for Ottawa Centre (Mr. Evans) has come to my aid again. He says it has been sixteen years in the making.

Mr. Evans: Fifteen years.

Mr. Crosby: Why has it been fifteen years in the making? Because the people of Canada have not reached any consensus on the matter. I defy the Solicitor General (Mr. Kaplan) who comes from the heart of Toronto and I defy the Hon. Member for Ottawa Centre to tell me what the views are in British Columbia, Nova Scotia or in other parts of Canada on a Canadian security intelligence service.

Mr. Evans: You just told us you don't know.

Mr. Crosby: If the Minister thinks the people of British Columbia are waiting for this service to come into operation, he is wrong. If the Solicitor General thinks the people of Canada want civil liberties set aside and the RCMP downgraded and denigrated in order to rush through the Canadian Security Intelligence Service, he is wrong. But it just indicates once more that there is no communication between this Government of Canada and the people. It proves once again that that line of communication has been destroyed. The Govern-

ment does not know what the Canadian people are thinking. This is just one more dramatic illustration that the Government is out of touch with the needs of the people.

We are standing here in the House of Commons debating security intelligence legislation when we should be talking about job creation, about improving the Canadian economy and about getting people back to work.

Mr. Blais: You should have passed it a long time ago.

Mr. Crosby: We cannot stop the debate just because we are forced into that situation by the Government of Canada and by members of the Liberal Party. We cannot stop and we cannot give up on civil liberties. We cannot give up on a national institution like the RCMP merely because the Government of Canada has created a situation in Parliament that offends our sense of Parliamentary democracy.

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, in addressing the motions currently under consideration, I have to say that I have not heard as much gobbledegook in a long, long time as I have heard parroted from the Government benches in the last few minutes.

In one of the motions we are trying to restore by amendment one of the actions taken by the Justice Committee. All we get is shouting from the other side about how they have been waiting to do this for 16 years, and how this great demand is out there in the Canadian public to have a new security service, outside of the RCMP, with unheard of powers, unheard of in this country, unheard of in almost every other western country. In fact, it is totally unheard of.

While we are concerned about the details, we are also concerned as to the state of mind and the thrust that lies behind the Bill, particularly the willingness on the part of the Government to trample over the wishes of even its own Members on the Justice Committee, not to mention the feelings of other Members in all the Parties of the House. Within all Parties there are a number of serious reservations when we are dealing with legislation such as this and with motions such as these that deal with the review system.

Let us look at who makes up the review committee. Clause 34, which has been dealt with previously, reads:

> 34.(1) There is hereby established a committee, to be known as the Security Intelligence Review Committee, consisting of a Chairman and not less than two and not more than four other members, all of whom shall be appointed by the Governor in Council from among members of the Queen's Privy Council for Canada who are not members of the Senate or the House of Commons, after consultation by the Prime Minister of Canada with the Leader of the Opposition in the House of Commons and the leader in the House of Commons of each party having at least twelve members in that House.

If the Government is not prepared to have a body such as that, Mr. Speaker—and I would ask Hon. Members to take a look at all of the documents to which the committee felt it should have access—review all documents, then who the devil is to be trusted in the country in the Government's view? Is the Government saying that the Prime Minister's (Mr. Trudeau) judgment is not to be trusted, even when he had consulted with the Leader of the Opposition (Mr. Mulroney) and in consultation with the Leader of our Party? Is the Government saying that the Government's own Prime Minister who appoints these people is not to be trusted, or that other review committee members who are members of the Privy Council are not to be trusted with all of the information to which the Justice Committee thought it should have access? What absolute hogwash that is. These guys have gone right off the deep end. There is no public demand for this legislation.

On the other hand we have the Attorney General of every province in Canada opposed to the legislation, we have civil liberties groups, the Canadian Medical Association, everyone left, right and centre right across the whole spectrum of Canadian political opinion who think this is bad law. The Liberals apparently do not trust their own Prime Minister, even in consultation with Leaders of the other Parties on this.

Mr. Evans: No.

Mr. Kristiansen: You don't trust him. That is obvious and that is why the Government has brought in this amendment to overrule the feeling of the Justice Committee. If the Liberals do not trust whomever their own Prime Minister appoints, whom can they trust? Nobody. I do not blame them for not trusting him. I do not have a lot of faith in them over there either.

We have to ask ourselves again, if the Liberals are that imbalanced and if they are that topsy-turvy in their system of priorities. What is their state of mind and why?

My mind goes back a couple of months ago. I along with one Member of the Conservative Party, Gerard Docquier, President of the Canadian district of the United Steel Workers, and John Fryer, President of the National Union of Provincial Government Employees, attended a meeting about two blocks away from Parliament Hill of a group called the Niagara Institute. With the exception of the four of us whom I have just mentioned, the rest were chief executive officers of some of the major corporations and banks in Canada. A question was posed during the discussion. Their answer was virtually unanimous to the query: "When will a condition approaching economic normalcy be restored in Canada?" The assessment by thes chief executive officers was that it will come about in 35 to 50 years.

Is that the kind of agenda to which the Government is going to succumb in this country? Does it agree that that is the state of affairs we will have—unemployment ranging from 10 per cent up to somewhere in the 20 per cent range for the next 35 or 50 years? Those people in the board rooms are mostly the same people who dominate the major councils of the Liberal Party. Have they decided to surrender to that agenda? It is not what anybody wants, but are they going to surrender to it? That is the prediction, unless the Government takes a totally different approach from that which it had heretofore since Confederation. If that is to happen, and if that Government continues to be totally derelict in its responsibilities to do something about the basic economic and social conditions which that situation will create, then it may need some of these kinds of powers to stop civil unrest. Is that the Government's

agenda? Has the Government admitted its failure and the only way the Liberals and their pals can continue to govern is by setting up the agencies of a police state? That is how this service can be used. Why else would the Liberals not accept even minimal amendments such as those proposed by the Justice Committee? Why else would they not propose some of the very minimal amendments that both my colleagues in the Conservative Party and my colleagues in the New Democratic Party are proposing? Why else? Nobody suggests that you over there are a bunch of bad guys. But are you so blind to the economic realities facing this country that you have come to accept the idea that we will see the same kind of growth of terrorism here as we have seen in Europe? God forbid. We have been immune from that so far. Are the Liberals surrendering to that possibility? Are they surrendering to the possibility that people will be continuously unemployed across the country over a 35-year to 50-year period and will be upset? No? Why then do they need the powers outlined in the Bill?

• (1720)

I see no reason. No one demanded it. Nobody aside from a self-appointed commission has ever recommended any of the proposals, and what that commission recommended did not go as far as the proposals in this Bill. The Government does not listen to the appointed members of the Standing Committee on Justice and Legal Affairs. It does not listen to anyone.

The Government has its own agenda. Whether it is a hidden agenda or a public agenda, it stinks and it is rotten. It ought to call a halt to this business and get on with the real priorities—the economic and social issues on which the people of this country are demanding action. The Government should give up. It is a failure.

Mr. Dan Heap (Spadina): Mr. Speaker, I should like to speak about one aspect of the group of motions before us, the abuse of the concept of Crown privilege. Canada is a monarchy. Most Canadians, whether or not they are enthusiastic monarchists, accept and rely upon the concept of our traditional form of government for both a sense of stability and a sense of fair play. Of course there have often been failures in that regard, but that is the system which is available and it is the one Canadians continue to support and choose. I do not think any one of us is aware of any likelihood of getting rid of it.

The Government is proposing a very serious action which will discredit the concept of Crown privileges. It is not the first time the Government has taken actions to discredit the Crown. However, on this occasion it is more serious. It goes much deeper than the other actions. It is much worse than the abuse of privilege when VIA Rail rode roughshod over Parliament. It is much worse than the abuse of privilege when the Government said that because a Crown corporation took part in a uranium price-fixing cartel, the cartel could not be investigated by the courts. The then Minister of Justice sneered at Parliament and said that we could not investigate the Crown.

When a matter concerns the fundamental liberties of Canadians, not one enterprise or another or a particular part of the economy, a matter which may be crucial to the actions of the security service, it cannot be examined by the watchdog appointed by that service nor by the watchdog committee appointed for that purpose, even though they are appointed by the Chief Minister of the Crown. In doing this the Government discredits the Crown in other respects. For example, it discredits the report of Senator Pitfield which soberly indicated that the committee ought to have access to Crown documents among others.

The Solicitor General (Mr. Kaplan) assured us that there were no Crown documents in the possession of the security service. However, he did not tell us why he was afraid of the recommendation of the committee and he wanted to reverse it. Other commissions appointed under the Crown, such as the McDonald Commission, have also indicated that there should be oversight, including oversight of Crown documents.

Public leaders have spoken on this matter, such as the United Church, the Canadian Council of Churches, labour groups and civil liberties groups. They all feel, with due respect for the basic privilege of the Crown, that it should not be used in this way. The chairman of the committee appointed by the Chief Minister of the Crown and the committee as a whole thought that privilege should not be used in this way. However, the Solicitor General, again in the name of the Crown, overruled them.

For the average man or woman on the street, it is very demoralizing to see the concept of the Crown and the name of the Crown or Crown privilege being turned into nothing more than the privilege of a tiny group of men and women who happen at one time to have responsibility under the Crown. For this to be turned into a weapon that they can use against other agencies of the Crown and all other people who have sworn to uphold the laws of the land, such as Hon. Members of the House and of the other place, makes a mockery of the Crown. That one little group is now grasping the power to deny the obligations of the Crown as they are expressed through Members of Parliament in this place and in the Senate and other public groups established in the name of the Crown. Only one secret group will be allowed that Crown privilege, will be allowed to look at Crown documents, which may affect the liberties of Canadians in a fundamental way that we have never before experienced in the history of Canada.

We are told that some privy Councillors will and must distrust other Privy Councillors. That makes a mockery of the Crown. Apparently this tiny group of men has the power to do this and get away with it. They have been able to wrench the rules of Parliament and of committee. They have been able to drive through their points, notwithstanding the fact that the Opposition had been operating according to the rules. They simply changed the rules when it suited them. They can get away with it, but they do damage to the public morale and the public trust in the Crown which will take years and years to mend.

When the public begins to understand the contemptuous way in which the Solicitor General and his colleagues have

abused the concept of the Crown, it will not be an easy matter for the Government or any other succeeding government to win the support and trust of the people of Canada. Perhaps the damage is not irreparable, but it will not be repaired for many years to come. It is regrettable that the Solicitor General and his colleagues have acted so irresponsibly as to insist upon reintroducing this abusive use of the Crown privilege.

The Acting Speaker (Mr. Guilbault): Is the Hon. Solicitor General (Mr. Kaplan) seeking the floor on a point of order? He has already had the floor for debate on this grouping.

Mr. Kaplan: Mr. Speaker, I am seeking unanimous consent because it is not a point of order.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent for the Hon. Solicitor General to speak for a second time on this grouping?

Some Hon. Members: Agreed.

Mr. Kaplan: Mr. Speaker, I will make my comments very brief. The Hon. Member for Spadina (Mr. Heap) has called us contemptible. He said that we discredited the Crown and that he considers us disgraceful and so on. I think those remarks were interesting coming from an Anglican clergyman who caused disorder in the House last week. He refused to withdraw his comments and was kicked out on a motion of the House. He is the one who is a disgrace to Parliament, and I thank him for giving me his consent to make these remarks.

Mr. Vince Dantzer (Okanagan North): Mr. Speaker, I am pleased to have the opportunity to add my objections to those of the many other Members who spoke this afternoon. The Government is attempting to undo the work of the committee. Certainly there are several clauses in this particular Bill which have received a great deal of attention, and rightly so. Civil libertarians, most people who are involved, have experience and will be affected by this Bill, have spoken against those clauses, certainly Clause 39. It has been said many times that the Government watchdog, even though it may be a sleeping watchdog, should have access to Cabinet documents, not all, just those that are relevant. The reason why civil libertarians and others zeroed in on this clause is that they recognize that if the watchdog committee does not have access to these documents, a great deal of harm might flow from that.

● (1730)

In most countries of the world where people's rights have been restricted, downtrodden, stepped upon and trampled on, this invariably started through political activity. Unfortunately, governments such as this which have been in power for a long time gain in arrogance, they have a feeling that they govern by the grace of God, by Divine right. If there is objection or opposition to those governments, they take away the rights of certain citizens on the grounds that it is good for the public as a whole. They want to maintain the public good, as it were.

In many countries in Europe, Asia and Africa this type of slow and steady erosion of the rights of individuals has occurred. Unfortunately, it is usually done in the name of the law. That is the kind of loophole that Clause 39 creates for this Government. With all due respect, this Government has had a lot of experience in trodding on the rights of others. Historically, this Government has shown that it panics very quickly. We need only look back to the imposition of the War Measures Act, that phoney revolution that was about to happen in Quebec, to see how quickly that can happen. This type of clause leaves it wide open for the Government to instruct this secret service, these super snoopers, to go beyond the bounds of propriety and investigate things they should not investigate. Even then the watchdog committee will not have access to those instructions. It will never know about them. Parliament may never know. That is something this Government should not allow. The people of Canada are very much opposed to this potential abuse of the civil liberties of Canadians.

It would not have been as bad if the Government had agreed to a tighter definition of Clause 2 to ensure that the secret service had to work within the legal bounds of strict control and had not allowed it to use subversive techniques on those who had not committed a crime. Clause 2(d) in particular is causing much trouble. Then it might not have been as bad that the Government is insisting that the watchdog committee cannot investigate Cabinet documents. However, the Government has not done that. It has not done a lot of things it should have done and which the people of Canada have pleaded with it to do. In its own arrogance, it really believes it is right.

I find it difficult to understand how the Government arrived at that conclusion. In the last four years this Government has done almost nothing right. This Parliament will end in a short while and we will be left with this document. It is a document which is mightily flawed. If Clause 39 is amended as the Government is attempting to amend it, the document will be that much worse.

It bears repeating that the reason the Government has to amend this clause is that the Chairman of the committee voted against the Government. Had the normal complement of Government Members been there, the Chairman would not have had to vote. This Government is so disorganized, uninterested and lacking in will to proceed that it could not raise the number of voting members to ensure that it got its wish, so the Chairman had to vote. He is a very fair Chairman. On many occasions he said he did not like this clause and, therefore, he voted against the Government. That is the committee system at work. That is the whole purpose of it. One would expect the Government to accept something of that nature, but it does not. It abuses the whole process. Why should we waste our time in committee, sitting there hour after hour after hour? Why should the people of Canada spend hours appearing before that committee when the Government uses its powers to steamroll over what the committee proposes? On one hand the Government says it will accept what the committee does, but only in those situations where it gets its wish. Where it does not get its way, it does not accept what the committee does.

The Government tries to have it both ways. I suspect that it will succeed in having its own way for the next six or seven days.

It was said earlier that the people of Canada will remember this. They are very concerned about their rights. They are concerned that this legislation has the potential to damage the freedoms that have been developed in Canada over the past 170 years. It is incumbent on the Government before this day is out to withdraw its objection to the watchdog committee having the opportunity to review Cabinet documents. It may well be a sleeping dog committee because it will not be a committee of elected members, as proposed by most people. It could have allowed a parliamentary committee. Parliamentarians respond to the desires, wishes and fears of their constituents. Perhaps then Clause 39 would not be so bad, but the Government has not done that. It pushed aside every opportunity to make this a good Bill, one which would secure the rights of Canadians and at the same time allow the security service to do that which is necessary. The Government has not done that, and it is not likely it will.

There is one last opportunity for the Minister to correct this Bill. Perhaps he will do that. The Government could then leave this Parliament in the next few days having done at least something worth-while, namely, provided security legislation that is not a threat to every person in this country.

Mr. Gordon Taylor (Bow River): Mr. Speaker, a government should want its legislation to be effective. Looking at the amendment of the Hon. Member for Vancouver South (Mr. Fraser), I do not understand how anyone who wants proper legislation and the proper operation of a civilian or RCMP corps can vote against this motion. The motion was presented by the Hon. Member for Vancouver South. He is an experienced parliamentarian, having been in the House of Commons for many years. As a Cabinet Minister, I had the greatest respect for him. He found time to talk to the people and tried to reflect their thinking. That is democracy. I have the highest regard for him. He is trained in the law, practised law in Vancouver, was solicitor for municipalities as well as individuals. With his background, when he presents a motion, it should carry some weight. That is why I find it difficult to understand the reaction to Motion No. 94 to amend Clause 38.

● (1740)

I shall read the motion that we are now asking this House to adopt. If any Hon. Member in the House can give me one reason why this motion should not be passed, I will accept it. However, I cannot conceive of one reason why it should not be passed. This motion deals with the duties of the review committee. Clause 38 describes the functions of the review committee and this motion would add the following to those functions:

—to review, generally, the effectiveness and the propriety of Canada's security and intelligence functions and arrangements, including such functions as are carried on by any agency, department or institution of the Government of Canada;—

We are simply asking the review committee to look at the effectiveness and propriety of the functions and arrangements of the Security Intelligence Service. If anyone thinks that we do not need to include in the wording of it both "effectiveness" and "propriety", I would counter by suggesting a reason why we do need them both. Something can be effective and not proper. Something can be proper and not effective. I am concerned that under this clause, this committee should have the responsibility to review the functions of this intelligence service to find out if it is effective and is doing the job.

When I was the principal of a school, at the end of every month, and sometimes more frequently, I took an inventory of what the teachers were doing, what was effective and what was not effective. In a classroom, we would discuss why the particular method being used was or was not effective. For example, if a teacher was teaching arithmetic to a youngster in either grade one, two or three and the youngster was simply not learning how to add or multiply, I would say to his teacher: "His mother tells me that he cannot multiply and that he does not understand multiplication. What method are you using to teach him how to multiply?" The teacher would be very co-operative and would review her methods. She would say to me: "I will find out what I am doing wrong or if I am not spending enough time with the child." The following week she would say: "I know what was wrong. I was going over the subject too fast and Johnnie is a slow learner. I have to go through it three or four or five times with Johnnie before he begins to understand what I am trying to do." An owner of a business must check to see whether or not his methods are effective. Are people coming into his shop and buying his products? If they are, his advertising is effective. If they are not, it is not effective and he must make a change. I would think a Government would also check to find out whether or not it is being effective.

The motion of the Hon. Member for Vancouver South is only asking that the effectiveness of the methods of the security service be reviewed. If the methods are not effective, we should not waste the people's money. Who in this House could vote against that? Surely we want to get full value for every dollar spent. Not even the most extravagant Liberal member would not want government agencies to be effective.

The other key word in the motion is "propriety". We want the committee to review the propriety of the functions of the security service as well. We want it to review its functions to see whether or not it is acting in accordance with good behaviour and good morals. Take the War Measures Act of 1970, for example. It was certainly effective, but was it proper? Was it right to shove scores of people into jail without a trial when they had committed no offence? Some of the people were never even charged at all but were shoved into jail like cattle. The War Measures Act might have been effective but it would not pass a review of propriety because none of us believe in shoving people into jail without even giving them a chance to defend themselves. That is something that can take place. This civilian intelligence service is a body which is being

given pretty wide powers. We should make sure that its actions are effective, proper and morally right.

The new Leader of the Liberal Party has indicated that he wants to make more use of committees and that he wants to have free votes. I will believe that when I see it. A committee has made a recommendation, but the Government is now going to change that recommendation because it does not agree with it even though its own members supported it. The committee's representations reflected the combined thinking of members of the committee. The new Leader says he will make more use of back-benchers, but will he then have the Cabinet overrule them and tell other Members that that cannot go on, that he will change it and wipe it out? I do not think that that is an effective way to administer a country. If we are going to have such things as committees, then surely the combined consensus of that committee should be accepted, particularly when scores of recommendations were made by people who appeared before it.

What else does this motion attempt to do? I shall read it again:

—to review, generally, the effectiveness and the propriety of Canada's security and intelligence functions and arrangements, including such functions as are carried on by any agency, department or institution of the Government of Canada;—

Does anyone here want to see an agency or Department behave badly, ineffectively and with bad morals? If not, there is no reason in the world why Hon. Members should not vote for this motion. We want effective administration and we want it to have good behaviour and good morals. I would say to Hon. Government Members that if they vote this motion down, they are indicating that they do not want full value for money spent, that they want to do things immorally and that they want to do things that are not proper, and that cannot be called good behaviour. I think every Member of the House should support this motion which has been carefully and excellently phrased by the Hon. Member for Vancouver South.

Mr. Les Benjamin (Regina West): Mr. Speaker, I take part in this debate after having read Barbara Tuchman's book dealing with power. I would like to engage the attention of the Solicitor General (Mr. Kaplan) and draw to his attention the whole matter of review and accountability.

My colleagues, the Hon. Member for Burnaby (Mr. Robinson) and the Hon. Member for Kootenay West (Mr. Kristiansen), have expressed their points of view, with which I fully agree. I would like to ask the Solicitor General if he would think about and learn from history so that we do not repeat history.

None of us in this place believe that we act as rubber stamps. None of us wish to act that way or will act that way. I give that much credit to all Members of this House. I would like to suggest to the Solicitor General that in the case of accountability and review of the service, he consider that someone somewhere must tell all Canadians what is going on in the way of security, surveillance, intelligence and the like. If the hon. gentleman has not read Barbara Tuchman's writings, he should read them. I have reread them. The German Reichstag, the Italian Parliament, the Parliament in Spain, and even the Supreme Soviet of the Soviet Union had their parliaments blindly and supinely agree to all the things which went on in those nations before the First World War—in the 1920s and in the 1930s.

● (1750)

In the situation in which we find ourselves in Canada, why would the Solicitor General refuse to accept amendments which attempt to guard against that kind of repetition of history? I can understand small countries which are in the midst of terrible war situations being extra careful and extra militant. But why would we want to bring upon ourselves, in this nation, in the context of the security of Canada, an opportunity for those who would destroy us on the left or on the right as had happened in previous decades?

The Hon. Member for Vancouver South (Mr. Fraser) made the mistake of mentioning the War Measures Act. I believe the Hon. Member for Bow River (Mr. Taylor) did the same. They should at least have had the courtesy to blush. In 1970 only one Conservative stood up with the NDP caucus to vote against the War Measures Act. The rest of the Conservative Party voted for its implementation. That was nothing more than a symptom of the disease with which the Solicitor General is afflicted. It is a symptom of the kind of paranoia which wants to put the entire Canadian population into a situation as though we were a major power in the world, which we are not. We account for a lot of things on this planet, but in no way are we in the kind of major leagues in which the Solicitor General feels that this country should be trying to play. He wants to play in a major league with champagne measures for a beer operation.

If we are to learn anything at all from history, it should be the fear and the worry that cause us in our caucus, having learned those lessons not only in other countries but in our own nation, that what may be acceptable now, and what I think is acceptable now, was unacceptable in the 1920s and 1930s in Canada. It was the people who said that we must do something about getting rid of that foreign element who turned the RCMP on to trade union leaders, leaders of ethnic groups and political leaders including plainchothesmen who followed J. S. Woodsworth around. Surely the Solicitor General must know and understand this as well or better than I do.

I think it was Pastor Niemoeller who indicated that one did not tend to protest when laws and regulations such as this one were passed. He said:

In Germany they came first for the Communists, and I didn't speak up because I wasn't a Communist. Then they came for the Jews, and I didn't speak up because I wasn't a Jew. Then they came for the trade unionists, and I didn't speak up because I wasn't a trade unionist. Then they came for the Catholics, and I didn't speak up because I was a Protestant. Then they came for me, and by that time no one was left to speak up.

It would seem to me that any open and democratic society must deal with threats to its security, sovereignty and right to keep secret whatever is worth keeping secret. Democratic societies must face the risk and the threat, even after the fact. There cannot be anybody in a democratic and open society

with the authority to investigate the lives of anyone and everyone for whatever reason without having to account to this place and to the people of the country, even if it means the breaking of the oath of secrecy by a Privy Councillor. I would like to see a review committee which—if it decided against a procedure or action under this kind of legislation—would resign *en masse* and state why. I would like to see that happen with individual Members. This is nothing more than some kind of a desire by the Solicitor General to become a 007. He wants to join in with the CIA and the 15 intelligence agencies in the United States. The United States cannot even keep track of all of them.

Mr. Speaker, me thinks he doth worry too much. Any secrets which we have, our potential enemies already have. I would cite to the Minister the case which took place when we were dealing with the Elections Expenses Act. I was attempting to obtain the telephone numbers of National Defence personnel and Armed Forces personnel stationed at various bases around the world. I was told that it was top secret information. Then I obtained a copy of the Canadian Armed Forces magazine which published all of the telephone numbers—

The Acting Speaker (Mr. Guilbault): Order, please. I regret to interrupt the hon. gentleman, but his time has expired.

Mr. Cyril Keeper (Winnipeg-St. James): Mr. Speaker, I welcome the opportunity to enter this debate. I think it is a crucial and historical debate for the country and for the House of Commons. The question which is before us is: How do we achieve security and peace in this country for the population? Do we do that through adding more police, and more investigators, or do we do that by giving a broader mandate to security agencies? Do we do that by giving a blanket mandate to a new civilian security agency, or, are there other ways of giving Canadians a sense of security?

The legislation before us poses some very serious questions. It gives very broad powers to a security agency and it has very weak oversight provisions. There are very weak checks and balances for those powers. I would suggest, Mr. Speaker, that the giving of very broad investigatory powers to an agency without appropriate checks and balances is bound to increase the strife and insecurity in this nation rather than decrease it. We are living in a time when tensions in our society are increasing by virtue of the inequality in income and benefits which exists in our country. All of us in this House are aware, Mr. Speaker, that the top 20 per cent of the population, for example, receives something like 40 per cent of the total income, while the bottom 20 per cent receives something like 4 per cent of the total income. With inequities like this, there are bound to be social tensions in this country calling attention to the injustices which exist, and there are bound to be political movements calling for change.

● (1800)

The relevance of that sociological comment to the present legislation, Mr. Speaker, is that we must be careful to make a distinction between dissent and subversion. If we are to make that distinction, Mr. Speaker, it must not only be made very clearly in legislation which sets out a limited mandate for a security agency but we must also observe this distinction in the administration of that agency. The only way we can observe the distinction between subversion and legitimate political dissent is by having a group which can oversee the actions of this agency.

The legislation before us today falls far short of the requirements with regard to oversight. What we need in this country is parliamentary oversight of any security activity which is going on in the country. This legislation does not provide for that. It provides another form of oversight which is extremely limited. The clause before us indicates how limited that oversight is. This committee, which would be appointed by the Government rather than by Parliament, could not even review all of the documents which would be in the hands of the security agency itself. Therefore, the security agency, in terms of access to information, would be above the review committee. That is a fundamental flaw and it will tend to lead to further distrust in the public's mind with regard to the activities of the security agency.

This legislation poses serious questions for us today because, Mr. Speaker, there are many people in this country who are seeking, through legitimate political means, to bring about a greater measure of social justice, whether they are involved in the native movement, the peace movement or are recent immigrants to this country. For example, there are immigrants to this country from Latin America who are interested in global justice. It is important that these people be given the assurance that an agency such as this will not abuse its authority and in any blanket way investigate anyone who goes on a peace march, or anyone who speaks out on behalf of the native community for social justice in this country, or any members of the Latin American community or the Chilean community who choose to speak out against the injustices of a regime such as the Pinochet regime which exists in Chile today.

I am blowing the whistle on the actions of this Government today, Mr. Speaker, because what it is doing is setting in place a police agency with very broad powers without adequate checks and balances. It is important, Mr. Speaker, that the checks and balances be there if we are going to give these kinds of powers to any agency in this country. We know from Canadian history, and American history as well, that it is possible to abuse power. We must learn from that history and we must guard against the abuse of power. I think specifically of the McCarthy era in the United States when people were labelled as communists and their careers ruined. Intimidation was used to prevent people from speaking out in legitimate political dissent. It is important that we learn from history that it is possible for Government and its agencies to abuse power. We must set in place the safeguards which will protect us from this potential abuse of power.

This legislation, Mr. Speaker, is fatally flawed and should be changed before the Government seeks passage of it in this

House. We are moving into an era of Canadian history which demands an act of citizenry, which demands that Canadians speak out against social injustice in this country. In these times we need a more active citizenry. We need people to speak out more forcefully on the maldistribution of income in this country, about the fact that the needs of the native people of this country are not adequately met, and about the fact that we continue to live under the threat of the nuclear arms race. This is not a time to give untrammelled powers to an agency. It is not a time to set up a situation which might lead to the intimidation of people in order to stop legitimate political dissent.

This is a time for sober second thought. That is not an original notion of mine, Mr. Speaker. In fact, the Senate has already taken that sober second thought and said, "Hold on, government of the day. Do not rush forward with this legislation. Amend it and amend it adequately before you present it to the House of Commons and to the public for approval". Therefore, I want to say quite simply, Mr. Speaker, that what we must do today is to sound the alarm. We must let every citizen in this country know that the Government has failed so far to put in place adequate safeguards against the abuse of power by this new security agency which it wishes to establish. There is no way that this legislation should be allowed to pass in this House without the Government changing the legislation and putting in place adequate safeguards. I call upon this Government and on any Hon. Members of the Liberal caucus who have the integrity to stand by their conscience, to—

Mr. Kristiansen: There are not too many of them.

Mr. Keeper: Well, hopefully, as the debate contines, there will be at least some Members in the back benches of the Liberal Party who will stand up and say to their own Minister, "Look, we take a long-term view of legislation and we do not think that any legislation which grants greater powers to a police agency should go into force without our putting in adequate safeguards".

So I would call upon this Government to put in place a parliamentary review committee to review the actions of this new security agency which is going to be established. I do not say these words lightly. There are too many people in this country who see the social problems which cry for attention and upon which they speak out. There is no way we should put in place an agency which might at some point abuse its power and serve to intimidate legitimate political dissent. I make the point, Mr. Speaker, that we must draw the line between subversive activities and legitimate political dissent. That line has not been drawn well enough, and as long as that is so, we draw the line and say, "no legislation".

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have sat here for several days now listening attentively to the debate, the interventions of the Solicitor General (Mr. Kaplan) and the contributions largely from this side of the House. I do not believe there is very much I can say, or that needs to be said by myself, with respect to this legislation. The objections we have to it have been thoughtfully and forcefully put in front of the House. I did not intend to enter the debate until my friend, the Hon. Member for Regina West (Mr. Benjamin), made an observation taken from a well known internationalist. I could not help thinking as he was speaking of an experience which I had, and I wish the Solicitor General could spend half a moment with me because I want to discuss Bupindhat Liddar for a moment or two. In the 20 years that I have been in this Chamber I have done one or two things I have not been proud of. A moment of rationalization could excuse the thoughtless way in which I as an individual—I will not speak for my colleagues because of course I cannot—approached the War Measures Act in the early 1970s. I made a mistake and I said so at the time, or shortly after the event. I believe I made another mistake in the summer of 1980. I was called to the residence of my then Leader, the Righ Hon. Member for Yellowhead (Mr. Clark). After a conversation with him, I had an obligation to call the Solicitor General (Mr. Kaplan) further to the subject matter. I did so and, with his counsel and approval, I went further. The consequence of those meetings was to sever the relationship I had with a very bright and intelligent young man who had a good Canadian career ahead of him. He was a landed immigrant. His great fault was that he had an affinity for the PLO and some friends of his were close to it.

• (1810)

On the advice of my Leader, the Solicitor General, and the intelligence force that operated at that level, I severed that relationship. I invited that young man to leave Parliament Hill. That is history, but I recite it because I want to draw to the attention of Hon. Members the difficulty that we can sometimes find ourselves in when we do not have access to information we know we can trust. My conscience is troubled because I was the instrument that forced that young man to leave Canada. He had been in Canada for seven or eight years. He went back to what was then Rhodesia and is now Zimbabwe. He is currently living there trying to eke out a living. He wants to be a Canadian and I denied him that opportunity. I did so, as I mentioned, on the advice of others. I take the liberty of mentioning this, without going into detail because much of it is confidential, to say that on reflection the evidence I was given was not enough to warrant the action I took. Together with a distinguished former colleague in this Chamber, now a Member of the other place, we intend to try to correct that error as nearly as we can.

I do not know what the information was on this individual and I have no way of finding out. I have no way of demonstrating to my satisfaction that in fact the reasons that forced this young man to leave Canada were accurate; that it was not anything other than an attack on his empathy, if you will, for those Arabs in that part of the world who were having problems and difficulties. We must always be careful. It was too easy for me to simply say, "yes, if that is so, then I must act". That was the simple, easy way, but I regret having taken it. I regret that in legislation such as is before us now there is not some capacity for even that form of *post factum* examination. If documents or files could be looked at even five or ten

years after the fact, if the file were to be examined some day, then those who put the directives together and who carry out the activity would have to think twice. They would know that their actions would be reviewed, not necessarily in the context of the time of the act itself but at some point. I apologize, in a sense, for raising this matter, but, strangely enough, I feel a little better. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Guilbault): The question is on Motion No. 93. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Guilbault): Those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Guilbault): Those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Guilbault): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Guilbault): Pursuant to Section 11 of Standing Order 79, the recorded division on the proposed motion stands deferred.

The House will now consider Motions Nos. 99, 100, 101 and 102 which have been grouped for debate.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 99

That Bill C-9 be amended by deleting Clause 41.

Motion No. 100

That Bill C-9 be amended in Clause 41 by striking out lines 22 to 25 at page 20 and substituting the following therefor:

"dissatisfied with the response given."

Motion No. 101

That Bill C-9 be amended by deleting Clause 42.

Motion No. 102

That Bill C-9 be amended in Clause 42

(a) by striking out lines 32 to 34 at page 20 and substituting the following therefor:

"42.(1) Where the denial of a security clearance required by the Government of Canada is a factor in a decision made"

(b) by striking out lines 42 to 45 at page 20 and substituting the following therefor:

"(2) Where the denial of a security clearance required by the Government of Canada to be given in respect of an individual is a factor in a decision made to deny the".

● (1820)

He said: Mr. Speaker, the clauses which are now before the House with regard to this security legislation and are the subject of the motions before the House at this time are Clauses 41 and 42. These clauses deal with the question of security checks and the role which is to be played by the proposed Security Intelligence Review Committee on the question of security checks.

I will commence my brief remarks on this series of motions by noting that in 1982, which is the last year for which we have figures, the RCMP security service ran some 76,500 security checks on public servants and employees in defence industries. This massive number of security checks has been described by the head of the Canadian Human Rights Commission, Mr. Gordon Fairweather, as a glorius waste of people's time. Not only is it a waste of people's time, it is obviously a considerable waste of taxpayers' money. Mr. Fairweather noted that unnecessary security clearances, unnecessarily high levels of classification, and unnecessary snooping into the lives of individuals are not only wasteful of our resources, not only morally repugnant, but they are discriminatory. Of course that is absolutely right.

One of the purposes of the series of amendments which were put before the House on this occasion is to put some semblance of order into the security assessment process. First, it would significantly narrow the circumstances in which security assessments can be ordered. As I have indicated, there are far too many at the present time. Second, it would require that the criteria for security assessments be clearly set out in statutory form or, at the very least, in regulatory form. As it stands now, security assessments in the country are governed by a 1963 Cabinet directive which is completely out of date and out of keeping with present conditions. That is the first recommendation of substance. The criteria for security assessment should be spelled out and updated.

As well, the question of security assessment should be subject to review by the Security Intelligence Review Committee. In that regard, I would note that the amendments in question would strengthen that review process. As it stands now, Clause 42, for example, indicates that where, by reason only of the denial of the security clearance required by the Government of Canada, a decision is made to dismiss, demote or transfer, etc., the appeal mechanism set out in the Act is available. That clearly provides an out for the Government or Deputy Minister or whoever wants to fire, not hire, or not promote an individual. They have to say that that was not the only reason the person was denied security clearance. They must say that they felt the person was not capable of doing the job, the person's health was not good enough, or they already had enough people.

This motion would ensure that in any circumstances in which the denial of a security clearance was a factor in firing, failing to hire, or failing to promote an individual, the review

process available under this Act would indeed be made available to the individual in question.

I know, or at least I would assume that the Member for Ottawa Centre (Mr. Evans), who represents a constituency in which there are many public servants, would support an amendment of this nature. I see him in the House now. I invite him to rise at the conclusion of my remarks to speak on behalf of the public servants whom he is supposed to represent on this important question. Or perhaps he will remain silent and refuse to speak on this amendment which would strengthen the protections of public servants who are denied promotions or fired from their jobs. Certainly his silence on this subject will be drawn to the attention of his constituents.

Another objective of these four motions is to ensure that in any circumstance in which there is a complaint about the denial of a security clearance or about some aspect of the operations of the Security Intelligence Review Committee, that complaint must be investigated. As it stands now, the review committee has the power to summarily dismiss, without even an investigation, a complaint if it is felt that the complainant is being, in their terms, frivolous, vexatious, or trivial. To dismiss a complaint even before a preliminary investigation on those grounds denies full and effective oversight and review of the operations of the Security Intelligence Review Committee.

There are other concerns with respect to the question of security assessments. I have noted the fantastic number of security assessments. I would like to quote again from Mr. Gordon Fairweather, the head of the Canadian Human Rights Commission. He said:

> The unjustified proliferation of jobs for which a security assessment is required has a discriminatory impact, denying opportunities to persons of pardoned (criminal) conviction, national or ethnic origin, marital status or disability, all of which are prohibited grounds of discrimination under the Canadian Human Rights Act,—

Mr. Fairweather went on to say:

> People who are denied jobs because of their sexual orientation or their political belief are discriminated against if the security check was never necessary in the first place.

Once again, those are areas in which the law should clearly be changed to reflect the desire, hopefully, of all Members of the House, not to discriminate on the grounds referred to by Mr. Fairweather in his comments on security checks.

In conclusion, I urge Members of the House to adopt the motion before the House with respect to the provisions on review, security clearances and the complaints process. I await with interest the contribution of the Member for Ottawa Centre who, as I indicated, is in the House today. I am sure he will want to rise on behalf of his constituents to support this amendment which would enhance the rights of public servants whom he is supposed to be representing.

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, I did not intend to rise to speak on these motions, but after listening to the comments of my colleague, the Hon. Member for Burnaby (Mr. Robinson), I would like to make one or two related points. I certainly will not use the full time at my disposal.

It strikes me as being hopelessly naive at best to consider that many people will be advised that they have been refused employment on grounds of security. That is just not the way it happens in the real world. That is a sign of the kind of academic legal mind that this place abounds with which puts it so totally out of touch with reality. I am not knocking people in the legal profession. There are good and bad people, but some have a little more experience out in the real world than others. It does not happen that way in Government or in industry. The reason you are given for not getting a job, whether in government or private industry, may be reasons that touch on security, whether it be personal conduct or something else. The Government will have total access to this information. It can go into private medical records, legal records and tax records and there may be a host of reasons, not all of them illegal, that hold people open to some suspicion. It may be some activity in their past when they may not even have considered that they would be entering the employ of the Government. Young people in their teens often will get into scrapes that will be revealed in medical or other types of records but should have no bearing on it. It has certainly been my experience, both as a union representative and steward prior to coming to Parliament and certainly since being a Member of Parliament, that from the number of grievances coming from citizens, union members or people trying to get employee status with government or industry, one simply does not get those kinds of answers. It is absolutely unrealistic to believe that any government, whether it is Liberal, Conservative or NDP, can say that the reason that someone did not get a job is that he or she did not get national security clearance. That does not happen at all and will never happen.

• (1830)

A few weeks ago I was talking to a woman from Ainsworth, British Columbia, in my constituency. She talked about having discovered a black list from the mining industry in a cabin attached to another outbuilding behind her property. The list dates back half a century and it contained over 5,000 names from the Province of British Columbia. Unfortunately, it was treated as garbage and was thrown in the fire. That is a tragedy because there is nothing I would have liked better than to be able to produce a document such as that, because it was indicative of why the government and industry attempt not to hire people for a number of reasons. If the present Government or a future government continues with this economic trend, social tensions will likely become greater and provide further grounds for suspicion and for denying people status, and such powers will be exercised with increasing frequency.

During the McCarthy era in the 1950s, we know of dozens of people in the United States who made a career of drawing up "do not hire" lists for companies and governments. Not only did they make a business of drawing up those lists, they really made their money by allowing people to buy their name off the list when they found out that it would be included. Some people made a virtual career of that practice.

That is the sort of practice we are opening ourselves up to here, unless we allow this review process to be more flexible in

what it is allowed to review. These are very narrow and unrealistic specifications laid out by the Government in these clauses. I hope changes are made because these clauses do not reflect reality.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): The question is on Motion No. 99. All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion, the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Pursuant to Standing Order 79(11), the recorded division on Motion No. 99 stands deferred.

For the purposes of clarity the other motions in this subsection, Motions Nos. 100, 101 and 102 also stand deferred.

The next set of motions are Motions Nos. 108 and 109.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 108

That Bill C-9 be amended by deleting Clause 48.

Motion No. 109

That Bill C-9 be amended in Clause 48 by striking out line 14 at page 22 and substituting the following therefor:

"shall be conducted in private, unless the Review Committee orders otherwise."

He said: Mr. Speaker, the motions which are now before the House refer to Clause 48 of the Bill. One deletes Clause 48 and the second one indicates that it is solely within the purview of the review committee to decide whether it wishes to conduct its proceedings in private or publicly.

I suggest that there very well may be circumstances in which the review committee believes that a matter which is before it can in fact be discussed publicly without in any way compromising the security of the country. It may very well be that the review committee believes that such discussion would be in the interests of the country. It may be that it is discussing, for example, the revelation of wrongdoing on the part either of the political masters of the new service or indeed possibly on the part of the service itself.

I will not make lengthy representations with respect to this motion. I believe it is an important motion in the sense that it would enhance the powers of the review committee to determine its own procedure and decide for itself when it wishes to hold hearings in public.

As it stands now, its hands are tied. It is refused, under the provisions of the Bill as it is worded, the right to hold public hearings in any circumstances. This amendment will change that, and I hope that it will meet with the approval of Members of the House.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, there was considerable discussion about this particular clause of the Bill in committee and I made many points in the record to which I would refer Hon. Members.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): The question is on Motion No. 108. All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion, the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Pursuant to Standing Order 79(11), the recorded division on Motion No. 108 stands deferred. For the purposes of clarity that also means that motion No. 109 is deferred.

The next set of motions are Nos. 113 and 114.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 113

That Bill C-9 be amended by deleting Clause 52.

Motion No. 114

That Bill C-9 be amended in Clause 52 by striking out lines 14 to 27 at page 23 and substituting the following therefor:

"52.(1) The Review Committee shall on completion of an investigation in relation to a complaint under section 41, provide the minister, the director and the complainant with a report containing the findings of the investigation and any recommendations that the Committee considers appropriate."

He said: Mr. Speaker, in light of Your Honour's findings on the yeas and nays, I am not sure whether I should shout during my remarks but I will certainly attempt to make myself heard. The motions which are now before the House deal with proposed Clause 52. This motion would require that the review committee, after having conducted an investigation into alleged or potential wrongdoing on the part of the security service, that is a review of a complaint under Section 41, should provide the Minister, the director and the complainant with a full report, not merely the truncated with the recom-

mendations of the review committee, but all of the findings of the committee.

● (1840)

I would submit, Mr. Speaker, on that basis that this motion is one which should be adopted.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): The Hon. Solicitor General (Mr. Kaplan).

Mr. Deans: What in heavens name is going on over there?

Mr. Kaplan: Mr. Speaker, again on this clause, I would urge the Hon. Member to bear in mind that the reason the report is not required to be made with all the recommendations to the complainant is simply that the contents of the report may recommend changes to the system of security or may name sources or targets or contain other recommendations important for the director to know to improve the operation of the service but not appropriate to be made known to an ordinary citizen.

Mr. Waddell: I have two points, Mr. Speaker. The Government is not really interested in having accountability at all. If it were, the Government would accept some of these amendments and we would have a security service, not a Big Brother.

My second point directed to you, Sir, in a good natured way is that maybe it is difficult for you to hear all these nays and therefore you hear the lesser noise of the yeas. I propose that we change positions with the Members on the other side, which would give you a better hearing of the nays. Of course, if we change positions, we could nix this bad Bill.

The Acting Speaker (Mr. Herbert): I do not know whether that last comment was a point of order, but I will try to pay much more attention to the volume of the yeas and the nays.

Mr. Kristiansen: Pearson tried that in 1962.

The Acting Speaker (Mr. Herbert): The question is on Motion No. 113. The motion is moved by Mr. Robinson (Burnaby) seconded by Mr. Ogle, that Bill C-9 be amended by deleting Clause 52.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion, the yeas have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Pursuant to Standing Order 79(11), the recorded division on the proposed motion stands deferred. For purposes of clarity, Motion No. 114 is also deferred.

The next grouping of motions is Motions Nos. 116, 118, 119, 120, 121, 122 and 123.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 116

That Bill C-9 be amended by deleting Clause 53.

Motion No. 118

That Bill C-9 be amended in Clause 53 by adding immediately after line 45 at page 23 the following:

"(2) Each member of the Review Committee shall be free to submit a Minority Report pursuant to this section.

"(3) The Review Committee may establish mechanisms for the submission of Minority Reports pursuant to this section or section 54."

Motion No. 119

That Bill C-9 be amended by deleting Clause 54.

Motion No. 120

That Bill C-9 be amended in Clause 54

(*a*) by striking out line 1 at page 24 and substituting the following therefor:

"54. The Review Committee or any member thereof may, on"

(*b*) by striking out line 5 at page 24 and substituting the following therefor:

"performance of its duties and functions and where so requested by the Review Committee, the minister shall cause each such report to be laid before each House of Parliament on any of the first fifteen days on which that House is sitting after the day the minister receives it."

Motion No. 121

That Bill C-9 be amended by deleting Clause 55.

Motion No. 122

That Bill C-9 be amended in Clause 55

(*a*) by striking out line 6 at page 24 and substituting the following therefor:

"55.(1) The Review Committee shall consult"

(*b*) by adding immediately after line 20 at page 24 the following:

"(2) The Review Committee shall have full authority to determine the contents of statements and reports referred to in subsection (1) of this section."

Mr. Vince Dantzer (for Mr. Fraser) moved:

Motion No. 123

That Bill C-9 be amended by adding immediately after line 20 at page 24 the following:

"56. The administration, provisions and operation of this Act shall be reviewed on a permanent basis by such committee of the House of Commons or of the House of Commons and Senate as may be designated or established by Parliament for that purpose."

The Acting Speaker (Mr. Herbert): We have now come to debate on the grouping. The Hon. Member for Burnaby (Mr. Robinson).

Mr. Robinson (Burnaby): Mr. Speaker, I certainly hope the Hon. Member for Vancouver South (Mr. Fraser) will be along shortly. One of his motions is presently being debated and it is a motion on which he spoke in committee. It is rather unfortunate that he is not here at this point, but I trust that his

colleagues are trying to find him to make sure he is in the House on this most important question.

What we are dealing with at this point in the debate is the question of parliamentary oversight and parliamentary review of the actions of the proposed civilian security service.

There are three essential elements in this legislation. The first is the potential mandate of the service. I have argued already that it is far too broad, that there are literally hundreds of thousands of Canadians who have broken no law whatsoever who can be targeted under the provisions of this legislation. The second is the powers of the new agency. They are sweeping powers, unprecedented under any democratic society. The third essential element is the question of what type of accountability or oversight should govern. I would note, Mr. Speaker, that the McDonald Commission, which studied this question for some four years, strongly recommended that if a new civilian security service is to have enhanced powers—and the powers which the McDonald Commission recommended were far less than those recommended by the Minister—it is essential that there be a parliamentary oversight committee in order that elected Members of all Parties, from all parts of the country, might have an opportunity to ensure that the proposed security service does not become a political instrument, a tool which can be abused in the hands of the government of the day. That proposal for a parliamentary oversight committee is one which is, in my view and in the view of many of the witnesses, indeed virtually all of the witnesses who appeared before the parliamentary committee, essential.

This is not a radical new idea, Mr. Speaker. It is not something which has not been tried and tried successfully in other jurisdictions. I would note that in the United States both Houses have full congressional oversight. There is a committee of the House of Representatives and there is a committee of the Senate. They have complete scrutiny of the policies and operations of the intelligence community in that country. That has worked very effectively. In addition, each and every member of Congress, all 435 members of the House of Representatives and all 100 Senators, have a right to full and untrammelled access to all documents in the possession of the committee, including line by line documents with respect to the budget. In the history since 1977 of the creation of those committees there has never been a single documented leak of information. The Solicitor General (Mr. Kaplan) says that we cannot trust Members of Parliament with this kind of information.

• (1850)

Mr. Kaplan: Where did I ever say that?

Mr. Robinson (Burnaby): "They might blab", those were the words of the Solicitor General.

Mr. Kaplan: I never said that.

Mr. Robinson (Burnaby): He said that Members of Parliament might blab. The Solicitor General is suggesting that the Government is not prepared to trust elected representatives of the people. That is shameful.

Mr. Evans: Oh!

Mr. Robinson (Burnaby): Enjoy it while you can, John. Michael is coming soon.

Professor Peter Russell, to whom the Minister has referred on a number of occasions and cited with approval, indicated that in his view it was essential that there be the establishment of a joint parliamentary oversight committee on security and intelligence. He noted that it was essential, if there was to be full and effective scrutiny of the operations of the service, that Members of Parliament be involved.

What is it about this Government which makes it so afraid to subject the operations of this service to scrutiny by an all-Party parliamentary committee? What makes the Government so distrustful of elected representatives of the people of the country?

I put it to Hon. Members of the House that had there been such a committee in existence during the 1970s, many of the abuses which took place by the RCMP security service would have never occurred. The experience in other jurisdictions with similar committees has been that the mere existence of a watchdog committee of elected representatives served to ensure that no illegalities were attempted. That is what is proposed in this series of motions, and that is what I would hope would be adopted by the House.

The concept of the parliamentary oversight committee is one of the provisions contained in this grouping of motions. I will not go on at great length as I know some of my colleagues want to speak on it. I am sure the Hon. Member for Ottawa Centre (Mr. Evans) in his usual manner wants to speak on it. However, there are a number of other provisions in this group of motions which I should like to draw to the attention of the House in the limited time available to me. For example, the motions attempts to strengthen the review committee process. What it comes down to is that Parliament does not trust Parliament; in other words, if Hon. Members of the House vote against these motions, they will be saying that they do not even trust themselves to provide effective oversight of the operations of the security service. that is a pretty sad commentary. These motions would ensure at least some semblance of credibility in the review process, for example, by permitting members of the review committee to submit minority reports to Parliament. As it stands now, the review committee will be appointed by the Government. Yes, it will be after consultation, but in the end it can appoint anyone it wants. If we look at the record of the Government, we know it is very likely that it will be friends of the Government, friends of the Liberal Party who will be appointed. At least if there were provisions for minority reports spelled out in the Bill, it would ensure that if a member of the committee felt strongly that Parliament's attention should be drawn to a particular matter, he or she would be able to do so. However, in committee government Members denied that possibility, further weakening the oversight and review provisions of the Bill.

Also, this group of motions would ensure that the review committee, and the review committee alone, would be able to determine what it reports to Parliament. Motion No. 122 sets out the following clearly:

The Review Committee shall have full authority to determine the contents of statements and reports referred to in subsection (1) of this section.

This amendment is essential if Parliament is to have even the slightest shred of confidence in the operations of the review process. The only role for Parliament which is left, after the Minister rejected the recommendations for parliamentary oversight by many of the witnesses who appeared before the committee, is to review the reports submitted to it by the Security Intelligence Review Committee. If these reports have to be laundered and doctored by an official appointed by the Solicitor General before they can be submitted to Parliament, what kind of oversight is that?

I will make a prediction which I think will be borne out in the years to come. Parliament, after the passage of this Bill, will have no more knowledge whatsoever than it has today about the operations and the policies of the security service in this country. That is a disgrace in a democratic country.

In conclusion, I urge Members of the House to adopt these motions. I urge them to adopt the motion of the Hon. Member for Vancouver South which calls for parliamentary oversight. I, on behalf of my Party, proposed a similar motion, which was ruled out of order. That motion is an essential one, as are the other ones in this package, if there is to be even a semblance of meaningful oversight. If not, Parliament, the House and the Minister will be saying that they do not trust the elected representatives of the people of the country. That is a shameful denial of effective oversight of the operations of this service.

Hon. John A. Fraser (Vancouver South): Mr. Speaker, I want to commence my remarks by thanking the Hon. Member for Burnaby (Mr. Robinson) for speaking on my motion. I was momentarily detained outside the House. In his usual courteous way he assisted me.

Although the motion stands in my name, Hon. Members of my Party and of the New Democratic Party have exactly the same view about the necessity of establishing a parliamentary review commitee. What is incredible is that there is a notion in the country that the last thing one should ever do is to involve Members of Parliament in anything which has to do with substance or with the fundamental rights and liberties of the Canadian people. That is not a notion which is particularly peculiar to the Government. It is a notion of other people in the community, some of whom write editorials. Those same people are the first to prate, rant and preach about why Members of Parliament did not protect their liberties. I hope they take a lesson.

I do not mind being preached at by these people, but they do not have to get elected. We do. My answer to those outside government—and I will deal with the Government in a minute—who write editorials indicating that it would be completely wrong to have a parliamentary review committee, is that, frankly, they do not trust the parliamentary system any more than does the Government.

Now I should like to refer to my hon. friends on the government side. Some of them are friends, others are honourable.

Mr. Evans: Do you mean your friends are not honourable?

Mr. Fraser: Where I am likely to go, most of my friends will have some difficulty establishing their honour.

• (1900)

I want to ask the Hon. Member for Ottawa Centre (Mr. Evans) who just interrupted me, in a courteous way, why he does not get up and tell us why we should not have a parliamentary review committee. He has a lot of views. I believe he was trained in economics. I got a first class in economics once, and I have never trusted an economist since. Now that he is in the world of politics, I would like him to tell us why he would not trust a review committee of this House of Commons. Some of his colleagues would be on it. What is the strange notion of the parliamentary majority, the so-called Liberal Party of Canada, that does not trust the representatives of the people?

Liberalism in politics got its start from the term "liberales", a Spanish insurgent group in the 1830s. They caught the imagination of the intellectuals of western Europe. The name Liberalism came to be used to describe those forces in restrictive and autocratic regimes that were fighting for the right of the people and the representatives of the people to be heard.

I remind my friend from Ottawa Centre that I not only studied economics but I studied some political history as well. He is a distinguished Member of this House with fine academic qualifications, although perhaps with a short historical memory. I ask him what is wrong with having those whom the people elect forming a review committee on security. It is not wrong in the great republic to the south of us where there is one in the Senate and one in the House of Representatives. Why would it be wrong here?

Something that has gone wrong with the British parliamentary system under the years of Liberal political stewardship—I did not say philosophical Liberal stewardship because that is not what we have had—is that the Liberal party has taken advantage of the fact that it is a system which is extremely powerful and dictatorial. It is only held in constraint by convention and attitude, also the determination of some Members of all Parties to break with the monolithic dictates of the rigid suffocation of the party system in this country. Also, it depends on the adequacy, intelligence and imagination of the media to report what is really going on, despite the smoke and mirrors that appear to be the side show in this House most of the time. I ask the Hon. Member for Ottawa Centre what is wrong with trusting those whom the people have sent here?

The Hon. Member for Parkdale-High Park (Mr. Flis) is in the Chamber. He is well and favourably known to me, as is the Hon. Member for Ottawa Centre. The Hon. Member for

Parkdale-High Park has spoken with passion in this House on the rights of minority groups within the varied, exciting and fascinating composites that make up our Canadian nation. He has spoken with great eloquence about what had happened in the country from which his people come, Poland. Why does he not get up and tell us why we cannot have in Canada what he would wish for his former countrymen, his relatives, friends and that magnificently vital freedom-loving nation from which he comes? I ask these questions seriously.

I also see the Hon. Member for Mississauga North (Mr. Fisher) in the Chamber. I do not think he is sitting in his seat, but it does not matter.

Mr. Fisher: I have been put back here by the PM.

Mr. Fraser: I will not comment about where you have been put. I certainly will not be rude by suggesting where you ought to be put. You are sitting upon a seat, even if it is not—

The Acting Speaker (Mr. Herbert): I invite the Hon. Member to address the Chair.

Mr. Fraser: As usual, Your Honour is absolutely right. You indicate I have one more minute.

Speaking about seats, I remind Hon. Members that it was once said by an irreverent poet that a politician is an arse upon which everyone has sat except a man. It would not be a bad idea if some Members on the Government side got up off that part, described by that rather irreverent word, upon which they are sitting and explain to this House why there should not be a review committee made up of elected members who are sent here by the public of Canada. I invite Government Members to answer my request and tell us why that is such a dangerous notion in a parliamentary democracy.

Mr. Kaplan: Mr. Speaker, I interpret the remarks and the request of the Hon. Member for Vancouver South (Mr. Fraser) to be rhetorical, because he assiduously attended all the meetings of the committee which reviewed all of these clauses. I do not think there were any of these amendments that were not proposed and moved in committee. He would have had the answers which I and others gave during the course of the hearings, giving reasons why a parliamentary review committee is not considered appropriate, reasons which commended themselves to the Senate committee, which included some distinguished representatives of his own Party, who agreed with the system of review and did not propose that there should be a parliamentary committee engaging in oversight.

My colleagues on this side have had the opportunity to read the Senate committee report which did not favour a parliamentary review and to hear the arguments which I gave in the House of Commons committee against parliamentary review. He can take it that we are satisfied that the review committee can provide effective oversight. I remind him that the congressional oversight committee in the United States, which Members opposite view as such a desirable feature, does not have access to the documents and the individuals that the review committee will be able to call on. Under the proposed legislation, the review committee can call on any one who works for the service, can obtain any documents of the service and can obtain any information. The Hon. Member for Vancouver South knows that in the case of the United States congressional oversight committee, the only information to which they have access are reports and statements from the directors of the agencies within the intelligence community. The proposed review committee, in other words, has the capacity, and it is the expectation of the Government that it will engage in a far more profound review than the Congressional committee in the United States has the authority to do, or is capable of doing.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, after listening to the Solicitor General (Mr. Kaplan), I have to say a few words.

• (1910)

The Solicitor General says the review committee that will be appointed under the provisions of this Bill will be superior to a similar review committee in the United States because the Canadian review committee will have access to all documents it wishes to see, while the review committee in the United States which consists of members appointed by the Senate and the House of Representatives does not have such access. The difference, however, is that the review committee in the United States consists of elected members.

When, as happened very recently, the Director of the Central Intelligence Agency was less than forthright and less than honest, those elected members of the review committee raised hell. They did not raise hell privately, Mr. Speaker, they raised hell publicly. I say to the Solicitor General that we on this side have no confidence that the kind of tame cats that he and his Government will likely appoint to this review committee will do anything privately, let alone raise hell publicly, if things go wrong.

There at least two countries which I can name, West Germany and the United States, both of which are much larger countries than Canada, both of which are much more involved in world politics than Canada, and both of which have tremendous military and political problems, that have review committees made up of elected representatives. If those countries can have such review committees, there should be no reason why we cannot have such a review committee here, except for the very simple reason that in this democratic country we have been governed by members of one political Party for more than 50 out of the last 60 years. Obviously, that Government and that Party believe they have some God-given right to always form the Government.

Mr. Kaplan: We get elected in these elections.

Mr. Orlikow: Yes, elected, and they obviously expect to continue to be elected.

Mr. Kaplan: That is up to the Canadian people, that is not up to you.

Mr. Orlikow: That is right. I am saying to the Minister that, from his point of view, the Canadian people some time in the future, and perhaps very soon, may make a mistake and elect another kind of Government. Then the review committee will be appointed by a Government that is not Liberal and different members will sit on the review committee. Then the Solicitor General, if he is still around—which I doubt—and his colleagues will find that they will be as frozen out from what is really going on as are members on this side of the House.

I would suggest to the Minister that he ought to keep in mind that there will come a time when he will have as much difficulty getting information and seeing documents on which important public issues are decided as we do. Then, Mr. Speaker, he will begin to understand why members of the Opposition and ordinary citizens of Canada, who are often adversely affected by the work of the intelligence organization, have so many objections to the kinds of proposals which are being made today.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I would like to address Motion No. 123 moved by the Hon. Member for Vancouver South (Mr. Fraser). This motion takes a position that I think responds to many of the misgivings about which we have heard from the Canadian people regarding what this agency might be investigating and the manner in which it is likely to carry out its investigations.

This legislation suggests a type of organization which is relatively new within the structure of the Canadian Government. I am delighted that the Hon. Member for Vancouver South brought forward a motion which would provide a means of examining, not the day-to-day operations of the agency but the general thrust of its activities and administration. The motion reads:

—The administration, provisions and operation of this Act shall be reviewed on a permanent basis by such committee of the House of Commons—

And it goes on. It is vitally important that such an amendment be accepted and that a committee be assigned the task of examining the activities of the agency.

During various discussions, in the press and when we have gone to our constituencies, we have heard it asked why the Government is proposing that an agency be set up that is separate from the RCMP and charged with the responsibility of collecting intelligence on security matters relating to threats to the security of Canada. We also hear questions about the manner in which it might be conducting its operations.

We dealt with some of the clauses of this Bill, but I am not sure whether amendments have been made to all of them. I have not been able to attend all of the discussions that have occurred during report stage.

In Clause 21 on page 11, and more particularly on page 12, we find that the agency, having set forth a good reason to a judge, may obtain from a judge a warrant authorizing the persons to whom it is directed, being members of the agency, to intercept any communication or obtain any information, record or document and, for that purpose—listen to this, Mr. Speaker—to enter any place, to search for, remove or return and to instal, maintain and remove any thing. Of course, when thinking of installing something, one thinks of listening devices. These are intrusions on the rights of citizens of this country, intrusions to which the citizens are certainly not accustomed. I hope the citizens will always have misgivings about such intrusions.

Therefore, it seems to me to be most important that there be a means for this House to review the actions of the service, not necessarily in open committee. I am not suggesting that that review be done in open committee. However, I am suggesting that there be a committee which will review these various activities and which will know just what it is the agency is doing, how it is doing those things and how this particular legislation is being administered.

Gross affronts to the rights of Canadians could occur in the course of the duties of this service, probably due simply to an excess of zeal in the carrying on of its activities. If a committee of this House were empowered to examine those activities, it would in my estimation and in the estimation of most Canadians enable Canadians to feel more secure. I am not questioning the fact that we do need some sort of a security intelligence agency of one sort or another and I would prefer that it be a part of the RCMP.

If there is a need for an agency of this sort, there ought to be a public body that will examine how it is carrying out its functions. It would be reassuring to Canadians if such an authority were given to the House of Commons, or to the House of Commons and the Senate as proposed in this motion. Such authority would include the authority to receive reports from the agency, to examine those reports and many other things.

We have only so much time to deal with this Bill. We are now discussing it under closure. It is very possible that this legislation will not be given the proper review before it is enacted into law as a result of the authorization of the new Leader of the Liberal Party. He has not raised a finger to suggest that it ought not to be passed into law. That seem obvious to me. Therefore, his connivance in the whole operation must be admitted.

● (1920)

We are not being given a full opportunity to debate this legislation, or to obtain responses from our constituents, the media and specialists in this area. Sure, many witnesses appeared before the committee, but now that the matter is being examined in greater detail there is an opportunity for public response to the matters we are considering. I feel that it is absolutely and utterly essential, partly because of the limited debate proposals which have been brought down, and also because of the newness of this type of legislation, that this House should be empowered to examine the administration of this Bill and bring forward amendments. Those amendments might tighten up the administration, or they might broaden the powers of the proposed service.

The committee which is proposed is a permanent committee, which I think is most appropriate. The committee should be permanent and it should have the legislation referred to it. It should be cognizant of the manner in which this legislation is being administered. I am worried, and I know a lot of people are worried, about the powers which will in all likelihood infringe upon the rights of Canadian citizens, justly or unjustly. When unjust intrusions into the privacy of individuals takes place, there must be some way in which those individuals can secure redress for the grievance which they have suffered. The review committee is more of a ministerial review. But, the parliamentary committee is a review of a much broader nature. The parliamentary committee would be concerned with the administrative provisions as laid down in the legislation.

This House is not being given an appropriate opportunity to discuss the legislation at length. Nor is the governing Party taking part in this debate, with the exception of the occasional intervention by the Minister. I would like someone on the other side of the House to rise to the challenge of the Hon. Member for Vancouver South and explain why this House, meeting in open session or *in camera*, should not be empowered to examine how this Bill would be administered and whether there have been infractions of our commonly-held traditions of freedom of speech and actions in this country.

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, the part of the Bill which we are debating now concerns the amendments which propose a parliamentary review committee of the new secret service. It seems to me that this is an absolutely essential part of the Bill.

I did not attend the meetings of the Justice Committee. Neither did most of the Canadians who, perhaps, are watching this debate on television. Therefore, it is not good enough for the Minister to do as he did a few moments ago, when he indicated that the answers to the questions posed by the Hon. Member—

Mr. Kaplan: I am sorry you were not at the meetings.

Mr. Waddell: Do not say you are sorry I was not there. Answer the question now in the House.

Mr. Kaplan: I spoke on it already.

Mr. Waddell: Perhaps the Minister could have one of his colleagues speak on it. The Minister told us that we should have been at the justice committee meetings. To be fair, he offered a defence as to why there is no parliamentary review. But, I think it was a pretty weak defence. If that was the whole defence, it was pretty weak.

Mr. Kaplan: There is much more.

Mr. Waddell: The Minister said that the review procedure, as I understand it, includes some retired Privy Councillors. It is not a parliamentary review procedure. It was recommended by a Senate committee. To put it mildly, perhaps the Senators do not appreciate what it is like to meet constituents, people on the street, ordinary people, because they have never been elected. The committee was chaired by Senator Pitfield, an example of the kind of closely-knit bureaucratic, elitist group which surrounds the out-going Prime Minister (Mr. Trudeau)—the Trudeau group. It is the very kind of Government which the Solicitor General (Mr. Kaplan), some of his friends and some of the Liberals who attended the convention were protesting. Turner people were saying that they would not like to see those kinds of things in government.

The Solicitor General said in his speech today that the United States committee, which has parliamentary access with a Senate committee and a House of Representatives committee, is made up of people who had to go through the battle of being elected and who are responsible to the electorate. They are democrats with a small "d".

The Solicitor General said that the U.S. committee did not have access to the reports which he is recommending the review committee should have. As the Hon. Member for Winnipeg North (Mr. Orlikow) said, recently the U.S. committee has been pretty effective. When I was in the United States a few weeks ago, Senator Daniel Patrick Moynihan resigned from the Senate Committee on Intelligence because the director of the CIA had not been forthcoming about what was going on with regard to the mining of the harbours in Nicaragua. The director had to come back with his tail between his legs and apologize. Senator Moynihan then returned to the committee. That is a pretty effective committee.

What are we going to have in Canada? Members can correct me if I am wrong, but as I understand it former Privy Councillors will make up the committee. There will be the likes of Mitchell Sharp on the committee. There is nothing wrong with Mitchell Sharp, but the problem is that he is long gone from democratic politics and therefore he will look at things in a very pro-government way. Or we will have senile Privy Councillors, old fellows who have been around a long time? The Government will put them on the committee as tokenism.

Mr. Kaplan: Do you think all senior citizens are senile?

Mr. Waddell: Do I think what?

Mr. Kaplan: Do you think all senior citizens are senile?

Mr. Waddell: No, I do not think all senior citizens are senile. I am referring to the type of Privy Councillors you will be putting on the committee. Why not put the committee in the House of Commons, as do other countries such as West Germany and the United States? What is the Government afraid of? That question has not been answered.

We believe in freedom and parliamentary democracy on this side of the House. I do not understand Liberal back-benchers, many of whom are committed to being socially progressive. They say they are committed. They are commited when other countries are concerned, but not here. Why have the back-benchers not come forward and grasped this? Perhaps, the Liberal convention interfered and they did not have a chance

to realize the extent of the Bill. In choosing the most important thing a country can have, a secret service, can they really be serious about not having parliamentary review? The McDonald Commission recommended parliamentary review. There is parliamentary review in other countries. Can they really be serious in saying that this kind of set up will protect the rights of people? It is only window dressing. If Liberal Members have spoken about upgrading the rights of Parliament and individual Members of Parliament, then why not trust individual Members of Parliament with the review of some of these problems?

When the Hon. Member for Vancouver South (Mr. Fraser) and the Hon. Member for Burnaby (Mr. Robinson) were speaking, I was thinking about the area of Boundary Road and 49th Avenue in Vancouver. East of that area is the riding of the Hon. Member for Burnaby. Southwest of that area is the riding of the Hon. Member for Vancouver South. Northwest of that area is my riding of Vancouver-Kingsway. All three of us have risen tonight to demand parliamentary scrutiny. All the people in that area are working class people. They live in small homes or apartments. These people, I feel, still trust Parliament but they do not trust a Government which has gone a long way away from them. These people are not subversives, nor likely to be. However, they may belong to a church group which supports, for example, aid to Nicaragua, and they are liable to be targeted. They may send their children to university, and while in university their children may espouse a progressive cause, such as not testing the Cruise missile. Those children may have their phones bugged or may be targeted. This can happen because it has happened to many people.

• (1930)

Mr. Kaplan: That is why we are introducing these controls.

Mr. Waddell: If it can seize the membership list of the PQ, it can seize the membership of a left wing club in the campus of UBC.

Mr. Kaplan: Why do you think we are introducing these controls?

Mr. Waddell: Would the Solicitor General listen to me for a moment? People may be in a peace march in Vancouver and may be investigated or targeted for that. Let us hope they will not be, and the chances are, perhaps, that they will not be. However, I would not count on it by looking at past actions. What happens if something goes wrong with the system? Philippe Gigantes, the Senator, wrote an article about things going wrong where some senior civil servants in this town were victimized by the security service. If something goes wrong, who is to review it? This is an agency which is responsible to no one, an agency which is appointed by the Government, and God knows what kind of Government we will have in the future in this country.

What are Liberal Members afraid of? Are they afraid to trust parliamentary democracy, Members of Parliament and themselves in a proper committee setting with the proper rules? They do that in the United States because Americans believe in democracy. We have often criticized the United States, God knows, lots of times on this side of the House, but one has to admire its faith in freedom and democracy.

Mr. Kaplan: And the operations of the CIA?

Mr. Waddell: But this system, Mr. Solicitor General, is a wrong system. You are going against the trend of parliamentary democracy.

Mr. Kaplan: You are happy with the CIA?

Mr. Waddell: The Minister, with this Bill, makes Reagan look like a civil libertarian, my colleague says, but I will not call the Solicitor General names.

Let me put it this way. There has been no good reason advanced tonight in the House of Commons why we cannot have a parliamentary committee looking at this agency. They have it in other countries. It was recommended by the McDonald Commission. The present system is inadequate. The Senate recommendation does not carry a heck of a lot of weight. I say that the weight of the evidence and the argument is that we should have a parliamentary oversight. I challenge Hon. Members opposite to vote for these amendments.

Mr. Vince Dantzer (Okanagan North): Mr. Speaker, every once in a while, as these amendments have come forward, the Opposition has thrown a lifeline or a lifejacket to the Solicitor General (Mr. Kaplan). Had he grabbed it he would have been able to pull himself out of the mess which he has gotten himself into. There is no doubt in my mind, Mr. Speaker, that this Solicitor General will become known as the infamous Solicitor General who imposed upon the Canadian people this very flawed Bill to provide a secret service security force for the Canadian people. If only the Solicitor General would recognize that this is now a golden opportunity for him to get out of this mess!

I would like to read the motion to you, Mr. Speaker, and to the Canadian people. I am sure that anyone who hears this particular motion read will agree that it is a very reasonable motion. Motion No. 123 reads:

> The administration, provisions and operation of this Act shall be reviewed on a permanent basis by such committee of the House of Commons or of the House of Commons and Senate as may be designated or established by Parliament for that purpose.

Surely, that is the reason why people send Members of Parliament to this House. They want their elected representatives to watch over government activities. They want them to review the administration. They want them to look at the provisions and the operations of every department and every function which this Government undertakes. Therefore, what on earth is wrong with this particular provision? I am sure that no Canadian citizen who would believe that is other than a reasonable provision. If the Solicitor General would only try to understand what we are trying to do, I am sure he would grab the lifeline. It is perfectly apparent.

I have been trying to ascertain why this particular Minister is pushing this legislation through at this particular time when

there is so much more important social legislation before this House. There must be a reason. I believe if we go to the Auditor General's report of the Solicitor General's Department, we will begin to see why the Minister is pushing this legislation through. The Solicitor General has spent millions upon millions of dollars for a transmission committee, rented space, and so on. He has wasted millions of dollars to put this new force into effect. I gather he feels he would look very silly if the House closed down at the end of this month and the whole summer went by without this particular Bill being passed. The first Bill he brought forth was so bad that he could not possibly hope to get it confirmed, and he is very worried about this one.

The Hon. Member for Vancouver-Kingsway (Mr. Waddell), who spoke previously, asked the Solicitor General why he opposed the insertion of Clause 56, as amended by Motion No. 123. The Minister did not really give the answer he gave in committee. I would like to give the House that answer. As I understand it, and the Minister may correct me if I am wrong, first of all the Minister said that the whole Act is good and should not be touched because it is better than what we now have. But we have nothing now. The Minister said, "Well, isn't it nice that we have this Bill now? But don't touch this Bill. It is the best thing we have ever had. Furthermore, I have changed it a little for you". But that evades and avoids the whole issue.

The point is that we are trying to make this piece of paper better. That is why we are here. That is why we spent so many hours in committee. That is why we are asking the Government why they will not accept any of these suggestions.

The second point the Minister makes is that we cannot have a parliamentary review committee because then the Hon. Members of Parliament on that committee might find out secrets which they would feel morally obligated to tell to their constituents. If there was ever a more ridiculous reason for not having Members of Parliament on that review committee, I have never heard it.

The American system, as we know, has a complete oversight committee composed of elected representatives. The United States has never had any problems—at least none that were made public—about receiving secret information, and there has never been the problem of that committee revealing any information which would affect the security of the country. Therefore, Mr. Speaker, I believe it is incumbent upon the Minister to tell this House in much more detail—I am sure the House would give him permission if he so desired—why he opposes the parliamentary review committee. I understand that he has already spoken on this clause. However, I for one would be quite willing to have him state his case once more for the record. Certainly, I believe, his constituents in the next election are going to ask him why the parliamentary review committee was turned down by this House. I know that is something my constituents are going to ask me. I feel it is incumbent upon the Minister to tell this House now, at this time, why in fact he is refusing what is a very rational and reasonable clause; that is, for the House of Parliament to set up a watchdog committee to oversee this particular security force, which could be a real intrusion on the rights and liberties of Canadians everywhere in this country.

Mr. Dan Heap (Spadina): Mr. Speaker, I am very happy to support this amendment before us. I very much appreciate the action of the Hon. Member for Vancouver South (Mr. Fraser) in introducing it. The amendment is very plain. It reads, and I quote:

> The administration, provisions and operation of this Act shall be reviewed on a permanent basis by such committee of the House of Commons or of the House of Commons and Senate as may be designated or established by Parliament for that purpose.

It is a very simple, plain and essential motion, Mr. Speaker.

• (1940)

What I have discovered in three years here is that Ottawa is a long, long way from Canada. The consciousness of this place treats Canada, not just as if it was a foreign country, but as if it was on another continent or in another world. We think we should make all the decisions here without hearing from the rest of the world. The Government is even further removed. It wants to make all the decisions without hearing from Parliament.

In Spadina, we have many people who are professionally educated and employed. They are very capable of studying these matters, but with limited time since none of them is employed in doing this very work, except for me, and perhaps a Senator, if he still lives there. There are many people in small business, many people working at manual trade, and many with very little formal education. The majority come from other countries and have a varied and interesting basis of political awareness. They are all concerned with their freedom. They all want a hand in watchdogging their own freedom. The principal way of making that available to every one of them as a citizen of this country is by his or her vote in electing a Member of Parliament. They expect that vote to be the instrument by which, among other things, they will guard their freedom. They hold their Member of Parliament responsible for defending their freedom, because they do not trust this Government, and they have good reason not to.

I will not go into the long history of acts of untrustworthiness, I will simply refer to the remarkable statement the Solicitor General (Mr. Kaplan) made a few minutes ago. He told us that the watchdog committees of the American Congress have access to even less information than is proposed for this committee here. What nonsense. It is well known that the appropriate committees of the Senate and the House of Representatives have the right to call anyone as a witness, and they do. They have the right to require them to bring any document, and they do.

Mr. Kaplan: That is not true.

Mr. Heap: They have the right to examine their budget, and they do. One example of that which became very public recently was when they hauled the Director of the CIA before the committee and demanded that he tell them what he was doing in connection with the mining of the harbours in Nicara-

gua. When he told them they bawled him out for it. I assume the Solicitor General is trying to speak through television to the Canadian people to say that the American Congress and Senate do not have the power to examine those things. Well, he is saying something that is patently untrue. I do not propose to suggest that he is deliberately misleading the House, since that would apparently offend him on account of my Anglican religion, to which he referred before. Therefore I must conclude that as the Solicitor General pushing through his police state Bill he is astonishingly ignorant in his own field of expertise. Imagine getting up to give us supposedly expert advice and being as mistaken as he was a few minutes ago. That is why the people of Canada do not trust him or his Government.

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, if the Government chooses not to accept the amendment proposed by the Hon. Member for Vancouver South (Mr. Fraser), it will simply be publicly announcing that the House of Commons is not what it was intended to be; namely, the instrument of the people through their elected representatives. Failure to accept this fact is an expression of contempt by the Minister for the trustworthiness of Members of the House of Commons.

His remarks with respect to the capabilities of the committees of the U.S. Congress are certainly not in accordance with the facts. Let us assume for a moment that they do not have total access to every single activity of every agent of the CIA. They have had the opportunity to demean directors of the CIA, and they have been replaced as a result of meetings of committees of the U.S. Congress. We, however, will have no such capability.

As I stand here I look upon the mace, the sacred symbol of the political capabilities of a democratically elected House of Commons. It is a symbol of the fact that you will be defended by arms, if necessary, against anyone who would intrude upon the deliberations of the elected body known as the House of Commons.

There are no intrusions and we have not had to use weapons. Neither have we had to call upon the Sergeant-at-Arms to defend this elected body. But we may yet find ourselves in a position where we wish that we had used arms at some point to deflect a government which trusts no one. Nothing could better illustrate its contempt of Parliament.

Do they mean to tell us that the Solicitor General and Liberal Members cannot trust the veterans sitting in this House? They put their lives on the line for this country. What about the Hon. Member for Yukon (Mr. Neilsen) who so magnificently portrayed the efforts of Members of this House and other young people of that day in defending the democracy we are supposed to represent? Is he not trustworthy to sit on a committee and hear evidence regarding the security forces of this country? What about the lawyers who are sworn peace officers? Are they not worthy of trust as members of a committee to evaluate and judge the security forces we are appointing? What about the former Cabinet Ministers who may or may not have been veterans or lawyers? Are they not worthy of trust? Has this country not put its trust in those people as they sat in Cabinet? Are they not trustworthy? Are they going to babble, as I believe the Solicitor General said? If they are, then we are certainly in a defunct society. We have had the biscuit.

I want to say to you, Sir, that as I campaign in the next election I am going to lay the blame for this on the new Leader of the Liberal Party. We know what the degenerate system was under the old leader, and we are now getting the establishment, as was so thoroughly described by the press as they summarized the results of the leadership convention.

Mr. Fisher: Good luck.

Mr. McCain: It will be good luck, my friend, because my constituents are not as ignorant as some of those who sit on your right.

Mr. Fisher: Are they as impolite as you are?

Mr. McCain: Stand up and speak for your country! Don't speak against it as you are doing now. Treat it with sincerity of purpose and with resolution, not with contempt. Do not treat it with contempt, you and that—

Mr. Kaplan: Order.

Mr. McCain: I say through you, Mr. Speaker, that that type of behaviour is what has brought contempt to this House, and it has been led and fed and guided by the activities of the Government on the right. That mace, a symbol of protection for you and all Members of this House, is no longer a symbol of democracy and the right of the people to defend themselves against their government or against insurrection. The insurrection, Sir, is taking place to your right. It is an insurrection against democracy and its structures, a democracy which is now well into its eighth century since the signing of the Magna Carta in 1215. We have put the machinery in reverse as we pass legislation of this nature.

I am one of the Members of this House of Commons who is thoroughly, completely and totally insulted by this legislation. I am not trusted, even in camera, to be a part of the conduct of the business of the security of this nation which I love and for which, though I did not get into battle, I signed up and put my life on the line to defend.

I have contempt for a Solicitor General, a government, a Prime Minister and a new leader who allows this kind of legislation to be passed which makes the House of Commons untrustworthy to conduct the business of the people. There are vehicles which can be utilized for those who become untrustworthy in the land. They should be applied to any member of any House of Commons or Senate committee who may be privy to the secrets of this land in relation to the security of the country. Those things should be applied to the ones who babble. However, the initial trust must be placed in the hands of those who are elected to govern the country.

• (1950)

This is putting the security of the land at the disposition of political manipulators. It is giving the opportunity for pure partisan selection of the only committees which will have any view of the behaviour of the security system which we are setting up. We do not even have the confidence that we have been able to place in that loyal force of police officers known as the RCMP. We are now relegated to having a civilian force put in place which will be examined by political appointees of the government of the day. I do not care what government is in place. It should not have that authority. The security of the land and law and order should be the responsibility of, and should be extended to the elected Members of the people of Canada. I am not concerned about anybody from that committee babbling. If the Government uses judgment so poor that it appoints a babbler whom they cannot trust, the security agency is incompetent before it gets off the ground.

How many of us in the House have directly or indirectly already been evaluated as a security risk for one reason or another? This is a condemnation of the society and the people over whom you preside as Speaker in the House. For the life of me I cannot comprehend how the democrats of this country, those who love democracy, have remained so silent as they watch this force go into the backrooms of the Party in power for the day. To me it is incredible that they will accept that. If they do, it is because of the contempt in which we are held. The Prime Minister (Mr. Trudeau) once said that a Member of Parliament is a nobody when he is 100 feet away from the House of Commons. That is the opinion which the House has extended for itself through its agent, the Prime Minister of Canada. This is the exclamation mark behind that remark of the Prime Minister who did not want, does not comprehend, and never did respect those of us who were elected but were not Prime Minister.

This Act reminds me of another Act. The Auditor General is supposed to give facts to the Public Accounts Committee. He is supposed to be a check and balance upon the expenditures, allocations and use of money in general. However, if you sit on the Public Accounts Committee you will find that he has made a report. I trust totally that he will have accumulated the necessary evidence to make the necessary accusations and to put the necessary subject matters before the Public Accounts Committee. Having accumulated that evidence, it goes into a file and cannot be withdrawn. It can only be withdrawn if someone tells you exactly what question you should ask. The Auditor General is not authorized to give you that information.

The House of Commons has plodded along in the dark, depending upon someone slipping a little piece of private information unsolicited. Perhaps one would call it a leak. The Public Accounts Committee of the House has not been able to function as it was intended to function. Its intended function was to look after the expenditures of the land.

The House of Commons is now not going to be allowed to function with respect to the security of the land in the private force. We in the House of Commons may be veterans, lawyers or teachers, but we are Canadians all. We are not supposed to have enough interest in the well-being of our country to be trusted by the Government.

If this motion is turned down by the Government it will be a reflection upon the present Prime Minister and the one who aspires to be Prime Minister, because he is now considered to be the boss of the Liberal Party. If he is boss, between now and tomorrow night this amendment should be adopted.

Mr. Bill Domm (Peterborough): Mr. Speaker, I rise on this occasion to speak for the first time on Bill C-9. I will try to express as simply as I can my concern about the clause we are debating now. I must relate to the situation of Members of Parliament going through their constituencies and talking to their constituents. Concern is expressed by the constituents that Members of Parliament really do not have enough say in the operation of Parliament and Government. When one sees the kind of legislation we are dealing with this evening in the last hour of report stage debate, one can fully appreciate the concern of the constituents.

The Member for Vancouver South (Mr. Fraser) is simply seeking an opportunity for Members of Parliament in the Government and in Opposition, and for Members of the Senate, to have some say in a committee that is to be set up to review the operations of the changes that are brought about by Bill C-9, an Act respecting enforcement in relation to certain security and related offences and to amend certain acts in consequence thereof or in relation thereto.

More simply put, that means that if someone, perhaps wrongly, is accused of some act of subversion or an act against the best interests of the country, and this committee is called into place to protect that person, the committee that will be dealing with the issue is nothing more and nothing less than a group of porkbarrel committee members appointed by the Government in power that day.

If that person who may be wrongly accused of actions wishes to bring his or her case to an elected Member of Parliament, that opportunity is excluded because the information is not available to the elected representatives in the House. It is not available in the presentation of information at the committee level because Members of Parliament on both sides of the House have been excluded from an opportunity to listen to the constituent who may be wrongly accused of an act. All that we as Conservatives in Opposition are asking for is an opportunity to establish a parliamentary oversight committee to review, on a permanent basis, the administration provisions and operations of this oversight committee.

I am sure that a lot of people in the country thought that after the last big Liberal leadership convention we had a new Liberal Party Leader who was going to do three things, as I thought he had assured the people of Canada. He was going to make Parliament more responsive to the people. He was going to consider the interests of the West in whatever actions might be taken, and he was going to have a more open Government.

However, what we have in reality today as we stand in our places debating this issue is an ignoring of the interest of the

West by diluting the importance of the RCMP. The Government has taken responsibilities from the Royal Canadian Mounted Police and is turning them over to a government appointed committee, while excluding Members of Parliament from representing their constituencies and having any input.

● (2000)

This is no different from what it was before. We have the Prime Minister (Mr. Trudeau) who minimizes the importance of Parliament. The new Leader of the Liberal Party of Canada, by virtue of bringing in closure and limiting debate on this important piece of legislation, is doing no more and no less than the old school. We are back where we were.

We were currently dealing with a piece of legislation and a proposed amendment to it, through a motion by the Member for Vancouver South. That amendment is supported by the Canadian Civil Liberties Association and by the League of Rights. It is supported by the Canadian Council of Churches and it is even supported by Professor Peter Russell of the University of Toronto who was the solicitor for the McDonald Commission.

I know there are members on the government side in the House tonight who have stood up on numerous occasions in the House to speak out very vocally in support of responsible and representative government. They speak on behalf of minority groups quite often. This is simply a case of a piece of legislation that removes the protection of Canadian citizens from the scrutiny of Members of Parliament. Not one member from the government side has spoken in support of having parliamentary representation on this review committee—

Mr. Foster: Tell us about it.

Mr. Domm: —some from the Senate and some from the House of Commons.

Mr. Foster: Tell us about it.

Mr. Domm: I hear gentlemen on the government side saying "Tell us about it". I would like to hear them tell us why they are opposed to having some parliamentary representation on this review committee? If there is a good reason, why have we not heard it?

Mr. Kaplan: But you did not go to the committee.

Mr. Domm: None of these other organizations support the Government in its refusal for representation by Members of Parliament. The Solicitor General (Mr. Kaplan) keeps interjecting, yet there has not been one government member who has stood up and supported the exclusion of Members of Parliament from the review committee.

What is there that is new and different? We have the same thing today that we had two weeks ago. It is a government that brings in closure and a government that wants to exclude elected Members of Parliament from having input into important decisions affecting the citizens of this country. There is a bunch of sheep who are going along with the wishes of the Solicitor General, and not one of them issues a peep on that side of the House.

I believe we should be discussing the importance of representation on this review committee so that we have voices that speak on behalf of constituents. Members on the government side were elected to become Members of Parliament so that their constituents might have a say. The Member for Vancouver South is asking for no more and no less. We are not asking for dictatorial authority to make all of the final decisions. We are asking for the opportunity to have input on behalf of citizens who, rightly or wrongly, might be accused of an Act that causes them to go through interrogation by this new police agency.

We are dealing with something far more than a review committee. We are dealing with a police agency that dilutes the power of the RCMP and removes from Parliament the right of input from elected representatives. It turns over to a group of pork barrel Liberal appointees the right to decide in the reviewing process whether something is right or wrong.

As far as I, and I suggest the vast majority of Canadians across this land are concerned, it is wrong. That is not the process they would like to see. I am sure that most people in this House would agree that support for this motion is urgently needed. It is regrettable that not one soul on the government side is interested in speaking on behalf of the citizens who will not be represented on this review committee by elected Members of Parliament, or even appointed members to the Senate.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, you will recall that I rose to speak on this very topic a day or two ago because I do consider it to be of major importance. I think it is fair to say that this legislation will go down in the annals of history as one of the most important pieces of legislation passed by the Government over the valid objections of those of us in the opposition who understand the important and far reaching effects of what is being done.

This legislation is important but not supportable, and I want to draw the distinction between the two. It is important because of the nature of the legislation and its potential to infringe upon the basic liberties of Canadians. It could be improved but could never be supportable.

I am surprised that the Solicitor General in many ways is betraying a longstanding publicly professed commitment to civil liberties. He now seems to be prepared to overlook or at least suppress what many in this country have long believed he stood for. He does not seem willing to listen to arguments being put to him.

This legislation could be made marginally more palatable with the acceptance of the amendment we are now debating. It is not revolutionary. It simply gives Members of Parliament that power which most citizens of Canada would anticipate they should have in any event. It gives to Members of Parliament the right to oversee that which has been given by an Act of Parliament, the most intrusive power ever granted in this country.

The other day I told the story of my visit to Moscow. I will not tell it again—

An Hon. Member: Tell us again.

Mr. Deans: My colleague says that he would like to hear it again, but perhaps repetition is not acceptable. However, I pointed out that the people I met when I was there feared their secret service more than they feared anything else. I think that is fair to say. I am not exaggerating. I believe that to be true.

That is true in many parts of the United States where people who have an axe to grind, if you will, or hold views different from the conventional and acceptable view of the Government in the United States: they fear the CIA more than most anything else. I cannot help but think that we are following the worst of all examples in Canada.

Let me ask the Solicitor General (Mr. Kaplan) in the friendliest manner to consider the scenario that I put before the House the other day. Suppose that he was a visitor to Leningrad, and at the behest of families living in Canada were to make a decision to visit their relatives in Leningrad. If he were to telephone them and make arrangements to visit them in their apartments, he, being a government official, would be seen to be an agent of a foreign government. They, being citizens of the Soviet Union, would then be under suspicion for having had him visit. That is the system. They consider it right. They consider it appropriate. Those people, once under surveillance, are harassed and continually watched day and night. Their phones are tapped, their mail is opened, they are harassed at their places of work and frequently taken into KGB headquarters for discussions, if you will, about their connections with these foreigners from outside their own country.

• (2010)

The Government in the Soviet Union, and many people in the Soviet Union believe that is appropriate. I am quite sure in Canada you could find people who would think it appropriate here that the secret service should be able to open people's mail, tap their telephones, listen in with listening devices to their conversations elsewhere, and have access to and use of doctors' files, and all of those things. There are people in Canada who see no harm in that because they live in that wonderful naivete that somehow or other if you do not break the law, then what have you got to hide. That is how they view things.

I had the pleasure of sitting with a lady last evening at dinner. I was a guest of the Speaker. She said to me: "I do not really mind if they open my mail. I do not really mind if they listen in to my phone calls because I do not do anything wrong." I said to her: "Well, the fact you do not do anything wrong is the very reason you should mind. The fact that you are a law abiding citizen is the very reason you should be concerned. The fact that you never break the law is the very reason you should be offended that the Government has chosen to give to this agency the power to do those things to you."

That is what makes the Bill offensive. If a person is suspected of committing a crime, of being in violation of Canada's laws, then there is ample provision for conducting an inquiry into his or her daily life, finding out and rooting out what can be the evidence necessary for prosecution. There are ample ways available for doing that. But it is those who do not harm, who break no laws, who live according to high moral and ethical standards who will be most affected, unfortunately, by casual relationships which may result in their being placed under surveillance. They have no way to seek redress. They cannot come to their Member of Parliament because the Member of Parliament has no way of seeking redress. They cannot go to the review agency. They cannot identify the people who are snooping.

Mr. Kaplan: They can go to the review committee.

Mr. Deans: First, they have to know that they are being snooped on.

Mr. Kaplan: They just have to suspect it.

Mr. Deans: That is about as naive as the lady at dinner last night. It would seem to me that by virtue of the fact that I seek public office and by virtue of the fact that I get elected, I am deemed by a segment of this society to be trustworthy. I have to live up to that trust. I believe I could be given the responsibility of sitting on a parliamentary oversight committee, and I believe I would have both the capacity and the sense of loyalty necessary to be able to make judgments about the appropriateness of the actions of the secret service. I believe that.

I would be prepared, as Privy Councillors do, to take an oath guaranteeing the secrecy of the information I get, if I had to, but we do not have that opportunity. That is what is wrong. That is one of the great fears. That is why we are so adamant in our opposition.

Not only is the concept wrong, not only is it unnecessary in our society, not only does it go far further than reasonable people would be prepared to expect it to go, but there is no clear way for those of us charged with the responsibility of administering, interpreting, understanding and representing the views of the public before Parliament to come to grips with the violations. That is why we ask again at 16 minutes past 8, half an hour before the Bill goes to bed, so to speak, that just maybe some further consideration of a Parliamentary oversight committee makes goods sense.

We ask the Solicitor General to have some faith, to trust us just a little bit, to trust his own colleagues. I want to say to you—I see, Mr. Speaker, that you are telling me that I am finished—

Mr. Kaplan: You are.

Mr. Deans: —and that could mean many things. I just want to sum up.

By virtue of being appointed to the Cabinet, that does not give an individual elected Member of Parliament any more corner on truth or trustworthiness. It does not give that

individual any more sense of appropriateness in dealing with matters such as this, not any more. I ask as best I can for reconsideration. This is an important amendment. The rest of the Bill is not supportable, but at least make it somewhat more palatable by accepting that we in Parliament could exercise that responsibility with a degree of commitment to this country, equally as well as people appointed by the Government.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, I know you have been listening attentively and carefully to every word in this quite lengthy debate. You will have perceived without a doubt that there is a difference in approach by the two Opposition parties. On the one hand, we have seen from the New Democratic Party that mindless opposition which they display so often in this House. It would appear that the NDP want no security service of any kind in Canada. To that end, they have filibustered, they have moved motions which would delete every single clause in the Bill we have before us. The action of the NDP has put in jeopardy or denied proper consideration of the reasonable and sensible motions put forward by Members of the Conservative Party.

Our approach to this Bill has been characterized by this sense of reason, by this sensibility. We have argued at considerable length that the security service should be maintained under the auspices of the RCMP. That is not the item of debate now, so I will not reiterate those valid arguments in favour of that point of view. We have also tried to improve this Bill.

Many flaws in the Bill have been pointed out, and we have tried in our presentations to get a better system of accountability, a better system of control, and a better handle on the security service. We know that in this imperfect world there has to be a security service. It would be nice if we did not need one. But if we are faced with the necessity of a security service, then it is our belief that that service should be accountable to the people of Canada through their Parliament.

• (2020)

With that aim in mind, the Hon. Member for Vancouver South (Mr. Fraser) proposed what in all probability is the most important motion introduced to date at report stage. Were this motion to be carried, the administration, provisions and operation of this Act would be reviewed on a permanent basis by a committee of the House of Commons or by a joint committee of the House of Commons and the Senate. What could be more sensible or more logical than that? This proposal goes to the heart of accountability and the heart of proper parliamentary scrutiny over the affairs of the security service.

The Government in its wisdom—and I use that word rather loosely—seems to think that it is okay for Parliament and parliamentary committees to look after the little things. It can set up a task force to look into a problem of the bean-growers of Ontario, with no offence to those great Canadians engaged in the production of beans. However, when it comes to a matter of fundamental public importance like the operation of a security service, then Parliament is not to be trusted and should have nothing to do with that type of affair. It is okay on the little things, but the big important things have to come under the direct jurisdiction of the Government.

The people of Canada take the opposite point of view. They have some trust in parliamentarians, if for no other reason than they can get rid of us fairly easily once every four years or so if we do not take our responsibilities seriously. However, when accountability is given to some functionaries within the government service, then this is not the case. I am sure the public of Canada would rather put its trust in the people it has elected to serve it in the House of Commons than in a government hiding behind a wall of secrecy.

I would rather suspect that the committee of Privy Councillors envisaged under the Bill as it now stands would not do the same job as a committee of serving parliamentarians. I can foresee an occasion arising when the committee of Privy Councillors appointed by the government of the day, not entirely free from political and partisan considerations, sees some form of injustice being done. What would be its reaction? I suspect on many occasions its reaction on seeing an injustice would be to let it slide, not bring it forward or press for any corrective action. Some think that in the interests of the government of the day it is best slid under the carpet.

What would be the reaction of a committee comprised of parliamentarians, Members of Parliament and Members of the Senate who could join it, if it were the wish of Parliament? On seeing something of this nature, on seeing some injustice done by the security service, it would be much more likely to bring it forward, to insist that corrective action be taken and, if need be, to bring it to public attention so that pressure could be brought to bear upon the Government to correct the wrongdoing.

The system of elected representatives of the public being charged with scrutiny of security affairs works quite well in the United States. We have heard evidence to that effect tonight. I suggest that we should adopt the motion of the Hon. Member for Vancouver South and make Parliament work.

The Government gives various forms of lip service to parliamentary reform and to putting parliamentarians in important positions such as that envisaged by the motion, but whenever an opportunity arises, as it has tonight, it puts it aside and nothing happens. It is my submission that the Government, despite the oaths we have given, does not trust parliamentarians. In return, why should we and Canadians across the country trust the Government?

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I rise as perhaps the second or third last speaker in this second last phase of government closure on Bill C-9. As other Hon. Members have said, this Bill is equally as important as the Constitution Act in its effect on the future of the country. Our children and our children's children will be affected by this Bill. I feel in my bones that they will be affected adversely.

I say this because I have travelled around my riding in which there are many new Canadians from eastern Europe.

Some still have tattoos on their arms. Their civil rights were lost and essentially they became slaves. They can talk with real meaning about what it means to lose freedom. They can talk about the sense of intimidation by the simple presence of a secret service agency which has the power to intercept telephone calls, to open mail and to seize legal and medical documents. This is exactly what the Government is appropriating to itself.

After Hon. Members of this Party examined the Bill, we had approximately five or six major goals which we put to the Government. Indeed, had it accepted five of the six, we probably could be supporting part of the Bill. However, it rejected every one of them. With great respect, members of the Cabinet made a decision some years ago that they had to take power into their own hands and concentrate it. They made a decision that they had to knock down the provincial premiers and Parliament because we were standing up and speaking out. A whole series of actions over many years has resulted in the situation where we do not have as much freedom in the country as we once had.

The reason our forefathers came here has been lost. Why did they come? I know that my grandfather at 24 years of age crawled out of a coal mine and came to Canada because he had no chance in a country with an economic, social and political system that was holding him back. Having already spent 10 years in a coal mine he came to Canada. He braved the broad ocean and all the language problems, then found himself standing out on the high plains of western Canada, on 160 acres which were his for ten bucks. If he remained on it for three years and built a home, he could get the pre-emptive quarter. He and his wife, my grandmother, put their hands to the plough, broke that quarter section and turned it into fertile land. They died and they rest there. The next generation stayed on the land and worked hard. My father went into the ground at 35 years of age so that we could have freedom. I have a sense that we are letting those people down. I will vote against this Bill, and I hope other Hon. Members will do likewise.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I should like to make a few comments on Bill C-9. While we are discussing the Bill, the RCMP is quietly, effectively and efficiently carrying on the intelligence work of Canada. They are still doing the work even though they feel hurt because the Government is not recognizing the splendid work they are doing. The Solicitor General (Mr. Kaplan) says they are doing fine work, but he wants to kick them out and put in a civilian body. He does not want that civilian body to have any checks, he wants it to do what it likes. He does not want Members of Parliament to check what they are doing to see whether they are doing it effectively or otherwise.

Just a few moments ago the government Members turned down a motion in which the Hon. Member for Vancouver South (Mr. Fraser) was asking that we have the civilian group work effectively, getting full value for the money and within the behaviour laws of the country. The Liberals turned it down.

• (2030)

When the first act of the new Leader of the Liberal Party is to bring in closure and pass a Bill without any of the amendments suggested by the Opposition or the common citizens of this country, it is getting pretty bad. The new Leader expects to become Prime Minister for a short term, and hopes to make it a long term through an election. If he is going to do that type of thing, Heaven help Canada. The people of Canada will not fall for that phoney stuff which some Liberals fell for the other night in the arena. He talked about western Canada. I hope he will help western Canada.

Mr. Fisher: Wait until we get your seat.

Mr. Taylor: Stand up and talk. You only talk from your seat. I guess the only thing good about you is your seat. That is the way they are. They cannot accept criticism. The Hon. Member was clapping his hands the other night when his Leader said: "We are going to win the West." He forgets that he has already doubled freight rates to the farmers. He is already robbing the farmers of their living. They did not kill the Crow. They moved it right into the offices of the CPR. That is what they have done. He is working with the CPR while he is Leader of the Liberal Party. That is the kind of Leader they have. That is the kind of Party it is. No wonder they do not want a review committee made up of Members. They want to hide it.

That is exactly what some of the great dictators of the world did. They got their country to the point where it could do nothing. Their secret service was able to do almost anything; there were no controls. Parliament was lost. Look at the history of the Nazi movement. I am not saying that this group are Nazis, but I ask you to look at the history of the Nazi movement where Hitler gradually got control of a great people. They were not even safe in their homes. The secret service would arrive in the middle of the night, take them away and they were not heard from again. That is banana republic stuff as well. That is what happened in Venezuela. We do not want that to happen in Canada. We do not want to see the beginnings, from where it might happen. We want this nipped in the bud. This is the place to do it.

This Bill gives too much power to a civilian organization which is not responsible to Parliament. The Government says it is responsible and then puts in a number of items that make it irresponsible, permitting it to do almost anything it wants. It can open my mail and yours, check into your bank account, check your income tax or check your medical records. What is it they cannot do? What kind of a country are we getting anyway?

I stood beside the graves of some of my friends who were killed in war. I wept because they thought they were fighting for a country where we would never see this type of thing happen. Now they are lying in graveyards in England and in France. It makes your blood boil when you think of the sacrifice of some of the finest young men in our country. They gave their lives so that we could have freedom. Then we have this kind of law brought into the Parliament of Canada. The

Government should be ashamed. The Bill sould be withdrawn and the Government should start over.

We have an intelligence service which is operating well. Even the Solicitor General says that. It is morally strong. It does not have the powers being given to this civilian body. It is doing a good job. Most people in Canada want it to continue.

This Government will not reflect the thinking of the people. It wants to tell them what is good for them. Some of them have a closure idea. Maybe it was their Leader. I do not know. They are not following democratic principles. They should reflect the thinking of the people of Canada. The fact that 71 per cent of Canadians do not want this civilian intelligence service is reason enough to throw it out.

I wonder about the wives of some of the soldiers who gave their lives to make this a free country where Parliament could reflect the thinking of the people. That is why they died. I wonder what their mothers are thinking tonight. They let their sons go to war to keep this country free. What will they think when they see this legislation which words can hardly describe?

We have an RCMP force which is doing the job quietly and effectively. It is trying to do away with this type of thing. We do not need this kind of a new body. If we are going to have it, let us have enough control so that it will not become another Gestapo, another KGB. If the powers are left as they are proposed, there is a good risk of that occurring. This is a good country. Our people are too fine to have this type of thing forced upon them. This Government should realize, new Leader or old Leader—it is the same old gang—that it had better change its ways because Canadians are fed up to the teeth with this type of legislation.

Mr. Kaplan: Mr. Speaker—

Mr. Robinson (Burnaby): Mr. Speaker, I rise on a point of order. The Solicitor General (Mr. Kaplan) has already spoken on this motion.

The Acting Speaker (Mr. Herbert): Is the Solicitor General rising on a point of order?

Mr. Kaplan: To close the debate, Mr. Speaker.

The Acting Speaker (Mr. Herbert): The Solicitor General does not have the right to speak again, I am afraid. Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): The question is on Motion No. 116 standing in the name of the Hon. Member for Burnaby (Mr. Robinson). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Pursuant to Standing Order 79(11) the proposed motion stands deferred. Automatically with that Motions Nos. 118, 119, 120, 121, 122 and 123 are also deferred.

The next group of motions includes Nos. 124, 125, 126, 127, 128, 131, 132, 133, 134, 135, 136, 137, 142, 143, 144, 145, 146, 147, 148, 149, 150, 156, 157, 158, 161, 162, 163, 164, 165, 168, 169, 170, 171, 172, 173 and 174.

• (2040)

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 124

That Bill C-9 be amended by deleting Clause 56.

Motion No. 125

That Bill C-9 be amended by deleting Clause 57.

Motion No. 126

That Bill C-9 be amended by deleting Clause 58.

Motion No. 127

That Bill C-9 be amended by deleting Clause 59.

Motion No. 128

That Bill C-9 be amended by deleting Clause 60.

Motion No. 131

That Bill C-9 be amended by deleting Clause 62.

Motion No. 132

That Bill C-9 be amended by deleting Clause 63.

Motion No. 133

That Bill C-9 be amended by deleting Clause 64.

Motion No. 134

That Bill C-9 be amended by deleting Clause 65.

Motion No. 135

That Bill C-9 be amended by deleting Clause 66.

Motion No. 136

That Bill C-9 be amended by deleting Clause 67.

Motion No. 137

That Bill C-9 be amended by deleting Clause 68.

Motion No. 142

That Bill C-9 be amended by deleting Clause 71.

Motion No. 143

That Bill C-9 be amended by deleting Clause 72.

Motion No. 144

That Bill C-9 be amended by deleting Clause 73.

Motion No. 145

That Bill C-9 be amended by deleting Clause 74.

Motion No. 146

That Bill C-9 be amended by deleting Clause 75.
Motion No. 147
That Bill C-9 be amended by deleting Clause 76.
Motion No. 148
That Bill C-9 be amended by deleting Clause 77.
Motion No. 149
That Bill C-9 be amended by deleting Clause 78.
Motion No. 150
That Bill C-9 be amended by deleting Clause 79.
Motion No. 156
That Bill C-9 be amended by deleting Clause 81.
Motion No. 157
That Bill C-9 be amended by deleting Clause 82.
Motion No. 158
That Bill C-9 be amended by deleting Clause 83.
Motion No. 161
That Bill C-9 be amended by deleting Clause 85.
Motion No. 162
That Bill C-9 be amended by deleting Clause 86.
Motion No. 163
That Bill C-9 be amended by deleting Clause 87.
Motion No. 164
That Bill C-9 be amended by deleting Clause 88.
Motion No. 165
That Bill C-9 be amended by deleting Clause 89.
Motion No. 168
That Bill C-9 be amended by deleting Clause 91.
Motion No. 169
That Bill C-9 be amended by deleting Clause 92.
Motion No. 170
That Bill C-9 be amended by deleting Clause 93.
Motion No. 171
That Bill C-9 be amended by deleting Clause 94.
Motion No. 172
That Bill C-9 be amended by deleting Clause 95.
Motion No. 173
That Bill C-9 be amended by deleting Clause 96.
Motion No. 174
That Bill C-9 be amended by deleting the Schedule.

The Acting Speaker (Mr. Herbert): The debate is on the grouping of motions and the vote will be on Motion No. 124. For debate, the Hon. Member for Burnaby (Mr. Robinson).

Mr. Robinson (Burnaby): Mr. Speaker, in the few moments which remain on this black day for freedom and democracy in this country I would like to make a few remarks with respect to this legislation and with respect to the very serious and indeed fatal flaws which are contained within the proposed legislation.

Mr. Kaplan: Mr. Speaker, I rise on a point of order. The Hon. Member is not entitled to address the whole Bill. The debate is on the motions you have just called.

The Acting Speaker (Mr. Herbert): The debate is on the grouping of motions I just called, which includes Motions Nos. 124 through to 174.

Mr. Robinson (Burnaby): Mr. Speaker, there are some 40 clauses covered by these motions to delete clauses and it is those clauses to which I am addressing my remarks.

Without any doubt whatsoever, this Bill constitutes a massive assault on the most fundamental and basic civil liberties and rights to privacy of Canadians. The motions in question would delete a number of the most reprehensible provisions of this Bill. In the few minutes available to me, I would like to explain the purpose of these motions.

First, as the Bill now stands, the new civilian security service would have the power to massively invade the privacy of Canadians. It would have the unprecedented power to open first-class mail, to access confidential medical records and to examine confidential psychiatric records and journalists' records. Once again, I say that it is a disgrace and a shame that the press gallery is empty for this debate on one of the most important pieces of legislation in the country. Ironically, it may be the press that will become the victim of this new secret security service.

The service will have the power to break and enter anyone's home, to remove any document or indeed any thing from that home. In short, the powers that are proposed under the privisions of this Bill go far beyond those which were recommended by the McDonald Commission and have been attacked by virtually every witness that appeared before the Justice Committee. These witnesses included representatives from the Canadian Council of Churches, the Canadian Association of University Teachers, the Canadian Jewish Congress—I could go on and on. Yet the Government shamefully ignores the will of the people of the country and proposes to plough ahead with a piece of legislation which flies in the face of all of the traditions in this country of civil liberties and protection of fundamental rights and freedoms. Any member of that Government who can stand up and support this Bill should hang his head in shame, because he is prepared to be a party to this attack on the civil liberties and the rights to privacy of Canadians.

The Bill constitutes nothing less than a denial of the rule of law in the country. There are those who ask if this is not at least a step forward because they say the *status quo* is not adequate. To them I say no, a thousand times no. While the *status quo* is flawed, this Bill with its sweeping mandate to target Canadians who have broken no laws whatsoever, this Bill with its wide and unprecedented powers to invade the privacy of Canadians, this Bill which denies Parliament a fundamental role to play in the oversight of the operations of the security service in the country, is a Bill which must be rejected by this Parliament if we are to preserve democracy in the country.

[*Translation*]

Mr. Deputy Speaker: Order. It being 8.45 p.m., pursuant to order made Tuesday, June 19, 1984, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the report stage of the Bill.

[*English*]

The question is on Motion No. 124. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Section 11 of Standing Order 79, a recorded division on the proposed motion stands deferred.

Motions Nos. 129 and 130 have been grouped for debate.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 129

That Bill C-9 be amended by deleting Clause 61.

Mr. Gordon Taylor (for Mr. Fraser) moved:

Motion No. 130

That Bill C-9 be amended in Clause 61 by adding immediately after line 3 at page 26 the following:

"(2) Members of the Royal Canadian Mounted Police, exercising primary responsibility pursuant to subsection (1), shall consult with municipal and provincial police forces when exercising such jurisdiction."

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Section 11 of Standing Order 79, a recorded division on the proposed motion stands deferred.

The next grouping contains Motions Nos. 138 and 139.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 138

That Bill C-9 be amended by deleting Clause 69.

Motion No. 139

That Bill C-9 be amended in Clause 69 by striking out lines 11 to 17 at page 30 and substituting the following therefor:

"69.(1) Three years after the coming into force of this Act a comprehensive review of the provisions and operations of this Act shall be undertaken by such committee of the House of Commons or of both Houses of Parliament as shall be established by Parliament for that purpose."

Mr. Deputy Speaker: The question is on Motion 138. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Section 11 of Standing Order 79, a recorded division on the proposed motion stands deferred.

● (2050)

The next grouping of motions consists of Motions Nos. 140 and 141.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 140

That Bill C-9 be amended by deleting Clause 70.

Motion No. 141

That Bill C-9 be amended in Clause 70 by striking out lines 4 and 5 at page 31 and substituting the following therefor:

"(iii) activities that could reasonably be expected to constitute threats to the security of Canada".

Mr. Deputy Speaker: The question is on Motion No. 140. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Section 11 of Standing Order 79, the recorded division on the proposed motion stands deferred.

The next grouping of motions includes Motions Nos. 151, 152, 153, 154 and 155. I will put Motion No. 151 to the House.

[*Translation*]

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 151

That Bill C-9 be amended by deleting Clause 80.

Motion No. 152

That Bill C-9 be amended in Clause 80 by striking out lines 15 to 18 at page 37 and substituting the following therefor:

"person other than a Canadian citizen or permanent resident is a person described in paragraph 19(1)(*d*), (*e*), (*f*), or (*g*) or in paragraph 27(2)(*c*), or that a person who is a permanent resident is a person described in subparagraph 19(1)(*d*)(ii), or paragraph 19(1)(*e*) or (*g*) or 27(1)(*c*), they may make a report to the".

Hon. Bob Kaplan (Solicitor General of Canada) moved:

Motion No. 153

That Bill C-9 be amended in Clause 80

(*a*) by striking out lines 15 to 18 at page 37 and substituting the following therefor:

"person, other than a Canadian citizen, is

(*a*) in the case of a permanent resident, a person described in subparagraph 19(1)(*d*)(ii) or paragraph 19(1)(*e*) or (*g*) or 27(1)(*c*), or

(*b*) in any other case, a person described in any of paragraphs 19(1)(*d*) to (*g*) or 27(2)(*c*),

they may make a report to the"

(*b*) by striking out lines 33 to 35 at page 37 and substituting the following therefor:

"person named in the document is,

(*a*) in the case of a permanent resident, a person described in subparagraph 19(1)(*d*)(ii) or paragraph 19(1)(*e*) or (*g*) or 27(1)(*c*); or

(*b*) in any other case, a person described in any of paragraphs 19(1)(*d*) to (*g*) or 27(2)(*c*)."

(*c*) by striking out lines 47 and 48 at page 37 and lines 1 and 2 at page 38 and substituting the following therefor:

"section 42 of that Act, except that

(*a*) a reference in any of those provisions to "deputy head" shall be read as a reference to the Minister and the Solicitor General; and

(*b*) paragraph 50(*a*) of that Act does not apply with respect to the person concerning whom the report is made."

(*d*) by striking out lines 15 to 17 at page 39 and substituting the following therefor:

"was made is

(*a*) in the case of a permanent resident, a person described in subparagraph 19(1)(*d*)(ii) or paragraph 19(1)(*e*) or (*g*) or 27(1)(*c*), or

(*b*) in any other case, a person described in any of paragraphs 19(1)(*d*) to (*g*) or 27(2)(*c*),

the Governor in Coun-".

[*English*]

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 154

That bill C-9 be amended in Clause 80 by adding immediately after line 35 at page 37 the following:

Security Intelligence Service

"(4) Notwithstanding subsection (3), the Minister shall not cause to be filed a certificate pursuant to that subsection in respect of paragraphs 19(1)(*e*) or (*f*), or paragraphs 27(1)(*c*) or (2)(*c*) where the person believed to engage in subversion has neither used, nor advocated the use of violence."

Motion No. 155

That Bill C-9 be amended in Clause 80 by striking out lines 40 to 48 at page 37 and lines 1 and 2 at page 38 and substituting the following therefor:

"for that purpose shall hold a hearing of which sections 29 to 31 shall apply as if the hearing were being carried on before an adjudicator."

Mr. Deputy Speaker: The question is on Motion No. 151. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion, the nays have it.

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to Section 11 of Standing Order 79, the recorded division on the proposed motion stands deferred.

Motions Nos. 159 and 160 comprise the next grouping. I will now put Motion No. 159 to the House.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 159

That Bill C-9 be amended by deleting Clause 84.

[*Translation*]

Hon. Bob Kaplan (Solicitor General of Canada) moved:

Motion No. 160

That Bill C-9 be amended in Clause 84

(*a*) by striking out lines 1 to 3 at page 41 and substituting the following therefor:

"is a person described,

(*c*) in the case of a permanent resident, in subparagraph 19(1)(*d*)(ii) or paragraph 19(1)(*e*) or (*g*) or 27(1)(*c*), or

(*d*) in any case, in any paragraphs 19(1)(*d*) to (*g*) or 27(2)(*c*),

they may make a report to the"

(*b*) by striking out lines 21 to 24 at page 41 and substituting the following therefor:

"section 42 of that Act, except that

(*a*) a reference in any of those provisions, to "deputy head" shall be read as a reference to the Minister and the Solicitor General; and

(*b*) paragraph 50(*a*) of that Act does not apply with respect to the person concerning whom the report is made."

(*c*) by striking out lines 21 to 23 at page 42 and substituting the following therefor:

"in paragraph 82.1(2)(*b*) is a person described

(*a*) in the case of a permanent resident, in subparagraph 19(1)(*d*)(ii) or paragraph 19(1)(*e*) or (*g*) or 27(1)(*c*), or

(*b*) in any other case, in any of paragraphs 19(1)(*d*) to (*g*) or 27(2)(*c*),

the".

Mr. Deputy Speaker: The question is on Motion No. 159. Is it the pleasure of the House to adopt this motion?

Some Hon. Members: Yes.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Deputy Speaker: Pursuant to section 11 of Standing Order 79, the recorded division stands deferred.

The last group includes Motions Nos. 166 and 167.

• (2100)

[*English*]

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 166.

That Bill C-9 be amended by deleting Clause 90.

Motion No. 167.

That Bill C-9 be amended in Clause 90 by striking out lines 12 and 13 at page 44 and substituting the following therefor:

"(iii) activities that could reasonably be expected to constitute threats to the security of Canada".

Mr. Deputy Speaker: The question is on Motion No. 166. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Deputy Speaker: All those opposed please say nay.

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Speaker: Pursuant to Standing Order 79(11) a recorded division on the proposed motions stands deferred.

Mr. Deputy Speaker: Order. The House will now proceed to the taking of the deferred divisions at the report stage of Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto.

Call in the Members.

And the Members having been called in:

Mr. Speaker: The first vote is on Motion No. 1. Mr. Robinson, seconded by Mr. Deans, moves:

That Bill C-9 be amended by deleting Clause 1.

The House divided on the motion, which was negatived on the following division:

(*Division No. 55*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Coates
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Wright
Young—105.

NAYS

Messrs.

Appolloni (Mrs.)
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin

Messrs.

Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mme)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mme)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mme)
Lachance
Lajoie
Landers
Laniel
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro
(Hamilton-Est)
Nicholson (Mlle)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

● (2130)

Mr. Speaker: I declare the motion defeated.

Mr. Hnatyshyn: Mr. Speaker, I want to assure you that I look forward to a full and productive evening. However, I want to draw to your attention Standing Order 15(2) which states:

When the Speaker is putting a question, no Member shall enter, walk out of or across the House, or make any noise or disturbance.

Some Hon. Members: Oh, oh!

Mr. Hnatyshyn: Let us not talk about the noise or disturbance, but I believe I saw a certain government Member walk in and out of the House. I do not think that vote should be counted with respect to this matter. It was improper and should not be allowed.

Mr. Speaker: I am informed that the vote of the Hon. Member was not counted. The Chair just wishes that it could enforce all aspects of the rule cited by the Hon. Member.

The next question is on Motion No. 2. Mr. Robinson (Burnaby), seconded by Mr. Orlikow, moves:

That Bill C-9 be amended by deleting Clause 2.

The House divided on the motion which was negatived on the following division:

Security Intelligence Service

(Division No. 56)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Coates
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the
Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Wright
Young—105.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Laniel
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Loiselle
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro
(Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey

Messrs.

Rossi
Roy
Savard
Schroder
Simmons
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—122.

● (2140)

Mr. Speaker: I declare the motion defeated.

The next vote is on Motion No. 5. Mr. Allmand, seconded by Mr. Robinson (Burnaby), moves:

That Bill C-9 be amended in Clause 2 by striking out lines 30 to 46 at page 2 and lines 1 to 10 at page 3 and substituting the following therefor:

" "threats to the security of Canada" means

(*a*) espionage or sabotage directed against Canada,

(*b*) foreign activities within Canada which are harmful to the vital national interests of Canada,

(*c*) activities within or relating to Canada involving the threat or use of acts of serious violence against persons or property for the purpose of achieving political objectives within Canada,

(*d*) activities within Canada directed toward or in support of the threat or use of acts of serious violence against persons or property for the purposes of achieving a political objective in a foreign state where such activities are prejudicial to the safety, defence or foreign policy of Canada, and

(*e*) covert unlawful acts directed toward the destruction or overthrow by violence of the constitutionally established system of government in Canada,

but does not include lawful advocacy, protest or dissent."

The House divided on the motion, which was negatived on the following division.

(*Division No. 57*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Coates
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Wright
Young—105.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—120.

● (2150)

Mr. Speaker: I declare the motion defeated.

The next vote is on Motion No. 6. Mr. Robinson (Burnaby), seconded by Mr. Orlikow, moves:

That Bill C-9 be amended in Clause 2 by striking out lines 36 to 40 at page 2.

The House divided on the motion, which was negatived on the following division:

(*Division No. 58*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Coates

Messrs.

Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby
(Halifax West)
Crouse
Dantzer
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Wright
Young—105.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro
(Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

Security Intelligence Service

● (2200)

Mr. Speaker: I declare the motion defeated.

The next vote is on Motion No. 7. Mr. Robinson (Burnaby), seconded by Mr. Orlikow, moves:

That Bill C-9 be amended in Clause 2 by striking out lines 41 to 46 at page 2.

The House divided on the motion, which was negatived on the following division:

(*Division No. 59*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Coates
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro
(Esquimalt-Saanich)
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Wright
Young—104.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)

Messrs.

Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

Mr. Speaker: I declare the motion defeated.

The next vote is on Motion No. 8. Mr. Robinson (Burnaby), seconded by Mr. Orlikow, moves:

That Bill C-9 be amended in Clause 2 by striking out lines 1 to 6 at page 3.

The House divided on the motion, which was negatived on the following division:

(*Division No. 60*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—103.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

● (2210)

Mr. Speaker: I declare the motion defeated.

The next vote is on Motion No. 9. Mr. Robinson (Burnaby), seconded by Mr. Orlikow, moves:

That Bill C-9 be amended in Clause 2 by striking out lines 8 to 10 at page 3 and substituting the following therefor:

"or dissent."

The House divided on the motion, which was negatived on the following division:

(*Division No. 61*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans

Messrs.

de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—102.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro
(Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

● (2220)

Mr. Speaker: I declare the motion defeated.

Security Intelligence Service

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, I ask unanimous consent of the House to have the results of the last vote apply to all other amendments except 61, 96, 153 and 160.

[*English*]

Mr. Speaker: The proposal of the President of the Privy Council (Mr. Pinard)—

Mr. Deans: I am sorry, Mr. Speaker, but I did not understand what the President of the Privy Council (Mr. Pinard) said.

Mr. Pinard: Mr. Speaker, I am not surprised. I am proposing that the same recorded division apply to all other amendments except Motions Nos. 61, 96, 153 and 160.

Some Hon. Members: Hear, hear!

Mr. Deans: No, Mr. Speaker, that is not acceptable. However, I would suggest that there might be a disposition of the House to apply the vote that was just recorded for Motion No. 9 to Motions Nos. 10, 12, 14 and 17.

Mr. Speaker: Is there unanimous agreement of the House that the vote which was applied to Motion No. 9 apply to Motions Nos. 10, 12, 14 and 17?

Some Hon. Members: Agreed.

[*Translation*]

Mr. Pinard: Mr. Speaker, we want to make it clear that we are prepared to accede to any request that a negative vote apply to all amendments except 61, 96, 153 and 160, which are Government motions on which we want separate votes. We therefore suggested applying the same vote to all other motions by Opposition Members. This was turned down!

My hon. friend is moving a motion that applies only to two or three other amendments. Of course we agree, but it is not much of a proposal. It is a very modest one. However, I want to give him the assurance that, if he has any similar requests later on, we are prepared to keep the number of votes to a minimum, because we feel this is a lot of childish manœuvring by the New Democratic Party, which is making a laughing stock of our Parliamentary institutions.

Some Hon. Members: Hear, hear!

[*English*]

Mr. Speaker: Is there unanimous agreement that the vote which applied to Motion No. 9 apply to Motion No. 10?

Some Hon. Members: Agreed.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 10.

That Bill C-9 be amended by deleting Clause 3.

Security Intelligence Service

The House divided on the motion, which was negatived on the following division:

(*Division No. 62*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—102.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

Mr. Speaker: I declare Motion No. 10 defeated.

Is there agreement that the vote which applied to Motion No. 9 apply to Motion No. 12?

Some Hon. Members: Agreed.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 12.

That Bill C-9 be amended by deleting Clause 4.

The House divided on the motion, which was negatived on the following division:

(*Division No. 63*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—102.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)

Messrs.

Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

Mr. Speaker: I declare Motion No. 12 defeated.

Is there unanimous consent that the vote which applied to Motion No. 9 apply to Motion No. 14?

Some Hon. Members: Agreed.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 14.

That Bill C-9 be amended in Clause 4 by striking out line 22 at page 3 and substituting the following therefor:

"appoint the Director of the Service, after consultation by the Prime Minister of Canada with the Leader of the Opposition in the House of Commons of each party having at least 12 Members in that House."

The House divided on the motion, which was negatived on the following division:

(*Division No. 64*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—102.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

Mr. Speaker: I declare Motion No. 14 defeated.

Is there unanimous consent that the vote which applied to Motion No. 9 apply to Motion No. 17?

Some Hon. Members: Agreed.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 17.

That Bill C-9 be amended by deleting Clause 6.

The House divided on the motion, which was negatived on the following division:

Security Intelligence Service

(Division No. 65)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—102.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

Mr. Speaker: I declare Motion No. 17 defeated.

The votes which have carried will dispose of Motions Nos. 16, 20, 25, 26, 28 and 35.

Mr. Deans: Mr. Speaker, for the purposes of clarification, I want to be sure that, in indicating that they be applied to the motions which I indicated, they be recorded as if the vote had been taken.

Mr. Speaker: The Chair very carefully called it so that the vote would be recorded, and declared the motion defeated in each case. The Chair has also—

Mr. Skelly: Mr. Speaker, since I came in at this point, prior to the decision of the Chair, I would like to know whether or not my name can be included?

Some Hon. Members: No.

Mr. Speaker: It was agreed that the votes as agreed to will stand. The Chair is repeating again, for the benefit of Hon. Members, that Motions Nos. 16, 20, 25, 26, 28 and 35 have been disposed of as a consequence of the votes which have been taken and recorded.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 16.

That Bill C-9 be amended by deleting Clause 5.

The House divided on the motion, which was negatived on the following division:

(Division No. 66)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)

Messrs.

McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—102.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 20.

That Bill C-9 be amended by deleting Clause 7.

The House divided on the motion which was negatived on the following division:

(*Division No. 67*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—102.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 25.

That Bill C-9 be amended by deleting Clause 9.

Security Intelligence Service

The House divided on the motion which was negatived on the following division:

(*Division No. 68*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—102.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 26.

That Bill C-9 be amended by deleting Clause 10.

The House divided on the motion which was negatived on the following division:

(*Division No. 69*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—102.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet

Messrs.

Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro
(Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 28.

That Bill C-9 be amended by deleting Clause 11.

The House divided on the motion which was negatived on the following division:

(*Division No. 70*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—102.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro
(Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 35.

That Bill C-9 be amended by deleting Clause 14.

The House divided on the motion which was negatived on the following division:

(*Division No. 71*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper

Security Intelligence Service

Messrs.

Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—102.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro
(Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Prud'homme
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—121.

Mr. Speaker: The next vote will be on Motion No. 13. Mr. Fraser, seconded by Mr. Thacker, moves:

That Bill C-9 be amended in Clause 4 by striking out line 22 at page 3 and substituting the following therefor: "appoint the Director of the Service, who, subject to subsection 6(1), has the operational responsibility for the Service."

The House divided on the motion, which was negatived on the following division:

(Division No. 72)

YEAS

Messrs.

Andre
Beatty
Blenkarn
Bosley
Bradley
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby
(Halifax West)
Crouse
Darling
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Hees
Hnatyshyn
Howie
Kempling
Kilgour
King
Lambert
La Salle
Lawrence
Lewis
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Mazankowski
McCain
McCuish
McDermid
McKinnon
McKnight
McLean
McMillan
Mitges
Munro
(Esquimalt-Saanich)
Neil
Nickerson
Nielsen
Nowlan
Oberle
Patterson
Reid
(St. Catharines)
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Wenman
Wilson
Wise—76.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McRae
Munro
(Hamilton East)
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—115.

● (2230)

Mr. Speaker: I declare the motion lost.

Mr. Hnatyshyn: Mr. Speaker, it appears that the New Democratic Party is now abstaining on motions against the Government. I take it that this is an indication that it now is apparently supporting the Government with respect to its legislation, since it has refused to take a stand.

Mr. Speaker: I do not think the Hon. Member is making a point of order. Does the Hon. Member have a proposal with respect to the votes?

Mr. Hnatyshyn: Well, I was wondering whether, in view of that circumstances, we might take a ten-minute break at this point in time, with unanimous consent, of course, in order to find out where the New Democratic Party stands on this Bill, or whether those Hon. Members are just fooling around and playing games.

Mr. Speaker: Is there unanimous consent for a ten-minute break?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: There does not appear to be unanimous consent.

Mr. Nowlan: Mr. Speaker, on the same point of order.

Mr. Speaker: The Hon. Member for Annapolis Valley-Hants (Mr. Nowlan).

Mr. Nowlan: Thank you, Mr. Speaker, on the same point of order, but a different tack.

Some Hon. Members: Oh, oh!

Mr. Nowlan: I think the House should consider seriously the proposal laid before the House—and ignored by the New Democratic Party—by the Government House Leader, whom I have personally always admired, but with whom I have often disagreed. But in terms of this present charade and circus, he had a proposal which would expedite proceedings and let this Chamber retain a little respect because, quite frankly, Mr. Speaker, we need more than a new Liberal Leader to make sure the reforms of this House make some sense. This is absolutely stupid.

Some Hon. Members: Hear, hear!

Mr. Speaker: The Chair calls to the attention of Hon. Members that there has to be unanimous consent for proposals to be adopted.

Mr. Lawrence: Mr. Speaker, my understanding is that you are not ringing the bells with the unanimous consent of the House. I would therefore request that you ring the bells.

Some Hon. Members: No bells!

Mr. Speaker: The next question is on Motion No. 19. The Chair has had a number of appeals of order, which I hope are well founded. The Hon. Member for Esquimalt-Saanich (Mr. Munro).

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, since there seems to be no disposition to alter the form of our vote at this particular time, may I seek unanimous consent of the House to relieve the staff of the cafeteria from duty so that they may go home and get some sleep, if the rest of us cannot?

Mr. Speaker: Is there unanimous consent for the Hon. Member's motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: There is not unanimous consent.

The next question is on Motion No. 19.

Mr. Robinson (Burnaby): Point of order.

Mr. Speaker: I am putting the Hon. Member's motion. Does he have a problem?

Some Hon. Members: Hear, hear!

Mr. Robinson (Burnaby): Mr. Speaker, on the point of order, if the Conservative Party wants to co-operate with the Liberals in smashing civil liberties in this country—

Some Hon. Members: Oh, oh!

Mr. Speaker: Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves—shall I dispense?

Some Hon. Members: Agreed.

Some Hon. Members: No.

● (2240)

Mr. Speaker: The next vote is on Motion No. 19. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended in Clause 6

(a) by striking out lines 34 to 36 at page 4 and substituting the following therefor:

"to the service, and shall issue such written directions on general operational policies of the service including without limiting the generality of the foregoing subsection

(a) policies with respect to the use of undercover operatives by the service;

(b) policies with respect to the use of physical surveillance by the service;

(c) policies with respect to training of employees;

(d) policies establishing minimization procedures for warrants issued under this Act,

and a copy of any such direction shall forthwith after it has been issued be given to the Review Committee.

(b) by adding immediately after line 40 at page 4, the following:

"(4) The director shall keep the minister fully and currently informed of all operations of the service."

The House divided on the motion, which was negatived on the following division:

Security Intelligence Service

(Division No. 73)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—104.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—119.

Mr. Speaker: I declare the motion defeated.

Mr. Deans: Mr. Speaker, perhaps you might seek unanimous consent to have the vote recorded for Motion No. 19 as applying to Motions No. 22, 30, 33 and 36.

Mr. Speaker: Is there unanimous agreement that the vote on Motion No. 19 apply to Motion No. 22?

Mr. Hnatyshyn: Mr. Speaker, I do not quite understand the proposal. I have a sheet of paper here from the—

Mr. Speaker: The Chair, I think, understands the proposal. Is there agreement that the vote applying to Motion No. 19 also applies to Motion No. 22?

Some Hon. Members: Agreed.

Mr. Speaker: Agreed and so ordered. I declare Motion No. 22 defeated.

Is there agreement that the vote on Motion No. 19 also applies to Motion No. 30?

Mr. Hnatyshyn: Mr. Speaker, the proposal presented to us by the Hon. Member for Hamilton Mountain (Mr. Deans) involved Motions Nos. 22, 23 and 24, not Motions Nos. 30, 33 and 36. It is either that, or he has given me information which is not on the proposal put forward—

Mr. Speaker: The Chair understands that we all have a little difficulty at this hour, and I am sure the Hon. Member for Saskatoon West (Mr. Hnatyshyn) does, too. The Chair is going stage by stage. Can the vote applying to Motion No. 19 also apply to Motion No. 30? Is there unanimous agreement?

Mr. Hnatyshyn: Mr. Speaker, I simply think that we should adjourn this House for ten minutes so I can consult with my colleague and find out exactly what he has in mind. It is not in accordance with the proposal he gave to me on paper. We may be able to resolve it faster.

• (2250)

Mr. Speaker: Obviously the Chair is not a party to private discussions that have taken place. The Chair distinctly heard a proposal for the vote which applied to Motion No. 19 also apply to Motions Nos. 22, 30, 33 and 36. The Chair is testing to see if there is unanimous consent of the House that these votes be so reported.

Some Hon. Members: No.

Mr. Speaker: There is not.

Mr. Deans: I am sorry if I confused my colleague. I did not intend to.

An Hon. Member: That is easy to do.

Mr. Deans: No, it is not easy to do. It just happened. It may well be that the paper is different. The paper was a photocopy of what I was working from. It was my intention earlier to have the vote as recorded for Motion No. 24 apply to Motion No. 30. I recognized that the same vote that applied to Motion No. 19 could equally apply to Motion No. 30, so I included it in the numbers, that was all. However, if you will apply it to Motion No. 22, I will communicate with my colleague and we will straighten it out. Just apply it to Motion No. 22 and we will go on to Motion No. 23.

Mr. Speaker: Is there agreement that the vote which applied to Motion No. 19 also apply to Motion No. 22?

Some Hon. Members: Agreed.

Mr. Speaker: By unanimous agreement I declare that the vote which applied to Motion No. 19 also applies to Motion No. 22. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

Motion No. 22.

That Bill C-9 be amended by deleting Clause 8.

The House divided on the motion, which was negatived on the following division:

(*Division No. 74*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—104.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro (Hamilton East)
Nicholson (Miss)
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—119.

Mr. Speaker: I declare the motion defeated.

The next vote is on Motion No. 23. Mr. Robinson (Burnaby), seconded by Mr. Blaikie, moves:

Motion No. 23.

That Bill C-9 be amended in Clause 8 by striking out line 23 at page 5 and substituting the following therefor:

"of their employment, provided that, subject to the reasonable factors permitted under the Canadian Human Rights Act, there shall be no discrimination on the basis of race, colour, national or ethnic origin, religion, sex, marital status, family status, sexual orientation, disability, political belief or conviction for which a pardon has been granted, and".

The House divided on the motion, which was negatived on the following division:

(*Division No. 75*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser

Messrs.

Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—103.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Landers
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro
(Hamilton East)
Nicholson (Miss)
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Trudeau
Turner
Veillette
Watson
Weatherhead
Whelan—118.

Mr. Speaker: I declare the motion defeated.

The next vote is on Motion No. 24. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

Motion No. 24.

That Bill C-9 be amended in Clause 8

(*a*) by striking out line 23 at page 5 and substituting the following therefor:

"of their employment, without denying collective bargaining rights of the said employees, and"

(*b*) by striking out line 3 at page 6 and substituting the following:

"(4) The Governor-in-Council shall make".

The House divided on the motion, which was negatived on the following division:

(*Division No. 76*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—103.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins

Messrs.

Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Landers
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Munro
(Hamilton East)
Nicholson (Miss)
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan—115.

● (2300)

Mr. Speaker: I declare the motion defeated.

Mr. Deans: Mr. Speaker, I would ask that you seek unanimous consent to have the vote just recorded applied and recorded for motion No. 30.

Mr. Speaker: Is there unanimous consent that the vote which applied to Motion No. 24 should apply to Motion No. 30?

Mr. Hnatyshyn: No.

Mr. Speaker: There is not unanimous consent.

The next vote is on Motion No. 30. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended by deleting Clause 12.

The House divided on the motion, which was negatived on the following division:

(*Division No. 77*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hees
Hnatyshyn
Hovdebo
Howie
Keeper
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—98.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan—118.

● (2310)

Mr. Speaker: I declare the motion defeated.

The next vote is on Motion No. 31. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended in Clause 12

(a) by striking out lines 1 to 5 at page 7 and substituting the following therefor:

"12.(1) The service shall collect, analyze and retain to the extent only that is strictly necessary information and intelligence respecting activities that may on reasonable and probable grounds be"

(b) by adding immediately after line 9 at page 7 the following:

"(2) It shall not be a function of the service to carry out measures to enforce security."

The House divided on the motion, which was negative on the following division:

Security Intelligence Service

(Division No. 78)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Knowles
Kristiansen
Lambert
La Salle
Lawrence
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—101.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan—115.

• (2320)

Mr. Speaker: I declare the motion defeated.

Mr. Deans: Mr. Speaker, I would seek the consent of the House to have the vote which we have taken on Motion No. 31 applied to Motions Nos. 33 and 36.

Mr. Hnatyshyn: No.

Mr. Speaker: There is not unanimous consent.

The next vote is on Motion No. 32. Mr. Fraser, seconded by Mr. Friesen, moves:

That Bill C-9 be amended in Clause 12 by striking out line 3 at page 7 and substituting the following therefor:

"strictly necessary for the purpose of protecting the security of Canada, and analyse and retain".

The House divided on the motion, which was negatived on the following division:

(Division No. 79)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lambert
La Salle
Lawrence
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nystrom
Oberle
Ogle
Orlikow
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—99.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)

Messrs.

Dubois
Duclos
Dupont
Dupras
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Landers
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Olivier
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan—114.

● (2330)

Mr. Speaker: I declare the motion defeated.

Mr. Deans: Mr. Speaker, I would like to suggest that perhaps there would be a disposition in the House to give unanimous consent to have the vote as recorded on Motion No. 32 applied to Motions Nos. 33 and 36.

Mr. Hnatyshyn: Mr. Speaker, the answer to that request is no.

Mr. Speaker: The next vote is on Motion No. 33. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended by deleting Clause 13.

The House divided on the motion, which was negatived on the following division:

(*Division No. 80*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Cooper
Cossitt (Mrs.)
Crombie
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lambert
La Salle
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
McMillan
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nystrom
Oberle
Ogle
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—90.

NAYS

Messrs.

Axworthy
Bachand
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bossy
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Landers
Lapointe
(Charlevoix)
Lawrence
LeBlanc
Leduc
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ostiguy
Ouellet
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan—105.

Mr. Speaker: I declare the motion defeated.

The next vote is on Motion No. 34. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended in Clause 13 by striking out lines 22 to 31 at page 7.

The House divided on the motion, which was negatived on the following division:

(*Division No. 81*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark
(Yellowhead)
Clark
(Brandon-Souris)
Coates
Cooper
Cossitt (Mrs.)
Crombie

Messrs.

Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nystrom
Oberle
Ogle
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—94.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ostiguy
Ouellet
Pelletier
Penner
Peterson
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tousignant
Veillette
Watson
Weatherhead
Whelan—106.

● (2340)

Mr. Ellis: Mr. Speaker, while I know that the able staff are doing a superb job under the circumstances, I distinctly heard the Clerk call out Mr. De Bané who is obviously not here. I think the Clerk made a mistake.

Mr. Speaker: By agreement, the vote of Mr. De Bané will be stricken from the record.

Mr. Domm: Mr. Speaker, I know it was probably an oversight, but I noticed that the Hon. Member for Welland (Mr. Parent) clearly arrived after the vote had started and the Leader of the New Democratic Party (Mr. Broadbent) had cast his vote. The Hon. Member for Welland did enter the House then, and I am sure you would not want to record his vote.

Mr. Parent: He is right.

Some Hon. Members: Hear, hear!

Mr. Speaker: I declare the motion defeated.

Mr. Deans: Mr. Speaker, I would like to seek unanimous consent to have the vote as recorded for Motion No. 34 apply to Motion No. 36.

Mr. Speaker: The Hon. Member for Saskatoon West (Mr. Hnatyshyn) on his predictable response.

Mr. Hnatyshyn: Mr. Speaker, the answer to that request is no.

Mr. Speaker: The next question is on Motion No. 36. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

Motion No. 36.

That Bill C-9 be amended by deleting Clause 15.

The House divided on the motion, which was negatived on the following division:

(*Division No. 82*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bradley
Clark (Yellowhead)
Clark (Brandon-Souris)
Coates
Cooper
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Domm
Ellis
Elzinga
Epp
Fennell
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lambert
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Neil
Nickerson
Oberle
Ogle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Victoria-Haliburton)
Siddon
Skelly
Speyer
Taylor
Towers
Vankoughnet
Waddell
Wenman
Wilson
Young—81.

NAYS

Messrs.

Appolloni (Mrs.)	Evans	MacBain
Axworthy	Ferguson	MacEachen
Bachand	Fisher	MacGuigan
Baker	Fleming	Mackasey
Beauchamp-Niquet (Mrs.)	Flis	MacLaren
Bégin (Miss)	Foster	MacLellan
Blais	Fox	Malépart
Bockstael	Frith	Maltais
Bossy	Garant	Marceau
Breau	Gauthier	Massé
Burghardt	Gendron	Masters
Campbell (Miss) (South West Nova)	Gingras	McCauley
Campbell (LaSalle)	Gourd (Argenteuil-Papineau)	McRae
Campbell (Cardigan)	Gourde (Lévis)	Nicholson (Miss)
Corbin	Gray	Ostiguy
Corriveau	Guilbault	Ouellet
Cosgrove	Harquail	Parent
Côté (Mrs.)	Henderson	Pelletier
Cousineau	Herbert	Penner
Cullen	Hervieux-Payette (Mrs.)	Peterson
Daudlin	Hopkins	Pinard
Dawson	Hudecki	Portelance
De Bané	Isabelle	Regan
de Corneille	Ittinuar	Reid (Kenora-Rainy River)
Demers	Johnston	Robinson (Etobicoke-Lakeshore)
Deniger	Joyal	Rompkey
Desmarais	Kaplan	Rossi
Dingwall	Kelly	Roy
Dion	Killens (Mrs.)	Savard
Dionne (Chicoutimi)	Lachance	Schroder
Dubois	Lajoie	Simmons
Duclos	Landers	Smith
Dupras	Lapierre	Tardif
Duquet	Lapointe (Charlevoix)	Tessier
Erola (Mrs.)	Lawrence	Tousignant
Ethier	Leduc	Turner
	Lefebvre	Veillette
	Lumley	Watson
		Weatherhead
		Whelan—114.

● (2350)

Mr. Speaker: I declare the motion defeated.

[*Translation*]

Mr. Pinard: Mr. Speaker, I hope you did not record the votes of the Members for Yukon, Calgary Centre, Vancouver Centre and Lanark-Renfrew-Carleton (Mr. Nielsen, Mr. Andre, Miss Carney and Mr. Dick). The first three left the House during the division and the last Hon. Member was not in his seat.

[*English*]

May I draw to your attention, Mr. Speaker, Citation 223(2) of Beauchesne's Fifth Edition which reads as follows:

A Member must be in his own seat should he wish to vote and should remain in his seat until the division is complete and the result announced.

That rule was applied very strictly to me on the first vote. I would hope that it would be applied to Members on the other side. I would like to make sure that the Hon. Member for Yukon (Mr. Neilsen), the Hon. Member for Calgary Centre (Mr. Andre), the Hon. Member for Vancouver Centre (Miss Carney) and the Hon. Member for Lanark-Renfrew-Carleton (Mr. Dick) will not be counted in this vote.

Some Hon. Members: Hear, hear!

Mr. Nielsen: Mr. Speaker, I must confess to a weakness which overwhelmed me after the Opposition had voted. I could not wait after the Deputy Prime Minister (Mr. MacEachen) rose, so, indeed, I was not present for the entire count.

Mr. Speaker: For the information of the Hon. Members who have been named, the practice is to invite them to make a statement. Members are taken at their word.

Miss Carney: Mr. Speaker, I support the position of the Hon. Member for Yukon (Mr. Neilsen).

Mr. Andre: Me, too.

Mr. Dick: Mr. Speaker, I remained in the Chamber for the entire vote, but did move forward one seat to discuss a matter with my House Leader about the ridiculous procedures that the NDP has forced us into tonight. It is a desecration of Parliament.

Some Hon. Members: Hear, hear!

Mr. Dick: Mr. Speaker, I have noticed a number of other Members moving and, as far as I am concerned, it is a disgrace to Parliament which has only been brought since Mr. Deans came here. It never happened in the 12 years before that.

Some Hon. Members: Hear, hear!

Mr. Speaker: The Hon. Member for Peterborough (Mr. Domm) on a point of order.

Mr. Deans: Mr. Speaker, I rise on a point of order.

Mr. Speaker: The Chair has recognized the Hon. Member for Peterborough on a point of order. The Chair will then recognize the Hon. Member for Hamilton Mountain (Mr. Deans).

Mr. Domm: Mr. Speaker, I am sure that while we are straightening things out and clearing difficulties up, you will want to be made aware of the fact that the Hon. Member for Gaspé (Mr. Cyr) entered the House after the first vote has been cast by the New Democratic Party in the last vote.

[*Translation*]

Mr. Cyr: Mr. Speaker, I was just at the last seat when the division started and I went behind the curtains.

[*English*]

Mr. Speaker: The Hon. Member for Gaspé (Mr. Cyr) by his own admission was not in his seat and his vote will not be counted.

Mr. Deans: Mr. Speaker, my point of order is twofold. First, the Hon. Member for Lanark-Renfrew-Carleton (Mr. Dick) referred to me by name which you will know is out of order according to the Standing Orders. The second point that I would like to make, over the noise of the Hon. Member for Yukon (Mr. Nielsen), is that while it might be claimed that the voting procedures in the House of Commons came about

after I arrived, I think perhaps those procedures predated my arrival.

Mr. Speaker: The Hon. Member is perfectly right; the practice is not to refer to Hon. Members by their names, but by their constituencies. With these modifications to the vote, the Clerk will now announce the results.

Mr. Hawkes: Mr. Speaker, I rise on a point of order.

Mr. Speaker: The Chair is trying to establish a count and is having enough difficulty. Will the Hon. Member please resume his seat for the moment?

I declare the motion defeated.

• (2400)

The Hon. Member for Calgary West on a point of order.

Mr. Hawkes: Mr. Speaker, I heard the House Leader for the Government read out the regulations. It seemed to me that until the vote was announced anyone who left their chair could not be counted. I see many Hon. Members behind the curtain. Were their votes counted?

Mr. Speaker: The Chair has had enough difficulty trying to bring some order out of this. I am sure Hon. Members recognize the need to stay in their places while a vote is being taken. There are certain difficulties when one gets to the hour of midnight. Hon. Members will bear in mind that the Chair is trying to interpret the rules as fairly as possible.

The next question is on Motion No. 37, Mr. Robinson (Burnaby) seconded by Mr. Fulton. Shall I dispense?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: The House Leader of the New Democratic Party indicated by note that I could dispense. The Hon. Member for Burnaby (Mr. Robinson) sends me a note stating he wants them all read. Will the Hon. Members please tell me what they want to do?

Mr. Deans: Mr. Speaker, as far as we are concerned, you can dispense with the reading of the motions.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 37.

That Bill C-9 be amended in Clause 15 by striking out line 46 at page 7 and substituting the following therefor:

"section 13 or advice pursuant to section 14, utilizing only such techniques as are approved by the minister by regulation, such techniques not to include the use of undercover operatives or those for which a warrant is required under section 21 of this Act."

The House divided on the motion, which was negatived on the following division:

(*Division No. 83*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Broadbent
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McLean
McMillan
Miller
Munro (Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nystrom
Oberle
Ogle
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—88.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Robinson (Etobicoke-Lakeshore)
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan—114.

Mr. Speaker: I declare the motion lost.

Mr. McRae: Point of order.

Mr. Speaker: The Hon. Member for Thunder Bay-Atikokan (Mr. McRae) on a point of order.

Mr. McRae: Mr. Speaker, I rise because I consider the proceedings are getting ridiculous. It seems to me that we have all made our point. I would suggest that the three House Leaders absent themselves from the next vote. I would be glad to absent myself as well so the two Opposition Parties would not consider there was a unevenness between the two sides. Perhaps the House Leaders can come to some agreement as to how this thing can be ended. I do not believe the public of Canada finds this a very pleasant proceeding and finds it ridiculous.

All I am suggesting is that three House Leaders absent themselves for a few moments. I would be glad to do what I said I would do, absent myself from the vote so there would be no unevenness. Let us see if we can come to some reasonable conclusion to what is becoming a farce.

Some Hon. Members: Hear, hear!

Mr. Speaker: The Hon. Member for Burnaby (Mr. Robinson).

Some Hon. Members: Oh, oh!

Mr. Speaker: Order. Order, please. The Hon. Member for Burnaby has the floor.

Mr. Robinson (Burnaby): Mr. Speaker, on the point of order, I would suggest to those Hon. Members who are concerned that they read the Bill and they will understand why this is happening tonight.

Mr. Speaker: The next question is on Motion No. 38. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended by deleting Clause 16.

The House divided on the Motion which was negatived on the following division:

(Division No. 84)

YEAS

Messrs.

Althouse	de Jong	Hawkes
Andre	Dick	Heap
Anguish	Domm	Howie
Beatty	Ellis	Keeper
Blaikie	Elzinga	Kempling
Blenkarn	Epp	Kilgour
Bosley	Fennell	King
Bradley	Forrestall	Kristiansen
Broadbent	Fraser	Lambert
Carney (Miss)	Fretz	Lawrence
Clark (Brandon-Souris)	Friesen	Lewis
Cooper	Fulton	Lewycky
Corbett	Gamble	MacDonald (Miss) (Kingston and the Islands)
Cossitt (Mrs.)	Greenaway	MacDougall
Crosby (Halifax West)	Gustafson	Malone
Crouse	Halliday	Mazankowski
Darling	Hamilton (Qu'Appelle-Moose Mountain)	McCain
Deans	Hargrave	McCuish
		McDermid
McDonald (Ms.) (Broadview-Greenwood)	Nystrom	Scott (Victoria-Haliburton)
McKinnon	Oberle	Shields
McKnight	Ogle	Skelly
McLean	Parker	Stewart
McMillan	Patterson	Taylor
Miller	Reid (St. Catharines)	Thacker
Mitges	Riis	Towers
Munro (Esquimalt-Saanich)	Robinson (Burnaby)	Vankoughnet
Neil	Sargeant	Waddell
Nickerson	Schellenberger	Wenman
Nielsen	Scott (Hamilton-Wentworth)	Wilson
Nowlan		Wise
		Young—91.

NAYS

Messrs.

Appolloni (Mrs.)	Ethier	Lefebvre
Axworthy	Evans	Lumley
Bachand	Ferguson	MacBain
Beauchamp-Niquet (Mrs.)	Fisher	MacEachen
Blais	Fleming	MacGuigan
Bockstael	Flis	Mackasey
Bossy	Foster	MacLaren
Breau	Fox	MacLellan
Burghardt	Frith	Maltais
Campbell (Miss) (South West Nova)	Garant	Marceau
Campbell (LaSalle)	Gauthier	Massé
Campbell (Cardigan)	Gendron	Masters
Collenette	Gingras	McCauley
Comtois	Gourde (Lévis)	McRae
Corbin	Gray	Nicholson (Miss)
Corriveau	Guilbault	Ostiguy
Côté (Mrs.)	Harquail	Ouellet
Cousineau	Henderson	Parent
Cullen	Herbert	Pelletier
Cyr	Hervieux-Payette (Mrs.)	Penner
Daudlin	Hopkins	Peterson
Dawson	Hudecki	Pinard
De Bané	Isabelle	Regan
de Corneille	Ittinuar	Reid (Kenora-Rainy River)
Demers	Johnston	Robinson (Etobicoke-Lakeshore)
Deniger	Joyal	Rompkey
Desmarais	Kaplan	Rossi
Dingwall	Kelly	Roy
Dion	Killens (Mrs.)	Savard
Dionne (Chicoutimi)	Lachance	Schroder
Dubois	Lajoie	Smith
Duclos	Landers	Tardif
Dupont	Lapierre	Tessier
Dupras	Lapointe (Charlevoix)	Tousignant
Duquet	LeBlanc	Turner
	Leduc	Watson
		Weatherhead—108.

● (0010)

Mr. Speaker: I declare the motion defeated.

Mr. Deputy Speaker: The next vote is on Motion No. 39. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended in Clause 16

(a) by striking out line 8 at page 8 and substituting the following therefor:

"capabilities, intentions or activities of any foreign power or agent of a foreign power".

(b) by striking out lines 19 to 22 at page 8.

(c) by adding immediately after line 31 at page 8 the following:

"(4) The service shall cease immediately the use of any technique for which a warrant is required under section 21 of this Act when obtaining information pursuant to sub-section 1 when performing its duties and functions under sub-section 1 immediately upon learning that the interception involves a communication involves a Canadian citizen or a permanent resident within the meaning of the immigration Act 1976 is a party.

Security Intelligence Service

(5) The service shall not for the purpose of this or any other section of this Act be authorized to receive information from the communications security establishment which has been obtained by the interception of communications of Canadian citizens or permanent resident within the meaning of the Immigration Act 1976."

The House divided on the motion which was negatived on the following division.

(Division No. 85)

YEAS

Messrs.

Althouse
Anguish
Beatty
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Nickerson
Nielsen
Nystrom
Oberle
Ogle
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wilson
Wise
Young—89.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan—108.

● (0020)

Mr. Speaker: I declare the motion lost.

The next question is on Motion No. 40. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended by deleting Clause 17.

The House divided on the motion, which was negatived on the following division:

(Division No. 86)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fretz
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lambert
La Salle
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wilson
Wise
Young—90.

NAYS

Messrs.

Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray

Messrs.

Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ostiguy
Ouellet
Parent
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan—108.

● (0030)

Mr. Speaker: I declare the motion defeated.

Mr. Lawrence: Mr. Speaker, I rise on a point of order. I think, by the actions of the House tonight, we are in grave danger of having the whole evening declared null and void, simply on the ground, if no other, that it requires the unanimous consent of the House to dispense with the ringing of the bells before a vote. I am sure it does.

Mr. Speaker: I call to the attention of the Hon. Member that this is report stage and these are deferred votes. The bell has rung and the usual practice is that which is being followed.

The next vote is on Motion No. 41. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended in Clause 17 by striking out line 5 at page 9 and substituting the following therefor:

"(2) Where an arrangement or other form of co-operation is".

The House divided on the motion, which was negatived on the following division:

(Division No. 87)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
de Jong
Dick
Domm
Ellis
Elzinga
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lambert
La Salle
Lawrence
Lewis
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nystrom
Oberle
Ogle
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Scott (Hamilton-Wentworth)
Shields
Siddon
Skelly
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wilson
Wise
Young—84.

Security Intelligence Service

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cullen
Cyr
Dawson
de Corneille
Demers
Deniger
Desmarais
Dion
Dionne (Chicoutimi)
Dubois
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ouellet
Parent
Peterson
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan—100.

Mr. Speaker: I declare the motion defeated.

Mr. Dick: Mr. Speaker, I rise on a point of order. In accordance with the decisions already made in the House, I think the Hon. Member for Roberval (Mrs. Beauchamp-Niquet) should be discounted from voting as she came after the vote was well under way.

I would also like to bring to the attention of the House the fact that all Members at that end of the Government side who are having sandwiches and cokes should do so outside, like everyone else on this side of the House, because they may even lose a few motions. I do not think that food should be brought into the House. At least, those are the rules we have heard.

Mr. Speaker: The Hon. member is perfectly right. Food is not to be brought into the House. The Chair is not aware of any food being brought into the House. However, the Chair can only observe a certain amount.

As far as the Hon. Member for Roberval (Mrs. Beauchamp-Niquet) is concerned—

[*Translation*]

Does the Hon. Member for Roberval (Mrs. Beauchamp-Niquet) agree with what the Hon. Member just said? Yes or no?

Mrs. Beauchamp-Niquet: Yes, Mr. Speaker, I was outside.

[*English*]

Mr. Masters: Mr. Speaker, I rise on a point of order. I wonder if the Hon. Member for Simcoe South (Mr. Stewart) might wish to have his vote not reported, as he came long after the vote started.

Mr. Speaker: Does the Hon. Member for Simcoe South have anything to say in relation to the matter? Obviously, the vote of the Member for Simcoe South and the vote of the Member for Roberval will be discounted.

The motion is still defeated and the vote will be amended accordingly.

● (0040)

Mr. Speaker: The next vote is on Motion No. 42. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended by deleting Clause 18.

The House divided on the motion, which was negatived on the following division:

(*Division No. 88*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
King
Kristiansen
Lambert
La Salle
Lawrence
MacDougall
Malone
Manly
Mazankowski
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Neil
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Ogle
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Speyer
Taylor
Thacker
Towers
Vankoughnet
Waddell
Young—85.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Desmarais
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupras
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lajoie
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Masters
McCauley
McRae
Nicholson (Miss)
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan—108.

Mr. Speaker: I declare the motion defeated.

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. I wanted to raise with you at this point in time the question of the appropriateness of having votes take place without the vote having been called with respect to the motions before us. The point of order I raise is based on your observation that the Order does provide that 15 minutes before the time of expiry of the day of debate on any stage the motions will be put without further debate. I accept that as being the nature and effect of the Order we have before us.

But, Mr. Speaker, what we have now is deferral of certain groupings of votes which have taken place on the basis of your ruling during the course of the deliberations which we have had at report stage. There are certain consequences that flow as a result of a certain negative vote with respect to those groupings. The results in many instances are that if there is a negative vote with respect to a particular vote where it is a vote on which we commenced the grouping, the Speaker will then call individual motions.

I submit to you, Sir, with the greatest deference, that in accordance with the order you would be entitled at that time to call those individual motions for a yea or a nay. We have never had the opportunity to deal with them specifically, precisely, except as a group. When you do call a specific motion you should call the yeas and the nays, and as my colleague the Hon. Member for Durham-Northumberland (Mr. Lawrence) suggests, we would then be able to have a voice vote on those subsequent individual motions. I think then you would be able to determine whether or not at that time there was a disposition to pass a motion on the basis of the

voice vote. If necessary we could then determine whether a standing vote would take place. We do not have the option at this time of seeing whether or not these particular motions can go through on the basis of a voice vote.

Mr. Speaker: The Hon. Member's point is very well taken. The Chair has listened attentively and we will call the yeas and nays on a voice vote and have only recorded votes when five or more Members rise.

May I, under such circumstances, dispense with the ringing of the bells?

Mr. Hnatyshyn: Mr. Speaker, I do not know whether we are going to dispense with the ringing of the bells. I think that the ringing of the bells will at least give us an opportunity to consider what we are doing around this place.

Mr. Pinard: Mr. Speaker, I think that all the voice votes were called and deferred before tonight on each of the amendments. I do not think we are allowed under the rules to start the process all over again.

May I refer you, Mr. Speaker, to Standing Order 79(11) which reads:

When a recorded division has been demanded on any amendment proposed during the report stage of a bill, the Speaker may defer the calling in of the Members for the purpose of recording the "yeas" and "nays" until any or all subsequent amendments proposed to that bill have been considered. A recorded division or divisions may be so deferred from sitting to sitting.

● (0050)

The process was that on each amendent or on each group of amendments upon which Your Honour ruled, the yeas and nays were asked for. Then the recorded division was deferred until tonight. Thus I do not think this is a good idea.

I do not think that intelligent people need bells to talk together. I did not need the bells to talk with the Hon. Member for Hamilton Mountain (Mr. Deans) a few minutes ago. I would have liked my hon. colleague to have responded to my invitation and to have come and talked with me too.

I am under the impression that in fact the ones who are delaying the Bill are the whole Opposition, not only the NDP. They have made a proposal which would have cut the votes by half. It was not enough for me, but I would have agreed to that. However, for a while the Official Opposition has been denying consent, so we will have twice the votes we would have had under the not so generous proposal of the NDP.

I am renewing my proposal. I am still willing to talk with the House Leaders. I have talked with the Hon. Member for Hamilton Mountain. I do not think we need to have the bells ringing to have these talks. I am willing to meet with my colleague during the next vote in the lobby or in my office. However, I think it would not be in accordance with the Standing Orders, anyway, to have the bells ring at this stage. The bells have rung, and I think that is enough; the stupidity has gone far enough. I am willing to talk with all reasonable Members to shorten this proceeding. I invite my hon. colleague to come and talk now.

Mr. Speaker: The Chair would like to make one or two observations. First, we have proceeded motion by motion *seriatim*. In no case have we violated the Standing Orders or procedures of this House. In the case of deferred votes, this has been the practice of the House, without the bells.

In respect to the groupings, the Hon. Member is right. He has made some observations with respect to the groupings. In my interpretation to the House, a vote on one motion would sometimes deal with subsequent motions. We are paying careful attention as we go along to these situations. We are now coming into some of them. We have not up to this point.

However, the Chair is anxious to serve the House. At this stage we are following the votes as deferred, according to the expressed wish of the House up to this point. If the House Leaders wish to confer and come forward with unanimous agreement on some matters, certainly the Chair is a servant of the House where there is agreement. However, at this stage the Chair feels obliged to put the motions. It is perfectly true, as the Hon. Member for Saskatoon West (Mr. Hnatyshyn) has pointed out, that in some of the groupings we are facing the interpretation of the Chair has been that a vote on one motion will dispose of subsequent motions. We will make a careful note of these as we come to them.

Mr. Hnatyshyn: Mr. Speaker, whenever there are to be discussions with respect to suggested arrangements, the House Leader of this Party does not make a decision on his own; he consults his caucus.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. Hnatyshyn: When I make an arrangement, it is done with the full approval and approbation of my colleagues. I do not go around telling the sheep how to operate. If we are to take a little time off, then I want an opportunity of finding out what are the proposals and discussing these matters. I will have a chat with my own colleagues. Then perhaps we could bring some sense into this place.

If I were the Government House Leader, I would not be skulking around in my office trying to pretend that I was running this whole show. I would run it and I would try to show some leadership, instead of sitting around here and causing this chaos to happen.

Mr. Pinard: Mr. Speaker, my hon. and learned friend says that he would like to put the proposals to his caucus. The purpose of the meeting to which I invited him was to make a proposal so that he would have something to tell his caucus. Perhaps he will reconsider.

Mr. Hnatyshyn: Why not adjourn the House?

Mr. Speaker: At this stage the Chair has no option but to proceed.

Security Intelligence Service

Mr. Thacker: Mr. Speaker, I rise on a point of order. I would seek unanimous consent for the House to stand over until nine o'clock in the morning and recommence then.

Some Hon. Members: No.

Mr. Speaker: There is no unanimous consent. The next vote is on Motion No. 43.

Mr. Parent: Mr. Speaker, I wonder if the Chair could tell us approximately how many votes are remaining.

Mr. Speaker: We are dealing with Motion No. 43, and there are 174 motions.

Some Hon. Members: Hear, hear!

Mr. Speaker: According to the Chair's rough estimate, we might make it by eleven o'clock tomorrow. We might not at the rate we are going.

The Clerk informs me that we have voted 28 times out of a possible 91. However, the Chair hesitates to predict whether or not that 91 figure is firm. It is a minimum of 91 votes that are indicated on the basis of the present procedure.

Mr. Thacker: Mr. Speaker, I rise on the same point of order. My calculation was exactly like yours. If we are to go until noon tomorrow, we will lose tomorrow anyway, boys; you might as well decide to sleep tonight and finish her off tomorrow.

Some Hon. Members: Hear, hear!

Mr. Speaker: There is not unanimous consent to the Hon. Member's proposal.

The next vote is on Motion No. 43. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended in Clause 18

(a) by striking out line 10 at page 9 and substituting the following therefor:

"person shall intentionally disclose any information that the"

(b) by striking out lines 16 to 23 at page 9 and substituting the following therefor:

"and from which the identity of any other person who is or was a confidential source of information or assistance to the service can be inferred."

The House divided on the motion, which was negatived on the following division:

(Division No. 89)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Broadbent
Carney (Miss)
Clark (Yellowhead)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Young—95.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Frith
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead
Whelan—109.

● (0100)

Mr. Speaker: I declare the motion defeated.

The next vote is on Motion No. 45. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended by deleting Clause 19.

The House divided on the motion, which was negatived on the following division:

(*Division No. 90*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Carney (Miss)
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—95.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Frith
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—107.

• (0110)

Mr. Speaker: I declare the motion defeated.

Mr. Hnatyshyn: Mr. Speaker, may I put a proposition to you? I think we are making some progress in terms of the question of deferred votes as opposed to consequential votes. The government House Leader has indicated that all votes are completely covered on the basis of deferral. I would put it to you, Mr. Speaker, that on the basis of the vote on Motion No. 42, if that vote were in fact negatived, it would then require that we have a vote on Motion No. 43. This is the first time that Motion No. 43 will come before the House for deliberation and voting. The conventional way of dealing with a motion which has not been voted on before and which is only consequential to certain negative results on Motion No. 42 is that you place the question to the House on a voice vote. This is the normal procedure.

The point I am making, Mr. Speaker, is that this is the first time this question has been considered by the House. It is not a matter of dealing with an affirmative result on Motion No. 42 which would then deal with subsequent motions. We are dealing with a specific direction given by Your Honour with respect to groupings. You have indicated that a negative vote on Motion No. 42 would then require a separate, new, novel vote on Motion No. 43. I am putting that to you as an example. It seems to me that the normal procedure would be to then call a voice vote, at which time we could determine whether or not there will be a disposition on that basis.

I would suggest to you, Mr. Speaker, that the question of the ringing of the bell is a matter which the House would have to decide depending upon the rules of the House. In that circumstance, there is the provision for five Members to cause the division bells to ring. I submit to you, Your Honour, that in that particular situation, because of the fact that arising from a negative vote is a subsequent motion which comes before the House for the first time, conventional and standard procedure is to ask for a voice vote.

Mr. Speaker: The Chair is guided by past practice of the House. This is not the first time we have faced this situation. In the past, as I have been reliably informed by the Table officers, the practice has been the one we are now following. The practice has been that when the debate took place in the House and the voice vote was called, it was not logical, reasonable or in any way the practice of the House that the other motions which would be denied if the first motion were to be negatived could be voted on.

In the spirit of deferment, the intent of the House and the practice of the House has been to dispense with voice votes and bells and to follow the practice that we are now following. The Chair so rules.

Mr. Nielsen: Mr. Speaker, might I be heard on this very important procedural point? The procedure that we have been following has been concerning me all evening. The normally very sound advice of the Table does not meet with my recollection. In the past, at report stage of a Bill the Chair has deferred

voting on the grouping of the motions. When the bells have finally been rung in accordance with the terms of the House order, then the groupings are called and voice divisions sought.

I see that you are shaking your head, Sir. However, I can remember Madam Speaker Sauvé saying time and time again: "Shall I dispense with the bells?" We have always given that consent.

Mr. Speaker: With all due respect to the Hon. Member for Yukon (Mr. Nielsen), whose experience the Chair does respect, the recollection of the present occupant of the Chair is quite the contrary. With deferred votes, the practice has been that there is a 15-minute bell at the beginning, a bell which was of a specified duration. Subsequent votes were taken by recorded division or by other agreement by unanimous consent without the bells and without voice votes. The Chair does not intend to innovate a practice at this stage of dealing with this series of recorded votes.

[*Translation*]

Mr. Pinard: Mr. Speaker, we do not intend to query your ruling. I realize you have made a ruling, that is clear, and I do not intend to comment on it.

[*English*]

However, under the circumstances, I understand that this is the practice. With unanimous consent, in exceptional cases, we can do something that is different from the normal practice but something which would not set a precedent. Therefore, rather than seeking the unanimous consent for a 15-minute bell to dispose of Motion No. 43, which would be the effect of the request made by my learned colleagues—

Mr. Speaker: We have already disposed of Motions Nos. 42, 43 and 45. We are now dealing with motions which are subsequent to Motion No. 45. I say this just to set the Hon. Member straight.

Mr. Pinard: I am referring to the motion following Motion No. 45, if you wish, or whichever motion on which they wish to ring the bells. Rather than seeking unanimous consent to have the bells ring for 15 minutes in order to call the Members to the House to dispose of the next motion, at this stage I think it would be useful and certainly humanitarian for you to seek unanimous consent to suspend the proceedings for 15 minutes, after which we would then return to the House.

Mr. Speaker: Is that agreed?

Some Hon. Members: Agreed.

Mr. Speaker: Proceedings are suspended for 15 minutes. There will be a five-minute bell at the end of the 15 minutes to call Members back to the chamber.

Some Hon. Members: No, no!

Mr. Speaker: In fairness, there must be a method of calling Members back. I would suggest a very short five-minute bell.

Some Hon. Members: No!

Mr. Speaker: There will be a 15-minute suspension of proceedings. There will be a five-minute bell, and then we will resume proceedings. Agreed?

Some Hon. Members: Agreed.

SITTING SUSPENDED

At 1.17 a.m. the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 1.32 a.m.

Mr. Speaker: Before proceeding, the Chair would like to say a word for the benefit of the Hon. Member for Yukon (Mr. Nielsen) and the Hon. Member for Saskatoon West (Mr. Hnatyshyn). The Chair has made some preliminary checks and, while there are some practices one way, there is perhaps a balance in the direction indicated by the Hon. Member for Yukon and the Hon. Member for Saskatoon West. In the circumstances, the Chair will certainly resume and examine the record more carefully.

Mr. Nielsen: Mr. Speaker, I can only express my gratitude to the Speaker for an obvious concern that I had after we were into the first five or six votes here.

[*Translation*]

Mr. Pinard: Mr. Speaker, I suggest you continue to ask for votes. We are willing to keep these votes to a minimum. I think the Opposition Parties can speak for themselves. As far as we are concerned, this bill is one of the Government's priorities. You will see that on this side of the House, we are maintaining our traditional Liberal solidarity. We are prepared to sit all night, if necessary. We are going to pass this Bill if we have to sit without interruptions until five o'clock tomorrow afternoon.

[*English*]

Mr. Speaker: The next vote is on Motion No. 46. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended in Clause 19 by striking out lines 25 to 33 at page 10 and substituting the following therefor:

"the purpose."

The House divided on the motion, which was negatived on the following division:

(Division No. 91)

YEAS

Messrs.

Althouse	Bosley	Cossitt (Mrs.)
Andre	Bradley	Crosby
Anguish	Carney (Miss)	(Halifax West)
Beatty	Clark	Crouse
Benjamin	(Brandon-Souris)	Darling
Blaikie	Cooper	Deans
Blenkarn	Corbett	de Jong

YEAS

Messrs.

Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—95.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Dupont
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
MacLaren
MacLellan
Malépart
Maltais
Marceau
Masters
McCauley
McRae
Nicholson (Miss)
Ostiguy
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Weatherhead—109.

Mr. Speaker: I declare the motion defeated.

Mr. Nielsen: Mr. Speaker, I am going to try to make this point once again. In so doing it is not my intention to reflect in any way on the action of the Chair during the last vote. I maintain that when calling Motion No. 46 the proper practice would have been for the Chair to have called for the yeas and nays rather than calling for the standing division. I cite page XXV of yesterday's Order Paper where the item in the left hand column will be noted under the heading "Deferred, June 19, 1984". There follows a note. The last clause of that note on the Order Paper reads as follows: "A negative vote on No. 45" which was the preceding vote which we took just before we recessed for 15 minutes, "necessitates separate votes on Nos. 46", the one we just concluded "and 47". We are coming up to No. 47 and I am concerned about the practices we are following here. I am suggesting that when the Chair calls Motion No. 47, the correct practice should be for the Chair to call for the yeas and nays and cause a voice division.

• (0150)

I can tell the Government House Leader now that we are prepared, in advance, to respond positively to the usual request of the Chair when the Chair calls for the yeas and nays and declares the winner of the voice division. The Chair then normally asks whether it should dispense with the ringing of the bells. If that question is put, I can tell you, on behalf of Her Majesty's Loyal Opposition, that our response would be positive and we will dispense with the bells. I am concerned with the practice.

I submit to you, with all the strength at my command, that the practice which I have described here is the proper one backed up by all sorts of precedents in the House. I would suggest that you put the question in that fashion and cause the voice division. I can tell you that there will be no intentional bell ringing as far as we in Her Majesty's Loyal Opposition are concerned. I cannot speak for all Members because, of course, any five Members can rise to cause that actual recorded division.

Mr. Speaker: The task of the Chair is not an easy one. After midnight it gets more difficult. I can only observe that the Chair acted in terms of its own recollection. During the break a check was made. Clearly there are more precedents in the direction indicated by the Hon. Member for Yukon (Mr. Nielsen) and Saskatoon West (Mr. Hnatyshyn) than in terms of the recollection of the present occupant of the Chair. In terms of the record of the majority of instances in the House there has been a voice vote called in such circumstances. The Chair obviously has certain difficulties at this point. Perhaps the House can show a little generosity. We will proceed with a voice vote at this point.

Mr. Pinard: Point of order, Mr. Speaker.

Mr. Speaker: The Hon. President of the Privy Council (Mr. Pinard).

Mr. Pinard: Mr. Speaker, if I understand correctly, you just admitted that you made an error and are changing your ruling.

Some Hon. Members: Shame! Shame!

Mr. Speaker: The Hon. President of the Privy Council is perfectly right. The Chair made a preliminary ruling on the basis of the best understanding of the Chair. The Chair made further investigations during the period of the recess.

Some Hon. Members: Hear, hear!

Mr. Speaker: The Chair can only say that it does its best and in these circumstances the Chair apologizes to the House.

The next question is on Motion No. 47. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended in Clause 19

(a) by striking out lines 27 to 33 at page 10 and substituting the following therefor:

"disclosure of the information to any minister of the Crown is essential in the public interest and that interest clearly outweighs any invasion of privacy that could result from the disclosure, to that person."

(b) by striking out line 38 at page 10 and substituting the following therefor:

"disclosure, and shall submit a report to the Review Committee with respect to disclosures referred to in paragraphs 2(a)(b) and (c)."

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All those in favour please say yea.

Some Hon. Members: Yea.

Mr. Speaker: All those opposed please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

Some Hon. Members: On division.

Mr. Speaker: The motion is negatived on division.

The next question is on Motion No. 48. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended by deleting Clause 20.

Is it the pleasure of the House to adopt the Motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All those in favour please say yea.

Some Hon. Members: Yea.

Some Hon. Members: Yea.

Mr. Speaker: All those opposed please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

Some Hon. Members: On division.

Mr. Speaker: I declare the motion negatived on division.

The next question is on Motion No. 50. Mr. Robinson (Burnaby), seconded by the Mr. Fulton, moves:

That Bill C-9 be amended in Clause 20

(a) by striking out line 44 at page 10 and substituting the following therefor:

"officers, provided there shall be no breach of the *Criminal Code*."

(b) by striking out line 13 at page 11 and substituting the following therefor:

"Review Committee, and the Attorney General of the province in which the employee may have acted unlawfully."

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All those in favour please say yea.

Some Hon. Members: Yea.

Mr. Speaker: All those opposed please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was negatived on the following division:

(*Division No. 92*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Carney (Miss)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crombie
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss) (Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Skelly
Speyer
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wilson
Wise
Young—95.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael

Messrs.

Bossy	Flis	Mackasey
Breau	Foster	MacLaren
Burghardt	Fox	MacLellan
Campbell (Miss) (South West Nova)	Garant	Malépart
	Gauthier	Maltais
Campbell (LaSalle)	Gendron	Marceau
	Gourd (Argenteuil-Papineau)	Massé
Campbell (Cardigan)		Masters
	Gourde (Lévis)	McRae
Collenette		Nicholson (Miss)
Comtois	Gray	Ostiguy
Corbin	Guilbault	Ouellet
Corriveau	Harquail	Parent
Cosgrove	Henderson	Pelletier
Côté (Mrs.)	Herbert	Penner
Cousineau	Hervieux-Payette (Mrs.)	Peterson
Cullen		Pinard
Cyr	Hopkins	Portelance
Daudlin	Hudecki	Regan
Dawson	Isabelle	Reid (Kenora-Rainy River)
De Bané	Ittinuar	
de Corneille	Joyal	Robinson (Etobicoke-Lakeshore)
Demers	Kaplan	
Deniger	Kelly	Rompkey
Dingwall	Killens (Mrs.)	Rossi
Dion	Lachance	Roy
Dionne (Chicoutimi)	Lajoie	Savard
	Landers	Schroder
Dubois	Lapierre	Simmons
Duclos	Lapointe (Charlevoix)	Smith
Dupont		Tardif
Dupras	LeBlanc	Tessier
Duquet	Leduc	Tousignant
Ethier	Lefebvre	Turner
Evans	Lumley	Veillette
Ferguson	MacBain	Watson
Fisher	MacEachen	Weatherhead—111.
Fleming	MacGuigan	

● (0200)

Mr. Speaker: I declare the motion defeated. The next vote is on Motion No. 51. Mr. Allmand, seconded by Mr. Fulton, moves:

That Bill C-9 be amended in Clause 20

(a) by adding immediately after line 44 at page 10 the following:

"(2) The Director and employes in performing the duties and functions of the Service under Sections 12, 13, 14, 15, 16 and 17 of this Act may never act beyond the limits prescribed by the Act and any such activity will constitute an offense subject to criminal prosecution.

(3) The Service shall have no authority to carry on operational activities to destabilize or disrupt individuals or groups which might otherwise be investigated under this section."

(b) by adding immediately after line 13 at page 11 the following:

"(5) No other agency or agents in Canada shall carry out any or all of the responsibilities assigned by this Act to the Service in Section 12 nor have access to the warrants provided for in Section 21."

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All those in favour please say yea.

Some Hon. Members: Yea.

Mr. Speaker: All those opposed please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some Hon. Members: Dispense.

The House divided on the motion, which was negatived on the following division:

(*Division No. 93*)

YEAS

Messrs.

Althouse	Greenaway	McMillan
Andre	Gustafson	Miller
Anguish	Halliday	Mitges
Beatty	Hamilton (Qu'Appelle-Moose Mountain)	Murphy
Benjamin		Nickerson
Blaikie		Nielsen
Blenkarn	Hargrave	Nowlan
Bosley	Hawkes	Nystrom
Bradley	Heap	Oberle
Carney (Miss)	Hnatyshyn	Parker
Clark (Brandon-Souris)	Hovdebo	Patterson
	Howie	Reid (St. Catharines)
Cooper	Keeper	
Corbett	Kempling	Riis
Cossitt (Mrs.)	Kilgour	Robinson (Burnaby)
Crombie	King	
Crosby (Halifax West)	Kristiansen	Sargeant
	Lambert	Schellenberger
Crouse	Lawrence	Scott (Hamilton-Wentworth)
Darling	Lewis	
Deans	Lewycky	Scott (Victoria-Haliburton)
de Jong	MacDonald (Miss) (Kingston and the Islands)	
Dick		Shields
Domm	MacDougall	Siddon
Ellis	Malone	Skelly
Elzinga	Manly	Stewart
Epp	Mazankowski	Taylor
Fennell	McCain	Thacker
Forrestall	McCuish	Towers
Fraser	McDermid	Vankoughnet
Fretz	McDonald (Ms.) (Broadview-Greenwood)	Waddell
Friesen		Wenman
Fulton	McKinnon	Wilson
Gamble	McLean	Wise
		Young—93.

NAYS

Messrs.

Appolloni (Mrs.)	de Corneille	Harquail
Axworthy	Demers	Henderson
Bachand	Deniger	Herbert
Baker	Dingwall	Hervieux-Payette (Mrs.)
Beauchamp-Niquet (Mrs.)	Dion	
	Dionne (Chicoutimi)	Hopkins
Bégin (Miss)		Hudecki
Blais	Dubois	Isabelle
Bockstael	Duclos	Ittinuar
Bossy	Dupont	Joyal
Breau	Dupras	Kaplan
Burghardt	Duquet	Kelly
Campbell (Miss) (South West Nova)	Ethier	Killens (Mrs.)
	Evans	Lachance
Campbell (LaSalle)	Ferguson	Lajoie
	Fisher	Landers
Campbell (Cardigan)	Fleming	Lang
	Flis	Lapierre
Collenette	Foster	Lapointe (Charlevoix)
Comtois	Fox	
Corbin	Garant	LeBlanc
Corriveau	Gauthier	Leduc
Cosgrove	Gendron	Lefebvre
Côté (Mrs.)	Gingras	Lumley
Cousineau	Gourd (Argenteuil-Papineau)	MacBain
Cullen		MacEachen
Cyr	Gourde (Lévis)	MacGuigan
Daudlin		Mackasey
Dawson	Gray	MacLaren
De Bané	Guilbault	MacLellan

Security Intelligence Service

Messrs.

Malépart
Maltais
Marceau
Massé
Masters
McRae
Nicholson (Miss)
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—113.

Mr. Speaker: I declare the motion defeated.

● (0210)

Mr. Lawrence: Mr. Speaker, on the motion of the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand), was his name read out as having voted?

Mr. Speaker: He was not in the Chamber and could not have voted.

Mr. Parent: Mr. Speaker, I rise on a point of order. We have been here now for five hours and I will only take a second. If we are to be here another five hours could you turn off the television lights?

Some Hon. Members: Hear, hear!

Mr. Speaker: I can help the Hon. Member in this respect. There has been some dimming. Order, please.

I have all the time in the world if Hon. Members do not wish to come to order.

There has been a request concerning the lights of the House. I have made some inquiries. The question relates to television taping. If we reduce the intensity of the lights the quality of the tapes will be very seriously impaired.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. Speaker: Hon. Members have expressed their views.

The next vote is on Motion No. 52. Mr. Robinson (Burnaby), seconded by Mr. Heap, moves:

That Bill C-9 be amended by deleting Clause 21.

I understand we have a grouping subsequent to this motion.

The House divided on the motion, which was negatived on the following division:

(*Division No. 94*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Carney (Miss)
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lambert
Lawrence
Lewis
Lewycky
MacDonald (Miss)
(Kingston and the Islands)
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Shields
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—93.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gingras
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McRae
Nicholson (Miss)
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—107.

Mr. Speaker: I declare the motion defeated.

Mr. Parent: Mr. Speaker, I rise on a point of order. Could we leave these six lights on and turn off the ones that are in our eyes?

Mr. Thacker: Mr. Speaker, I rise on a point of order. You indicated that we had 91 votes. We have completed 31 and that leaves 60 votes. At five per hour there are 12 more hours, gang.

Some Hon. Members: Oh, oh!

Mr. Speaker: I have to say in response to the Hon. Member for Welland (Mr. Parent) that we have done all we can if there is going to be any television taping at all.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please.

The next vote is on Motion No. 54. Mr. Robinson (Burnaby), seconded by Mr. Heap, moves:

That Bill C-9 be amended in Clause 21

(a) by striking out line 16 at page 11 and substituting the following therefor:

"purpose believes, on reasonable and probable grounds, that"

(b) by striking out lines 19 and 20 at page 11 and substituting the following therefor:

"the security of Canada, the"

(c) by striking out lines 31 to 35 at page 11 and substituting the following therefor:

"on reasonable and probable grounds, that a warrant under this section is required to enable the service to investigate a threat to the security of Canada;"

(d) by striking out lines 34 to 39 at page 12 and substituting the following therefor:

"(3) Where the judge to whom an application under subsection (1) is made is of the opinion that the intelligence to be gained through the issuance of a warrant outweighs the harm to privacy that will result and where the judge is satisfied of the matters referred to in paragraphs (2)(a) and (b) set out in the affidavit accompanying the application, the"

(e) by striking out lines 28 to 34 at page 13 and substituting the following therefor:

"subsection (3) for a period exceeding 60 days."

(f) by adding immediately after line 34 at page 13 the following:

"(6) A warrant shall not be issued under subsection (3) authorizing any intrusive technique for the purpose of intercepting any communication or obtaining any information, record, or thing for which such a warrant may not be issued as of May 31, 1984."

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All of those in favour of the motion please say yea.

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Speaker: All those in favour of the motion will please rise.

During the taking of the vote:

Mr. Elzinga: Mr. Speaker, I rise on a point of order.

Mr. Speaker: Order, please. A point of order cannot be heard during a vote. It can be heard immediately after.

(*Division No. 95*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Carney (Miss)
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lambert
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKinnon
McKnight
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Shields
Siddon
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—89.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gingras
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lajoie
Landers
Lang
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacEachen
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder

Messrs.

Simmons	Tousignant	Watson
Smith	Turner	Weatherhead—109.
Tessier	Veillette	

● (0220)

Mr. Speaker: I declare the motion defeated.

The next vote is on Motion No. 55. Mr. Robinson (Burnaby), seconded by Mr. Heap, moves:

That Bill C-9 be amended in Clause 21 by striking out line 35 at page 12 and substituting the following therefor:

"subject to the *Statistics Act* and the *Income Tax Act* where the judge".

Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was negatived on the following division:

(*Division No. 96*)

YEAS

Messrs.

Althouse	Gustafson	Munro (Esquimalt-Saanich)
Anguish	Halliday	Murphy
Beatty	Hamilton (Qu'Appelle-Moose Mountain)	Nickerson
Benjamin	Hargrave	Nielsen
Blaikie	Hawkes	Nowlan
Blenkarn	Heap	Nystrom
Bosley	Hnatyshyn	Oberle
Bradley	Hovdebo	Parker
Carney (Miss)	Howie	Patterson
Clark (Brandon-Souris)	Keeper	Reid (St. Catharines)
Cooper	Kempling	Riis
Corbett	King	Robinson (Burnaby)
Cossitt (Mrs.)	Kristiansen	Sargeant
Crosby (Halifax West)	Lambert	Schellenberger
Crouse	Lawrence	Scott (Hamilton-Wentworth)
Darling	Lewis	Scott (Victoria-Haliburton)
Deans	Lewycky	Siddon
de Jong	MacDougall	Stewart
Dick	Malone	Taylor
Domm	Manly	Thacker
Ellis	Mazankowski	Towers
Elzinga	McCain	Vankoughnet
Epp	McCuish	Waddell
Forrestall	McDermid	Wenman
Fraser	McDonald (Ms.) (Broadview-Greenwood)	Wise
Fretz	McKinnon	Young—85.
Friesen	McMillan	
Fulton	Miller	
Gamble	Mitges	
Greenaway		

NAYS

Messrs.

Appolloni (Mrs.)	Evans	Leduc
Axworthy	Ferguson	Lumley
Bachand	Fisher	MacBain
Baker	Fleming	MacEachen
Beauchamp-Niquet (Mrs.)	Flis	MacGuigan
Bégin (Miss)	Foster	Mackasey
Blais	Fox	MacLaren
Bockstael	Frith	MacLellan
Bossy	Garant	Maltais
Breau	Gauthier	Marceau
Burghardt	Gendron	Massé
Campbell (Miss) (South West Nova)	Gingras	Masters
Campbell (LaSalle)	Gourd (Argenteuil-Papineau)	McCauley
Campbell (Cardigan)	Gourde (Lévis)	McRae
Collenette	Gray	Nicholson (Miss)
Comtois	Harquail	Ouellet
Corbin	Henderson	Parent
Corriveau	Herbert	Penner
Cosgrove	Hervieux-Payette (Mrs.)	Pinard
Côté (Mrs.)	Hopkins	Portelance
Cousineau	Hudecki	Regan
Cullen	Isabelle	Reid (Kenora-Rainy River)
Cyr	Ittinuar	Robinson (Etobicoke-Lakeshore)
Daudlin	Johnston	Rompkey
Dawson	Joyal	Rossi
de Corneille	Kaplan	Roy
Demers	Kelly	Savard
Deniger	Killens (Mrs.)	Schroder
Dingwall	Lachance	Simmons
Dionne (Chicoutimi)	Lajoie	Smith
Dubois	Landers	Tardif
Dupras	Lang	Tessier
Duquet	Lapierre	Tousignant
Ethier	Lapointe (Charlevoix)	Turner
	LeBlanc	Veillette
		Watson
		Weatherhead—106.

● (0230)

Mr. Speaker: I declare the motion defeated.

Mr. Lambert: Mr. Speaker, I rise on a point of order. We have now been five hours voting. In the 27 years I have been here, this has now exceeded even the income tax revision Bill in 1970 which was about 10 times as thick as this Bill. This impasse can only be brought about by—I do not know what it is—stubbornness, incompetence, but it certainly is a breakdown in parliamentary leaderhship. I regret to say this, but I have no further intention of participating in this charade on parliamentarianism tonight. That's it. I withdraw.

Some Hon. Members: Hear, hear!

Mr. Speaker: The next vote is on Motion No. 56. Mr. Robinson (Burnaby), seconded by Mr. Heap, moves:

That Bill C-9 be amended in Clause 21 by striking out line 35 at page 12 and substituting the following therefor:

"subject to the *Statistics Act* and the *Canada Post Corporation Act* where the judge"

It is the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All those in favour will please say yea.

Some Hon. Members: Yea.

Mr. Speaker: Those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion, the nays have it.

And more than five Members having risen:

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was negatived on the following division:

(*Division No. 97*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Clark (Brandon-Souris)
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Ellis
Elzinga
Epp
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McLean
McMillan
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Patterson
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Young—77.

NAYS

Messrs.

Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—108.

● (0240)

Mr. Speaker: I declare the motion defeated.

The next question is on Motion No. 57. Mr. Allmand, seconded by Mr. Heap, moves:

That Bill C-9 be amended in Clause 21 by striking out line 32 at page 13 and substituting the following therefor:

"meaning of paragraphs (c) and (d) of the definition".

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was negatived on the following division.

(*Division No. 98*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Clark (Brandon-Souris)
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Lawrence

Messrs.

Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
McMillan
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Young—79.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ouellet
Parent
Penner
Peterson
Pinard
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Weatherhead—99.

Mr. Speaker: I declare the motion defeated.

The next question is on Motion No. 58. Mr. Allmand, seconded by Mr. Heap, moves:

That Bill C-9 be amended in Clause 21 by adding immediately after line 34 at page 13 the following:

"(6) No application made to a judge under this section may be heard or approved unless an intervenor, appointed from a panel of lawyers by the Privacy Commissioner of Canada, has had the opportunity to cross-examine and make representations on the application in order to protect any constitutional and civil rights."

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was negatived on the following division.

(*Division No. 99*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Clark
(Brandon-Souris)
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nowlan
Nystrom
Oberle
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Stewart
Taylor
Thacker
Towers
Vankoughnet
Wenman
Wise
Young—80.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Beauchamp-Niquet
(Mrs.)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cyr
Daudlin
de Corneille
Demers
Deniger
Dingwall
Dion
Dubois
Duclos
Dupras
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Lajoie
Landers
Lang
Lapierre
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ouellet
Parent
Penner
Peterson
Pinard

Messrs.

Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Watson
Weatherhead—98.

● (0250)

Mr. Speaker: I declare the motion defeated.

The next question is on Motion No. 59. Mr. Robinson (Burnaby), seconded by Mr. Heap, moves:

That Bill C-9 be amended in Clause 21 by adding immediately after line 34 at page 13 the following:

"(6) A warrant shall not be issued under subsection 3 authorizing the obtaining of any information or thing or intercepting any communication which would reveal confidential medical records except with the consent of the patient."

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All those in favour will please say yea.

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

The House divided on the motion, which was negatived on the following division:

(*Division No. 100*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark
(Brandon-Souris)
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewycky
MacDougall
Malone
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Nickerson
Nowlan
Nystrom
Oberle
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise—76.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Lajoie
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Veillette
Watson
Weatherhead—105.

● (0300)

Mr. Speaker: I declare the motion lost.

Mr. Pinard: Mr. Speaker, I ask for unanimous consent of the House that the vote which was just recovered on Motion No. 59 be applied to Motion No. 60.

Mr. Hnatyshyn: I am agreeable to that, Mr. Speaker, as long as those Hon. Members who have come in from the time of that vote will be able to declare themselves as additional votes for the purpose of this motion.

Mr. Deans: Mr. Speaker, I would have let it go on division, but, of course, if you want to have the vote apply, I will be happy to agree to that.

Mr. Speaker: Is it agreed that the vote on Motion No. 59 be applied to Motion No. 60, with the addition of which Hon. Members? Would they please rise? Mr. Cooper, Mr. Ellis, Mr. Nielsen, Mr. Andre, Mr. Blenkarn, Mr. Manly, Mr. Lewis, Mr. Young, Mr. Murphy. Mr. Turner, Madame Begin, Mrs. Erola, Mr. Lachance, Mr. Dubois, Mr. Gourde, Lévis and Mr. Campbell, La Salle. Is that correct?

Some Hon. Members: Agreed.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 60.

That Bill C-9 be amended by deleting Clause 22.

Security Intelligence Service

The House divided on the motion, which was negatived on the following division:

(*Division No. 101*)

YEAS

Messrs.

Althouse
Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—85.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—110.

Mr. Speaker: I declare the motion lost.

The next question is on Motion No. 61. It should be noted that the vote on Motion No. 61 will also dispose of Motion No. 62. Mr. Kaplan, seconded by Mr. Campbell, moves:

That Bill C-9 be amended in Clause 22 by striking out lines 38 to 40 at page 13 and substituting the following therefor:

"to apply for such a warrant after having obtained the approval of the Minister, the judge may, from time to time, renew the warrant for a period not exceeding the period for which the warrant may be issued pursuant to subsection 21(5) if satisfied by".

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: Those in favour please say yea.

Some Hon. Members: Yea.

Mr. Speaker: Those opposed please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the yeas have it.

Some Hon. Members: On division.

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some Hon. Members: Dispense.

The House divided on the motion which was agreed to on the following division:

(*Division No. 102*)

YEAS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Ethier
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Nicholson (Miss)
Ouellet
Parent
Pelletier
Penner
Peterson

Messrs.

Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—106.

NAYS

Messrs.

Andre
Anguish
Beatty
Benjamin
Blaikie
Blenkarn
Bosley
Bradley
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Patterson
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

● (0310)

Mr. Speaker: I declare the motion carried. This vote also disposes of Motion No. 62.

The next vote is on Motion No. 63. Mr. Robinson (Burnaby), seconded by Mr. Heap, moves:

That Bill C-9 be amended in Clause 22 by striking out line 44 at page 13 and lines 1 and 2 at page 14 and substituting the following therefor:

"threat to the security of Canada; and".

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All those in favour please say yea.

Some Hon. Members: Yea.

Mr. Speaker: All those opposed please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

Some Hon. Members: On division.

Mr. Speaker: I declare the motion negatived on division.

Security Intelligence Service

The next vote is on Motion No. 64. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended by deleting Clause 23.

The House divided on the motion, which was negatived on the following division.

(*Division No. 103*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Clark
(Brandon-Souris)
Cooper
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Young—78.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Bockstael
Bossy
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Killens (Mrs.)
Lachance
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McRae
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—101.

● (0320)

Mr. Speaker: I declare the motion defeated.

Mr. Pinard: Mr. Speaker, I seek the unanimous consent of the House for the vote which has just been recorded on Motion No. 64 to be applied to Motion Nos. 66, 67, 69, 70, 71, 72, 73—

Mr. Speaker: Order, please. Order. I hesitate to interrupt the Hon. President of the Privy Council, but according to the decision of the Chair earlier, the vote on Motion No. 64 will apply to Motion Nos. 69, 70, 71, 72, 73, 80, 82, 87, 88, 90, 92, 98, 103, 104, 105, 106, 107, 110, 111, and 112. That was the interpretation of the grouping by the Chair. The Hon. President of the Privy Council sought unanimous consent for two additional motions.

Mr. Pinard: That is a very good decision, Mr. Speaker, I congratulate you. I am very pleased. I think you will get unanimous consent for the vote recorded on Motion No. 64 to apply to those motions between Motion No. 64 and Motion No. 78 exclusively, except for Motion No. 68. I hope to be understood because there are some motions between Motion No. 64 and Motion No. 78 that you have not mentioned. We would like to see them disposed of with the vote on Motion No. 64, except for Motion No. 68.

Mr. Deans: Mr. Speaker, I did not hear whether the Government House Leader included Motion No. 78.

Mr. Pinard: No.

Mr. Deans: He did not. For Motion Nos. 66 and 67 that is fine. Perhaps you could read others out to me.

Mr. Speaker: Shall the vote on Motion No. 64 apply to Motion No. 66?

Some Hon. Members: Agreed.

Mr. Speaker: The next vote is on Motion No. 66. Mr. Robinson (Burnaby), seconded by Mr. Heap, moves:

That Bill C-9 be amended by deleting Clause 24.

The House divided on the motion, which was negatived on the following division:

(*Division No. 104*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Clark (Brandon-Souris)
Cooper
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Young—78.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Bockstael
Bossy
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Killens (Mrs.)
Lachance
Landers
Lang
Lapierre
Lapointe (Charlevoix)
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McRae
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—101.

Mr. Speaker: I declare Motion No. 66 defeated. Shall the vote on Motion No. 64 apply to Motion No. 67?

Some Hon. Members: Agreed.

Mr. Speaker: The next vote is on Motion No. 67. Mr. Robinson (Burnaby), seconded by Mr. Heap, moves:

That Bill C-9 be amended in Clause 24 by striking out lines 32 to 36 at page 14 and substituting the following therefore:

"rant".

The House divided on the motion, which was negatived on the following division:

(*Division No. 105*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Clark (Brandon-Souris)
Cooper
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Young—78.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Bockstael
Bossy
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Killens (Mrs.)
Lachance
Landers
Lang
Lapierre
Lapointe (Charlevoix)
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McRae
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—101.

Mr. Speaker: I declare Motion No. 67 defeated. Shall the vote on Motion No. 64 apply to Motion No. 75?

Some Hon. Members: Agreed.

Security Intelligence Service

Mr. Speaker: The next vote is on Motion No. 75. Mr. Robinson (Burnaby), seconded by Mr. Orlikow, moves:

That Bill C-9 be amended by deleting Clause 30.

The House divided on the motion, which was negatived on the following division:

(*Division No. 106*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Clark (Brandon-Souris)
Cooper
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Young—78.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Bockstael
Bossy
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Killens (Mrs.)
Lachance
Landers
Lang
Lapierre
Lapointe (Charlevoix)
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McRae
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—101.

Mr. Speaker: I declare Motion No. 75 defeated. Shall the vote on Motion No. 64 apply to Motion No. 77?

Some Hon. Members: Agreed.

Mr. Speaker: The next vote is on Motion No. 77. Mr. Robinson (Burnaby), seconded by Mr. de Jong, moves:

That Bill C-9 be amended by deleting Clause 31.

The House divided on the motion, which was negatived on the following division:

(*Division No. 107*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Clark (Brandon-Souris)
Cooper
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Young—78.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Bockstael
Bossy
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Killens (Mrs.)
Lachance
Landers
Lang
Lapierre
Lapointe (Charlevoix)
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McRae
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—101.

Mr. Speaker: I declare Motion No. 77 defeated. The next vote is on Motion No. 68. Mr. Fraser (Vancouver South), seconded by Mr. Neil, moves:

That Bill C-9 be amended in Clause 24 by striking out lines 34 to 36 at page 14 and substituting the following therefor:

"person acting in accordance with such a warrant".

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All those in favour please say yea.

Some Hon. Members: Yea.

Mr. Speaker: All those opposed please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was negatived on the following division:

(*Division No. 108*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)

Messrs.

Scott (Victoria-Haliburton)	Taylor	Waddell
Siddon	Thacker	Wenman
Skelly	Towers	Wise
	Vankoughnet	Young—80.

NAYS

Messrs.

Appolloni (Mrs.)	Ferguson	MacGuigan
Axworthy	Fisher	Mackasey
Bachand	Fleming	MacLaren
Baker	Flis	MacLellan
Beauchamp-Niquet (Mrs.)	Foster	Malépart
Bégin (Miss)	Fox	Maltais
Bockstael	Frith	Marceau
Bossy	Garant	Massé
Breau	Gingras	Masters
Campbell (Miss) (South West Nova)	Gourd (Argenteuil-Papineau)	McCauley
Campbell (LaSalle)	Gourde (Lévis)	McRae
Campbell (Cardigan)	Gray	Ostiguy
Collenette	Guilbault	Ouellet
Comtois	Harquail	Parent
Corbin	Herbert	Pelletier
Corriveau	Hervieux-Payette (Mrs.)	Penner
Cosgrove	Hopkins	Peterson
Côté (Mrs.)	Hudecki	Pinard
Cousineau	Isabelle	Portelance
Cullen	Ittinuar	Regan
Cyr	Johnston	Reid (Kenora-Rainy River)
Daudlin	Joyal	Robinson (Etobicoke-Lakeshore)
De Bané	Kaplan	Rompkey
Demers	Killens (Mrs.)	Rossi
Deniger	Lachance	Roy
Dingwall	Lajoie	Savard
Dion	Landers	Schroder
Dionne (Chicoutimi)	Lang	Simmons
Dubois	Lapierre	Smith
Duclos	Lapointe (Charlevoix)	Tardif
Dupont	LeBlanc	Tessier
Dupras	Leduc	Tousignant
Duquet	Lefebvre	Turner
Erola (Mrs.)	Lumley	Veillette
	MacBain	Watson
		Weatherhead—105.

● (0330)

Mr. Speaker: I declare the motion defeated. The next vote is on Motion No. 78. Mr. Robinson (Burnaby), seconded by Mr. Fulton, moves:

That Bill C-9 be amended in Clause 31

(a) by striking out line 16 at page 16 and substituting the following therefor:

"Parliament, the"

(b) by striking out lines 26 to 31 at page 16.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All those in favour please say yea.

Some Hon. Members: Yea.

Mr. Speaker: All those opposed please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

Security Intelligence Service

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was negatived on the following division:

(*Division No. 109*)

YEAS

Messrs.

Althouse	Halliday	Mitges
Anguish	Hamilton (Qu'Appelle-Moose Mountain)	Munro (Esquimalt-Saanich)
Beatty	Hargrave	Murphy
Blaikie	Hawkes	Nickerson
Bosley	Heap	Nowlan
Bradley	Hnatyshyn	Nystrom
Clark (Brandon-Souris)	Hovdebo	Oberle
Cooper	Howie	Parker
Cossitt (Mrs.)	Keeper	Reid (St. Catharines)
Crosby (Halifax West)	Kempling	Riis
Crouse	Kilgour	Robinson (Burnaby)
Darling	King	Sargeant
Deans	Kristiansen	Schellenberger
de Jong	Lachance	Scott (Hamilton-Wentworth)
Dick	Lawrence	Scott (Victoria-Haliburton)
Domm	Lewycky	Siddon
Ellis	MacDougall	Skelly
Elzinga	Malone	Taylor
Epp	Manly	Towers
Forrestall	Mazankowski	Vankoughnet
Fraser	McCain	Waddell
Fretz	McCuish	Wenman
Friesen	McDermid	Wise
Fulton	McDonald (Ms.) (Broadview-Greenwood)	Young—77.
Gamble	McLean	
Greenaway	Miller	
Gustafson		

NAYS

Messrs.

Appolloni (Mrs.)	Evans	Lefebvre
Axworthy	Ferguson	Lumley
Bachand	Fisher	MacBain
Baker	Fleming	MacGuigan
Beauchamp-Niquet (Mrs.)	Flis	Mackasey
Bégin (Miss)	Foster	MacLaren
Bockstael	Fox	MacLellan
Bossy	Frith	Maltais
Breau	Garant	Marceau
Burghardt	Gauthier	Massé
Campbell (Miss) (South West Nova)	Gendron	Masters
Campbell (LaSalle)	Gingras	McCauley
Collenette	Gourd (Argenteuil-Papineau)	McRae
Comtois	Gourde (Lévis)	Ostiguy
Corriveau	Gray	Ouellet
Cosgrove	Guilbault	Parent
Côté (Mrs.)	Harquail	Pelletier
Cousineau	Henderson	Peterson
Cullen	Herbert	Portelance
Cyr	Hervieux-Payette (Mrs.)	Regan
Dawson	Hopkins	Reid (Kenora-Rainy River)
De Bané	Hudecki	Robinson (Etobicoke-Lakeshore)
de Corneille	Isabelle	Rompkey
Demers	Ittinuar	Rossi
Deniger	Johnston	Roy
Dingwall	Joyal	Savard
Dion	Kaplan	Schroder
Dionne (Chicoutimi)	Killens (Mrs.)	Tardif
Dubois	Lajoie	Tessier
Duclos	Landers	Tousignant
Dupras	Lang	Turner
Duquet	Lapierre	Veillette
Erola (Mrs.)	LeBlanc	Watson
	Leduc	Weatherhead—101.

Mr. Speaker: I declare the motion defeated. This vote also disposes of Motion No. 79.

Mr. Pinard: Mr. Speaker, I seek unanimous consent of the House so that the vote that has just been recorded on Motion No. 78 disposes of Motions Nos. 85 and 86.

Mr. Robinson (Burnaby): On a point of order, Mr. Speaker.

Mr. Speaker: Is it agreed that the vote which has been recorded for Motion No. 78 will also apply to No. 85?

Mr. Robinson (Burnaby): Mr. Speaker, I rise on a point of order. I believe that the Member for Rosemont (Mr. Lachance) had the courage to vote with the Opposition on No. 78. I am not sure that he wants to vote with us on the other motions.

● (0340)

Mr. Speaker: Is it agreed that the vote which applied to Motion No. 78 shall also apply to Motion No. 85?

Some Hon. Members: Agreed.

Mr. Speaker: Are there any Members who wish to be recorded who did not vote on the previous motion?

Recording as negatived votes: Mr. McKnight, Mr. Fretz, Mr. Lewis, Mr. Fennell, Mr. Thacker, Mr. Nielsen, Mr. Corbett, and Mr. Stewart.

Recorded as affirmative votes: Mr. Penner, Mr. Daudlin, Mr. Smith, and Mr. Pinard.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 85.

That Bill C-9 be amended by deleting Clause 34.

The House divided on the motion, which was negatived on the following division:

(*Division No. 110*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—83.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Collenette
Comtois
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—106.

Mr. Speaker: I declare Motion No. 85 defeated.

Shall the vote which applied to Motion No. 85 also apply to Motion No. 86?

Some Hon. Members: Agreed.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 86.

That Bill C-9 be amended in Clause 34 by striking out lines 38 to 44 at page 17 and substituting the following therefor:

"(2) Each member of the Review Committee shall be appointed to hold office during good behaviour for a term not exceeding seven years."

and by renumbering subsection (4) accordingly.

The House divided on the motion, which was negatived on the following division:

(*Division No. 111*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Blaikie
Bosley
Bradley

Messrs.

Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—83.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Collenette
Comtois
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Guilbault
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—106.

[*Translation*]

Mr. Lachance: Mr. Speaker, I shall vote negatively on Motions Nos. 85 and 86.

[*English*]

Mr. Speaker: The record should indicate a negative vote for the Hon. Member for Rosemount (Mr. Lachance) on Motions Nos. 85 and 86. Is that agreed?

Some Hon. Members: Agreed.

Mr. Speaker: I declare Motion No. 86 defeated.

The next vote is on Motion No. 93. Mr. Robinson (Burnaby), seconded by Mr. Orlikow, moves:

Motion No. 93.

That Bill C-9 be amended in Clause 38 by striking out lines 5 to 7 at page 19 and substituting the following therefor:

"(vi) to review the regulations,

(vii) to compile and analyze statistics on the operational activities of the service,

(viii) to review criteria for security assessments pursuant to subsection 13,

(ix) to review the relationships between the service and all other bodies and agencies engaged in security or intelligence functions in Canada, and

(x) to review terms and conditions of employment established by the director pursuant to section 8 of this Act;"

The House divided on the motion, which was negatived on the following division:

(*Division No. 112*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Dingwall
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Harquail
Herbert
Hervieux-Payette (Mrs.)

Messrs.

Hopkins
Hudecki
Isabelle
Ittinuar
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Ostiguy
Pelletier
Penner
Peterson
Pinard
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rossi
Roy
Savard
Schroder
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—100.

Mr. Speaker: I declare the motion defeated.

Mr. Pinard: Mr. Speaker, I rise on a point of order. The next motion, Motion No. 94, is in the name of an Hon. Member in the Conservative Party. I would ask for unanimous consent that the vote recorded on Motion No. 68, also in the name of the Conservative Party, be applied to Motion No. 94.

Mr. Speaker: Shall the vote which applied to Motion No. 68 also apply to Motion No. 94?

Some Hon. Members: Agreed.

Hon. John A. Fraser (Vancouver South) moved:

Motion No. 94.

That Bill C-9 be amended in Clause 38 by adding immediately after line 7 at page 19 the following:

"(b) to review, generally, the effectiveness and the propriety of Canada's security and intelligence functions and arrangements, including such functions as are carried on by any agency, department or institution of the Government of Canada;"

and by re-numbering the subsequent paragraphs accordingly.

The House divided on the motion, which was negatived on the following division:

(*Division No. 113*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Blaikie
Bosley
Bradley
Clark
(Brandon-Souris)
Cooper
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nowlan
Nystrom
Oberle
Parker
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Skelly
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—80.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Bockstael
Bossy
Breau
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Corriveau
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
De Bané
Demers
Deniger
Dingwall
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Guilbault
Harquail
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Ostiguy
Ouellet
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tardif
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—105.

Mr. de Jong: Mr. Speaker, I was not here for the recording of the vote on Motion No. 68. Could I be recorded as well as on this vote?

Mr. Speaker: There is no difficulty adding the Hon. Member's vote to this vote, but I cannot change the established record.

On the basis of the vote on Motion No. 68 plus the vote of the Hon. Member for Regina East, I declare motion No. 94 defeated.

The next vote is on Motion No. 95. Mr. Robinson (Burnaby), seconded by Mr. Orlikow, moves:

That Bill C-9 be amended by deleting Clause 39.

● (0350)

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

Some Hon. Members: On division.

Mr. Speaker: I declare the motion negatived on division.

The next vote is on Motion No. 96. Mr. Kaplan, seconded by Mr. Blais, moves:

That Bill C-9 be amended in Clause 39

(a) by striking out line 27 at page 19 and substituting the following therefor:

"evidence, but subject to subsection (3), the Review Committee is entitled"

(b) by adding immediately after line 42 at page 19 the following:

"(3) No information described in subsection (2), other than a confidence of the Queen's Privy Council for Canada in respect of which subsection 36.3(1) of the *Canada Evidence Act* applies, may be withheld from the Committee on any grounds."

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the yeas have it.

Some Hon. Members: On division.

And more than five Members having risen:

Mr. Speaker: Shall I dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 114*)

YEAS

Messrs.

Axworthy	Collenette	Dubois
Bachand	Comtois	Dupont
Baker	Corbin	Dupras
Beauchamp-Niquet (Mrs.)	Corriveau	Duquet
Bégin (Miss)	Cosgrove	Erola (Mrs.)
Blais	Cousineau	Evans
Bockstael	Cyr	Ferguson
Bossy	Daudlin	Fisher
Breau	Dawson	Fleming
Burghardt	De Bané	Flis
Campbell (Miss) (South West Nova)	de Corneille	Foster
Campbell (LaSalle)	Demers	Fox
Campbell (Cardigan)	Deniger	Frith
	Dingwall	Gauthier
	Dion	Gendron
	Dionne (Chicoutimi)	Gingras
Gourd (Argenteuil-Papineau)	Lang	Pelletier
Gourde (Lévis)	Lapierre	Penner
Gray	Lapointe (Charlevoix)	Peterson
Harquail	LeBlanc	Pinard
Henderson	Leduc	Regan
Herbert	Lefebvre	Reid (Kenora-Rainy River)
Hervieux-Payette (Mrs.)	Lumley	Robinson (Etobicoke-Lakeshore)
Hopkins	MacBain	Rossi
Hudecki	MacGuigan	Savard
Isabelle	Mackasey	Schroder
Ittinuar	MacLaren	Smith
Joyal	MacLellan	Tessier
Kaplan	Maltais	Tousignant
Kelly	Marceau	Turner
Killens (Mrs.)	Massé	Veillette
Lajoie	Masters	Watson
Landers	McRae	Weatherhead—98.
	Ostiguy	
	Parent	

NAYS

Messrs.

Althouse	Gustafson	Munro (Esquimalt-Saanich)
Anguish	Halliday	Murphy
Beatty	Hamilton (Qu'Appelle-Moose Mountain)	Nickerson
Benjamin	Hargrave	Nielsen
Blaikie	Hawkes	Nowlan
Bosley	Heap	Nystrom
Bradley	Hnatyshyn	Oberle
Clark (Brandon-Souris)	Hovdebo	Parker
Cooper	Howie	Reid (St. Catharines)
Corbett	Keeper	Riis
Cossitt (Mrs.)	Kempling	Robinson (Burnaby)
Crosby (Halifax West)	Kilgour	Sargeant
Crouse	King	Schellenberger
Darling	Lachance	Scott (Hamilton-Wentworth)
Deans	Lawrence	Scott (Victoria-Haliburton)
de Jong	Lewis	Siddon
Dick	Lewycky	Skelly
Domm	MacDougall	Stewart
Ellis	Malone	Taylor
Elzinga	Manly	Thacker
Epp	Mazankowski	Towers
Fennell	McCain	Vankoughnet
Forrestall	McCuish	Waddell
Fraser	McDermid	Wenman
Fretz	McDonald (Ms.) (Broadview-Greenwood)	Wise
Friesen	McKnight	Young—84.
Fulton	McLean	
Gamble	Miller	
Greenaway	Mitges	

Mr. Speaker: I declare the motion carried.

The next vote is on Motion No. 97. Mr. Robinson (Burnaby), seconded by Mr. Orlikow, moves:

That Bill C-9 be amended in Clause 39 by striking out lines 30 to 32 at page 19 and substituting the following therefor:

"Inspector General and to receive from the".

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Speaker: All those in favour will please say yea.

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

Some Hon. Members: On division.

Mr. Speaker: I declare the motion negatived on division.

Mr. Pinard: Mr. Speaker, I rise on a point of order. We have just rejected Motion No. 97 on division. I seek unanimous consent for the same result to be applied to the following motions Nos.: 99, 100, 101, 102, 104, 105, 106, 108, 109, 111, 113, 114 and 116.

Mr. Deans: Yes, Mr. Speaker, we are prepared to accept that those motions go on division, although I believe some of them have been dealt with already on the Notice Paper by virtue of their having been dispensed with as a result of other votes. However, we are prepared to have them go on division.

Mr. Speaker: Is that agreed?

Some Hon. Members: Agreed.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 99.

That Bill C-9 be amended by deleting Clause 41.

Motion negatived.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 100.

That Bill C-9 be amended in Clause 41 by striking out lines 22 to 25 at page 20 and substituting the following therefor:

"dissatisfied with the response given."

Motion negatived.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 101.

That Bill C-9 be amended by deleting Clause 42.

Motion negatived.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 102.

That Bill C-9 be amended in Clause 42

(a) by striking out lines 32 to 34 at page 20 and substituting the following therefor:

'42. (1) Where the denial of a security clearance required by the Government of Canada is a factor in a decision made"

(b) by striking out lines 42 to 45 at page 20 and substituting the following therefor:

"(2) Where the denial of a security clearance required by the Government of Canada to be given in respect of an individual is a factor in a decision made to deny the".

Motion negatived.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 104.

That Bill C-9 be amended by deleting Clause 44.

Motion negatived.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 105.

That Bill C-9 be amended by deleting Clause 45.

Motion negatived.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 106.

That Bill C-9 be amended by deleting Clause 46.

Motion negatived.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 108.

That Bill C-9 be amended by deleting Clause 48.

Motion negatived.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 109.

That Bill C-9 be amended in Clause 48 by striking out line 14 at page 22 and substituting the following therefor:

"shall be conducted in private, unless the Review Committee orders otherwise."

Motion negatived.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 111.

That Bill C-9 be amended by deleting Clause 50.

Motion negatived.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 113.

That Bill C-9 be amended by deleting Clause 52.

Motion negatived.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 114.

That Bill C-9 be amended in Clause 52 by striking out lines 14 to 27 at page 23 and substituting the following therefor:

"52.(1) The Review Committee shall on completion of an investigation in relation to a complaint under section 41, provide the minister the director and the complainant with a report containing the findings of the investigation and any recommendations that the Committee considers appropriate."

Motion negatived.

Mr. Svend J. Robinson (Burnaby) moved:

Motion No. 116.

That Bill C-9 be amended by deleting Clause 53.

Motion negatived.

Mr. Nickerson: Mr. Speaker, it is my understanding that we had already dealt with Motions Nos. 104 and 105.

Mr. Nielsen: That is right.

Mr. Speaker: That could be right, but for the purposes of the record we have made assurance doubly sure.

The next vote is on Motion No. 118. Mr. Robinson (Burnaby), seconded by Mr. Deans, moves:

That Bill C-9 be amended in Clause 53 by adding immediately after line 45 at page 23 the following:

"(2) Each member of the Review Committee shall be free to submit a Minority Report pursuant to this section.

"(3) The Review Committee may establish mechanisms for the submission of Minority Reports pursuant to this section or section 54."

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Speaker: Shall we dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was negatived on the following division:

(Division No. 115)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman—81.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané de Corneille
Demers
Deniger
Dion
Dionne (Chicoutimi)
Dubois
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gourde (Lévis)
Gray
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lajoie
Landers
Lang
Lapierre
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McRae
Ostiguy
Parent
Penner
Peterson
Pinard
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—96.

● (0400)

During the taking of the Vote:

Mr. McKnight: Mr. Speaker, I rise on a point of order. I would like to compliment the Table Officers on their ability to recognize Members, but I was not in my seat during the vote and, therefore, I should not be counted.

Mr. Speaker: I declare the motion defeated.

Mr. Nickerson: Mr. Speaker, I rise on a point of order. The rules clearly state that, in order to vote, a Member should rise in his place and be counted. I noticed in the last several votes that the Minister of Transport (Mr. Axworthy) merely waved his hand and did not stand up. Therefore, I request that his vote not be counted.

Mr. Speaker: It may well be that the Chair's vision gets a little less clear at this hour, but the Chair recognized motion at that point and it was counted.

Some Hon. Members: Hear, hear!

Mr. Pinard: Mr. Speaker, I would ask for unanimous consent that the recorded division on Motion No. 119 be applied to just a few motions, Nos. 119, 120, 121 and 122.

Mr. Deans: Mr. Speaker, I can agree with the application on Motion Nos. 119 and 121, but I cannot agree to Motions Nos. 120 and 122.

Mr. Speaker: The next question is on Motion No. 119. Mr. Robinson (Burnaby), seconded by Mr. Deans, moves:

That Bill C-9 be amended be deleting Clause 54.

Is it the pleasure of the House to adopt the motion?

Mr. Hnatyshyn: Mr. Speaker, I distinctly heard the President of the Privy Council (Mr. Pinard) suggest that the previous vote be counted for Motion No. 119. I heard the Member—

Mr. Speaker: No. It is Motion No. 119, this vote, the result of this vote that was proposed.

Mr. Pinard: The previous vote applies to Motions Nos. 119 and 121.

Mr. Deans: I am quite prepared to have the outcome of vote on Motion No. 118 count for Motions Nos. 119 and 121.

Mr. Speaker: The Chair stands corrected. At this hour we make a few mistakes. The vote on Motion No. 118 will, by unanimous consent, be applied to Motion No. 119. Agreed?

Some Hon. Members: Agreed.

Mr. Speaker: I declare Motion No. 119 defeated. I understand the same vote will apply to 121 by unanimous consent with the addition of the vote negatived Mr. McKnight and Mr. Elzinga.

Mr. Hnatyshyn: No, no, in favour. It is not negatived. It is affirmative.

● (0410)

Mr. Speaker: It appears that there are Hon. Members wishing to be added. I believe that I am interpreting them correctly. Mr. McKnight, Mr. Elzinga, Mr. Wise and Mr. Young wish to be recorded as additional affirmative votes. As additional negative votes, Mr. Lachance, Mr. Gingras and Mrs. Côté wish to be added. Is that correct?

Some Hon. Members: Agreed.

Mr. Speaker: The next vote is on Motion No. 119.

Mr. Svend J. Robinson (Burnaby) moved:

That Bill C-9 be amended by deleting Clause 54.

The House divided on the motion, which was negatived on the following division:

(Division No. 116)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Dion
Dionne (Chicoutimi)
Dubois
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde (Lévis)
Gray
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McRae
Ostiguy
Parent
Penner
Peterson
Pinard
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—99.

Mr. Speaker: I declare Motion No. 119 negatived.

The next vote is on Motion No. 121.

Mr. Svend J. Robinson (Burnaby) moved:

That Bill C-9 be amended by deleting Clause 55.

The House divided on the motion, which was negatived on the following division:

(Division No. 117)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz

Messrs.

Friesen	MacDougall	Reid (St. Catharines)
Fulton	Malone	Riis
Gamble	Manly	Robinson (Burnaby)
Greenaway	Mazankowski	Sargeant
Gustafson	McCain	Schellenberger
Halliday	McCuish	Scott (Hamilton-Wentworth)
Hamilton (Qu'Appelle-Moose Mountain)	McDermid	Scott (Victoria-Haliburton)
Hargrave	McDonald (Ms.) (Broadview-Greenwood)	Siddon
Hawkes	McKnight	Skelly
Heap	McLean	Stewart
Hnatyshyn	Miller	Taylor
Hovdebo	Mitges	Thacker
Howie	Munro (Esquimalt-Saanich)	Towers
Keeper	Murphy	Vankoughnet
Kempling	Nickerson	Waddell
Kilgour	Nielsen	Wenman
King	Nowlan	Wise
Kristiansen	Nystrom	Young—84.
Lawrence	Oberle	
Lewis	Parker	
Lewycky		

NAYS

Messrs.

Appolloni (Mrs.)	Dupras	Leduc
Axworthy	Duquet	Lefebvre
Bachand	Erola (Mrs.)	Lumley
Baker	Evans	MacBain
Beauchamp-Niquet (Mrs.)	Ferguson	MacGuigan
Bégin (Miss)	Fisher	Mackasey
Blais	Fleming	MacLaren
Bockstael	Flis	MacLellan
Bossy	Foster	Malépart
Breau	Fox	Maltais
Burghardt	Frith	Marceau
Campbell (Miss) (South West Nova)	Garant	Massé
Campbell (LaSalle)	Gauthier	Masters
Campbell (Cardigan)	Gendron	McRae
Collenette	Gingras	Ostiguy
Comtois	Gourde (Lévis)	Parent
Corbin	Gray	Penner
Cosgrove	Harquail	Peterson
Côté (Mrs.)	Henderson	Pinard
Cousineau	Herbert	Regan
Cullen	Hervieux-Payette (Mrs.)	Reid (Kenora-Rainy River)
Cyr	Hopkins	Robinson (Etobicoke-Lakeshore)
Daudlin	Hudecki	Rompkey
Dawson	Isabelle	Rossi
De Bané	Joyal	Roy
de Corneille	Kaplan	Savard
Demers	Kelly	Schroder
Deniger	Killens (Mrs.)	Smith
Dion	Lachance	Tessier
Dionne (Chicoutimi)	Lajoie	Tousignant
Dubois	Landers	Turner
	Lang	Veillette
	Lapierre	Watson
	LeBlanc	Weatherhead—99.

Mr. Speaker: I declare Motion No. 121 negatived.

The next question is on Motion No. 120. Mr. Robinson (Burnaby), seconded by Mr. Deans, moves:

That Bill C-9 be amended in Clause 54

(a) by striking out line 1 at page 24 and substituting the following therefor:

"54. The Review Committee or any member thereof may, on"

(b) by striking out line 5 at page 24 and substituting the following therefor:

"performance of its duties and functions and where so requested by the Review Committee, the minister shall cause each such report to be laid before each House of Parliament on any of the first fifteen days on which that House is sitting after the day the minister receives it."

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Speaker: Shall we dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was negatived on the following division:

(*Division No. 118*)

YEAS

Messrs.

Althouse	Gustafson	Munro (Esquimalt-Saanich)
Anguish	Halliday	Murphy
Beatty	Hamilton (Qu'Appelle-Moose Mountain)	Nickerson
Benjamin	Hargrave	Nielsen
Blaikie	Hawkes	Nowlan
Bosley	Heap	Nystrom
Bradley	Hnatyshyn	Oberle
Clark (Brandon-Souris)	Hovdebo	Parker
Cooper	Howie	Reid (St. Catharines)
Corbett	Keeper	Riis
Cossitt (Mrs.)	Kempling	Robinson (Burnaby)
Crosby (Halifax West)	Kilgour	Sargeant
Crouse	King	Schellenberger
Darling	Kristiansen	Scott (Hamilton-Wentworth)
Deans	Lawrence	Scott (Victoria-Haliburton)
de Jong	Lewycky	Siddon
Dick	MacDougall	Skelly
Domm	Malone	Stewart
Ellis	Manly	Taylor
Elzinga	Mazankowski	Thacker
Epp	McCain	Towers
Fennell	McCuish	Vankoughnet
Forrestall	McDermid	Waddell
Fraser	McDonald (Ms.) (Broadview-Greenwood)	Wenman
Fretz	McKnight	Wise
Friesen	McLean	Young—83.
Fulton	Miller	
Gamble	Mitges	
Greenaway		

NAYS

Messrs.

Appolloni (Mrs.)	Campbell (Cardigan)	Deniger
Bachand	Collenette	Dion
Baker	Comtois	Dionne (Chicoutimi)
Beauchamp-Niquet (Mrs.)	Corbin	Dubois
Bégin (Miss)	Cosgrove	Duclos
Blais	Côté (Mrs.)	Dupont
Bockstael	Cousineau	Dupras
Bossy	Cullen	Duquet
Breau	Cyr	Erola (Mrs.)
Burghardt	Daudlin	Evans
Campbell (Miss) (South West Nova)	Dawson	Ferguson
Campbell (LaSalle)	De Bané	Fisher
	de Corneille	Fleming
	Demers	Flis

Messrs.

Foster
Fox
Frith
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Gray
Harquail
Henderson
Herbert
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McRae
Parent
Penner
Peterson
Pinard
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—101.

Mr. Speaker: I declare the motion defeated.

The next question is on Motion No. 122. Mr. Robinson (Burnaby), seconded by Mr. Deans, moves:

That Bill C-9 be amended in Clause 55

(a) by striking out line 6 at page 24 and substituting the following therefor:

"55.(1) The Review Committee shall consult"

(*b*) by adding immediately after line 20 at page 24 the following:

"(2) The Review Committee shall have full authority to determine the contents of statements and reports referred to in subsection (1) of this section."

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five Members having risen:

Mr. Speaker: Shall we dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The house divided on the motion, which was negatived on the following division:

(*Division No. 119*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—82.

NAYS

Messrs.

Appolloni (Mrs.)
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
De Bané
de Corneille
Demers
Deniger
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupont
Dupras
Duquet
Erola (Mrs.)
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd
(Argenteuil-Papineau)
Gourde
(Lévis)
Harquail
Henderson
Herbert
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McRae
Parent
Penner
Peterson
Pinard
Regan
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Watson
Weatherhead—96.

● (0420)

Mr. Speaker: I declare the motion defeated.

Mr. Pinard: Mr. Speaker, I rise on a point of order. The next vote will be on Motion No. 123 which is a motion in the name of the Progressive Conservative Party. I seek the unanimous consent of the House that the recorded division which is to be taken on Motion No. 123 will apply to Motion No. 130, which is also a motion in the name of the Conservative Party.

Mr. Hnatyshyn: Mr. Speaker, Motion No. 123 is in the name of my colleague, the Hon. Member for Vancouver South

(Mr. Fraser), who is a distinguished Solicitor General spokesperson.

Some Hon. Members: Hear, hear!

Mr. Hnatyshyn: On his advice, we are prepared to vote on Motion No. 123, and the recorded division which is shown on that vote will also be shown as the recorded division on Motion No. 130, which also stands in the name of the Hon. Member for Vancouver South who is our distinguished Solicitor General spokesperson.

Mr. Deans: Mr. Speaker, having had an opportunity to discuss this matter in detail with the distinguished critic from the New Democratic Party, we agree.

The Acting Speaker (Mr. Herbert): Does the House give its unanimous consent that the result of the vote on Motion No. 123 shall apply to Motion No. 130?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): Therefore, the next vote is on Motion No. 123.

Mr. Fraser, seconded by Mr. Domm, moves:

That Bill C-9 be amended by adding immediately after line 20 at page 24 the following:

"56. The administration, provisions and operation of this Act shall be reviewed on a permanent basis by such committee of the House of Commons or of the House of Commons and Senate as may be designated or established by Parliament for that purpose."

The Acting Speaker (Mr. Herbert): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Herbert): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion the nays have it.

And more than five Members having risen:

The House divided on the motion, which was negatived on the following division:

(*Division No. 120*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—83.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Dion
Dionne (Chicoutimi)
Dubois
Dupont
Dupras
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Harquail
Henderson
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

Hon. John A. Fraser (Vancouver South) moved:

Motion No. 130.

That Bill C-9 be amended in Clause 61 by adding immediately after line 3 at page 26 the following:

"(2) Members of the Royal Canadian Mounted Police, exercising primary responsibility pursuant to subsection (1), shall consult with municipal and provincial police forces when exercising such jurisdiction."

The House divided on the motion, which was negatived on the following division:

Security Intelligence Service

(Division No. 121)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—83.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
De Bané
de Corneille
Demers
Deniger
Dion
Dionne (Chicoutimi)
Dubois
Dupont
Dupras
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Harquail
Henderson
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Portelance
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

● (0430)

The Acting Speaker (Mr. Herbert): I declare the motion lost.

The next question is on Motion 124.

Mr. Pinard: Mr. Speaker, I seek the unanimous consent of the House that the recorded division to be taken on Motion No. 124 be applied to the following Motions: Motions Nos. 129, 138, 139 and 140.

Mr. Deans: Mr. Speaker, I wonder if the House Leader would accept adding to the list which he gave us Motions Nos. 151, 152, 155, 159, 166 and 167?

Mr. Pinard: Of course, Mr. Speaker, with pleasure.

The Acting Speaker (Mr. Herbert): Does the House give its unanimous consent that the vote on Motion No. 124 will also apply to Motions Nos. 129, 138, 139, 140, 151, 152, 155, 159, 166 and 167?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): This vote also disposes of Motions Nos. 125 to 128 inclusive; Motions Nos. 131 to 137 inclusive; Motions Nos. 142 to 150 inclusive; Motions Nos. 156, 157, 158; Motions Nos. 161 to 165 inclusive; and Motions Nos. 168 to 174 inclusive.

Mr. Svend J. Robinson (Burnaby) moves:

Motion No. 124.

That Bill C-9 be amended by deleting Clause 56.

The House divided on the motion, which was negatived on the following division:

(Division No. 122)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)

Messrs.

Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde
(Lévis)
Gray
Harquail
Henderson
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

Mr. Svend J. Robinson (Burnaby) moves:

Motion No. 129.

That Bill C-9 be amended by deleting Clause 61.

The House divided on the motion, which was negatived on the following division:

(*Division No. 123*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde
(Lévis)
Gray
Harquail
Henderson
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

Mr. Svend J. Robinson (Burnaby) moves:

Motion No. 138.

That Bill C-9 be amended by deleting Clause 69.

The House divided on the motion, which was negatived on the following division:

(*Division No. 124*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde (Lévis)
Gray
Harquail
Henderson
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

Mr. Svend J. Robinson (Burnaby) moves:

Motion No. 139.

That Bill C-9 be amended in Clause 69 by striking out lines 11 to 17 at page 30 and substituting the following therefor:

"69. (1) Three years after the coming into force of this Act a comprehensive review of the provisions and operations of this Act shall be undertaken by such committee of the House of Commons or of both Houses of Parliament as shall be established by Parliament for that purpose."

The House divided on the motion, which was negatived on the following division:

(*Division No. 125*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde (Lévis)
Gray
Harquail
Henderson
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

Mr. Svend J. Robinson (Burnaby) moves:

Motion No. 140.

That Bill C-9 be amended by deleting Clause 70.

The House divided on the motion, which was negatived on the following division:

(*Division No. 126*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour

Messrs.

King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde
(Lévis)
Gray
Harquail
Henderson
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

Mr. Svend J. Robinson (Burnaby) moves:

Motion No. 151.

That Bill C-9 be amended by deleting Clause 80.

The House divided on the motion, which was negatived on the following division:

(*Division No. 127*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde
(Lévis)
Gray
Harquail
Henderson
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

Mr. Svend J. Robinson (Burnaby) moves:

Motion No. 152.

That Bill C-9 be amended in Clause 80 by striking out lines 15 to 18 at page 37 and substituting the following therefor:

"person other than a Canadian citizen or permanent resident is a person described in paragraph 19(12)(d), (e), (f), or (g) or in paragraph 27(2)(c), or that a person who is a permanent resident is a person described in subparagraph 19(1)(d)(ii), or paragraph 19(1)(e) or (g) or 27(1)(c), they may make a report to the".

The House divided on the motion, which was negatived on the following division:

Security Intelligence Service

(Division No. 128)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde
(Lévis)
Gray
Harquail
Henderson
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

Mr. Svend J. Robinson (Burnaby) moves:

Motion No. 155.

That Bill C-9 be amended in Clause 80 by striking out lines 40 to 48 at page 37 and lines 1 and 2 at page 38 and substituting the following therefor:

"for that purpose shall hold a hearing of which sections 29 to 31 shall apply as if the hearing were being carried on before an adjudicator."

The House divided on the motion, which was negatived on the following division:

(Division No. 129)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde
(Lévis)
Gray
Harquail
Henderson
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

Mr. Svend J. Robinson (Burnaby) moves:

Motion No. 159.

That Bill C-9 be amended by deleting Clause 84.

The House divided on the motion, which was negatived on the following division:

(Division No. 130)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde (Lévis)
Gray
Harquail
Henderson
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

Mr. Svend J. Robinson (Burnaby) moves:

Motion No. 166.

That Bill C-9 be amended by deleting Clause 90.

The House divided on the motion, which was negatived on the following division:

(Division No. 131)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde (Lévis)
Gray
Harquail
Henderson
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain

Messrs.

MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

Mr. Svend J. Robinson (Burnaby) moves:

Motion No. 167.

That Bill C-9 be amended in Clause 90 by striking out lines 12 and 13 at page 44 and substituting the following therefor:

"(iii) activities that could reasonably be expected to constitute threats to the security of Canada".

The House divided on the motion, which was negatived on the following division:

(*Division No. 132*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid
(St. Catharines)
Riis
Robinson
(Burnaby)
Sargeant
Schellenberger
Scott
(Hamilton-Wentworth)
Scott
(Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—84.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet
(Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss)
(South West Nova)
Campbell
(LaSalle)
Campbell
(Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
Demers
Deniger
Dion
Dionne
(Chicoutimi)
Dubois
Duclos
Dupras
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Frith
Garant
Gauthier
Gendron
Gingras
Gourde
(Lévis)
Gray
Harquail
Henderson
Hervieux-Payette
(Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Kelly
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe
(Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Malépart
Maltais
Marceau
Massé
Masters
McCauley
McRae
Parent
Pelletier
Penner
Peterson
Pinard
Portelance
Reid
(Kenora-Rainy River)
Robinson
(Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—102.

● (0440)

Mr. Deans: Mr. Speaker, I just wanted to check. I did not hear my name called although I know I voted.

The Acting Speaker (Mr. Herbert): I declare the motion lost. The same result will apply to the motions as previously enumerated. This vote therefore disposes of Motions Nos. 125, 126, 127, 128, 131, 132, 133, 134, 135, 136, 137, 142, 143, 144, 145, 146, 147, 148, 149, 150, 156, 157, 158, 162, 163, 164, 165, 168, 169, 170, 171, 172, 173, 174.

The next question is on Motion No. 141. Mr. Robinson (Burnaby), seconded by Mr. Deans, moves:

Motion No. 141.

That Bill C-9 be amended in Clause 70 by striking out lines 4 and 5 at page 31 and substituting the following therefor:

"(iii) activities that could reasonably be expected to constitute threats to the security of Canada".

The House divided on the motion, which was negatived on the following division:

(*Division No. 133*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark
(Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby
(Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.)
(Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro
(Esquimalt-Saanich)
Murphy
Nickerson
Nystrom
Oberle
Parker
Reid
(St. Catharines)

Messrs.

Riis	Scott	Towers
Robinson	(Victoria-Haliburton)	Vankoughnet
(Burnaby)	Siddon	Waddell
Sargeant	Skelly	Wenman
Scott	Stewart	Wise
(Hamilton-Wentworth)	Taylor	Young—81.
	Thacker	

NAYS

Messrs.

Appolloni (Mrs.)	Erola (Mrs.)	Lefebvre
Axworthy	Evans	Lumley
Bachand	Ferguson	MacBain
Baker	Fisher	MacGuigan
Beauchamp-Niquet	Fleming	Mackasey
(Mrs.)	Flis	MacLaren
Bégin (Miss)	Foster	MacLellan
Blais	Fox	Malépart
Bockstael	Frith	Maltais
Bossy	Garant	Marceau
Breau	Gauthier	Masters
Burghardt	Gendron	McCauley
Campbell (Miss)	Gingras	McRae
(South West Nova)	Gourd	Parent
Campbell	(Argenteuil-Papineau)	Pelletier
(LaSalle)	Gourde	Penner
Campbell	(Lévis)	Peterson
(Cardigan)	Gray	Pinard
Collenette	Harquail	Portelance
Comtois	Henderson	Regan
Corbin	Hervieux-Payette	Reid
Cosgrove	(Mrs.)	(Kenora-Rainy River)
Côté (Mrs.)	Hopkins	Robinson
Cousineau	Hudecki	(Etobicoke-Lakeshore)
Cullen	Isabelle	Rompkey
Cyr	Ittinuar	Roy
Daudlin	Johnston	Savard
Dawson	Joyal	Schroder
de Corneille	Kaplan	Simmons
Demers	Killens (Mrs.)	Smith
Deniger	Lachance	Tessier
Dion	Lajoie	Tousignant
Dionne	Landers	Turner
(Chicoutimi)	Lang	Veillette
Dubois	Lapierre	Watson
Duclos	Lapointe	Weatherhead—103.
Dupont	(Charlevoix)	
Dupras	LeBlanc	
Duquet	Leduc	

The Acting Speaker (Mr. Herbert): I declare the motion lost.

The next question is on Motion 153. Mr. Kaplan, seconded by Mr. MacLellan, moves:

Motion No. 153.

That Bill C-9 be amended in Clause 80

(a) by striking out lines 15 to 18 at page 37 and substituting the following therefor:

"person, other than a Canadian citizen, is

(a) in the case of a permanent resident, a person described in subparagraph 19(1)(d)(ii) or paragraph 19(1)(e) or (g) or 27(1)(c), or

(b) in any other case, a person described in any of paragraphs 19(1)(d) to (g) or 27(2)(c),

they may make a report to the"

(b) by striking out lines 33 to 35 at page 37 and substituting the following therefor:

"person named in the document is,

(a) in the case of a permanent resident, a person described in subparagraph 19(1)(d)(ii) or paragraph 19(1)(e) or (g) or 27(1)(c); or

(b) in any other case, a person described in any of paragraphs 19(1)(d) to (g) or 27(2)(c)."

(c) by striking out lines 1 and 2 at page 38 and substituting the following therefor:

"section 42 of that Act, except that

(a) a reference in any of those provisions to "deputy head" shall be read as a reference to the Minister and the Solicitor General; and

(b) paragraph 50(a) of that Act does not apply with respect to the person concerning whom the report is made."

(d) by striking out lines 15 to 17 at page 39 and substituting the following therefor:

"was made is

(a) in the case of a permanent resident, a person described in subparagraph 19(1)(d)(ii) or paragraph 19(1)(e) or (g) or 27(1)(c), or

(b) in any other case, a person described in any of paragraphs 19(1)(d) to (g) or 27(2)(c),

the Governor in Coun-".

The Acting Speaker (Mr. Herbert): All those in favour will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion the yeas have it.

Some Hon. Members: On division.

The Acting Speaker (Mr. Herbert): I declare the motion carried on division.

Mr. Pinard: Mr. Speaker, the motion we have just voted on is a motion in the name of the Government. There is another one, Motion No. 160. I think there would be unanimous consent to carry Motion No. 160.

● (0450)

The Acting Speaker (Mr. Herbert): Does the House give unanimous consent to carry Motion No. 160?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): The question then is on Motion No. 160. Mr. Kaplan, seconded by Mr. Pinard, moves:

That Bill C-9 be amended in Clause 84

(a) by striking out lines 1 to 3 at page 41 and substituting the following therefor:

"is a person described,

(c) in the case of a permanent resident, in subparagraph 19(1)(d)(ii) or pararaph 19(1)(e) or (g) or 27(1)(c), or

(d) in any other case, in any of paragraphs 19(1)(d) to (g) or 27(2)(c),

they may make a report to the"

(b) by striking out lines 21 to 24 at page 41 and substituting the following therefor:

"section 42 of that Act, except that

(a) a reference in any of those provisions, to "deputy head" shall be read as a reference to the Minister and the Solicitor General; and

(b) paragraph 50(a) of that Act does not apply with respect to the person concerning whom the report is made."

(c) by striking out lines 21 to 23 at page 42 and substituting the following therefor:

"in paragraph 82.1(2)(b) is a person described

(a) in the case of a permanent resident, in subparagraph 19(1)(d)(ii) or paragraph 19(1)(e) or (g) or 27(1)(c), or

(b) in any other case, in any of paragraphs 19(1)(d) to (g) or 27(2)(c), the".

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): I declare the motion carried.

The next vote is one Motino No. 154. Mr. Robinson (Burnaby), seconded by Mr. Deans, moves:

That Bill C-9 be amended in Clause 80 by adding immediately after line 35 at page 37 the following:

"(4) Notwithstanding subsection (3), the Minister shall not cause to be filed a certificate pursuant to that subsection in respect of paragraphs 19(1)(e) or (f), or paragraphs 27(1)(c) or (2)(c) where the person believed to engage in subversion has neither used, nor advocated the use of violence.—

The Acting Speaker (Mr. Herbert): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Herbert): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Herbert): In my opinion the nays have it.

And more than five Members having risen:

The Acting Speaker (Mr. Herbert): Shall we dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was negatived on the following division:

(*Division No. 134*)

YEAS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Murphy
Nickerson
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wise
Young—80.

NAYS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Baker
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Dawson
de Corneille
Demers
Deniger
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Harquail
Henderson
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Killens (Mrs.)
Lachance
Landers
Lang
Lapierre
LeBlanc
Leduc
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Ostiguy
Parent
Penner
Peterson
Pinard
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Roy
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—97.

The Acting Speaker (Mr. Herbert): I declare the motion defeated.

Hon. Bob Kaplan (Solicitor General of Canada) moved that the Bill be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: In my opinion the yeas have it.

And more than five Members having risen:

Mr. Speaker: Shall we dispense with the ringing of the bells?

Some Hon. Members: Agreed.

The House divided on the motion, which was agreed to on the following division:

(Division No. 135)

YEAS

Messrs.

Appolloni (Mrs.)
Axworthy
Bachand
Beauchamp-Niquet (Mrs.)
Bégin (Miss)
Blais
Bockstael
Bossy
Breau
Burghardt
Campbell (Miss) (South West Nova)
Campbell (LaSalle)
Campbell (Cardigan)
Collenette
Comtois
Corbin
Cosgrove
Côté (Mrs.)
Cousineau
Cullen
Cyr
Daudlin
Dawson
de Corneille
Demers
Deniger
Dion
Dionne (Chicoutimi)
Dubois
Duclos
Dupont
Duquet
Erola (Mrs.)
Evans
Ferguson
Fisher
Fleming
Flis
Foster
Fox
Garant
Gauthier
Gendron
Gingras
Gourd (Argenteuil-Papineau)
Gourde (Lévis)
Gray
Harquail
Henderson
Herbert
Hervieux-Payette (Mrs.)
Hopkins
Hudecki
Isabelle
Ittinuar
Johnston
Joyal
Kaplan
Killens (Mrs.)
Lachance
Lajoie
Landers
Lang
Lapierre
Lapointe (Charlevoix)
LeBlanc
Leduc
Lefebvre
Lumley
MacBain
MacGuigan
Mackasey
MacLaren
MacLellan
Maltais
Marceau
Massé
Masters
McCauley
McRae
Ostiguy
Parent
Pelletier
Penner
Peterson
Pinard
Regan
Reid (Kenora-Rainy River)
Robinson (Etobicoke-Lakeshore)
Rompkey
Rossi
Savard
Schroder
Simmons
Smith
Tessier
Tousignant
Turner
Veillette
Watson
Weatherhead—101.

NAYS

Messrs.

Althouse
Anguish
Beatty
Benjamin
Blaikie
Bosley
Bradley
Clark (Brandon-Souris)
Cooper
Corbett
Cossitt (Mrs.)
Crosby (Halifax West)
Crouse
Darling
Deans
de Jong
Dick
Domm
Ellis
Elzinga
Epp
Fennell
Forrestall
Fraser
Fretz
Friesen
Fulton
Gamble
Greenaway
Gustafson
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Hawkes
Heap
Hnatyshyn
Hovdebo
Howie
Keeper
Kempling
Kilgour
King
Kristiansen
Lawrence
Lewis
Lewycky
MacDougall
Malone
Manly
Mazankowski
McCain
McCuish
McDermid
McDonald (Ms.) (Broadview-Greenwood)
McKnight
McLean
Miller
Mitges
Munro (Esquimalt-Saanich)
Nickerson
Nielsen
Nowlan
Nystrom
Oberle
Parker
Reid (St. Catharines)
Riis
Robinson (Burnaby)
Sargeant
Schellenberger
Scott (Hamilton-Wentworth)
Scott (Victoria-Haliburton)
Siddon
Skelly
Stewart
Taylor
Thacker
Towers
Vankoughnet
Waddell
Wenman
Wise
Young—83.

● (0500)

Mr. Speaker: I declare the motion carried. When shall the Bill be read a third time? At the next sitting of the House?

Some Hon. Members: Agreed.

Mr. Speaker: It being 5.05 a.m., this House stands adjourned until later today, pursuant to Standing Order 2(1).

The House adjourned at 5.05 a.m.

HOUSE OF COMMONS

Thursday, June 21, 1984

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

Hon. Bob Kaplan (Solicitor General of Canada) moved that Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, be read a third time and do pass.

Mr. Hnatyshyn: Mr. Speaker, on a point of order—

Mr. Speaker: The Hon. Member for Saskatoon West (Mr. Hnatyshyn).

Mr. Hnatyshyn: The tradition on third reading with respect to legislation has been for the Minister who introduces the motion to address the House. In terms of the point of order, I simply want to know whether it is the intention of the Minister to make any remarks on this, or is he going to continue in this arrogance, which I cannot understand, with respect to such important legislation when we have closure imposed upon us. I would like to have some indication of whether there will be some initial remarks. If there will not, our Party is prepared to debate this vigorously during the course of the day.

Mr. Pinard: Mr. Speaker, I agree that there are a lot of traditions and some of them must be followed. Others should be changed. For example, what happened last night was most childish, especially coming from the NDP.

With regard to the request made by the Hon. Member, I do not think that tradition need be followed either. The Solicitor General (Mr. Kaplan) is free to speak at any time on third reading. If he wants to speak, he will rise and deliver his speech. There is no tradition that on third reading the mover should speak first. That is not true.

[*Translation*]

Mr. Kaplan: My answer to the question is that, in the last few months and especially the last few hours, many of the comments I heard on this Bill were so far-fetched, inaccurate and destructive that I have now decided not to listen a great deal to the arguments of the Opposition. However, I think most of what was said last night about this Bill was so far-fetched it was not worth responding to.

• (1110)

[*English*]

Mr. Deans: Mr. Speaker, the House Leader of the Government indicates that he is unhappy with certain traditions. I simply want to say to him that if we could find a way to do today, tomorrow, next week and next year what we did last night and stop this Bill from passing, we would use it. The Bill is so bad, so offensive, and so disgusting in nature that it ought not to pass.

Mr. Speaker: The Chair is having difficulty at this point. Are any Hon. Members wishing to be recognized for debate?

Mr. Masters: Mr. Speaker, I hesitate to interrupt the debate, but I would ask unanimous consent of the House to present the first report of the Standing Committee on Communications and Culture, which is prepared in both official languages. The subject matter concerns the taxation of visual and performing artists and writers. With the permission of the House I would like to present the report now.

Mr. Speaker: This can only be done by unanimous consent.

Mr. Hnatyshyn: Mr. Speaker, I have not been apprised of that intention. While I do not see that there would be any objection, the normal courtesy is to let the Opposition know precisely what the intention is, particularly the Opposition House Leader.

I will take the matter under advisement. Maybe we will be able to meet with the Hon. Member later in the morning to see if we can make some arrangements to look at what he wants to do.

Mr. Speaker: There does not appear to be unanimous consent for the Hon. Member's request. In the circumstances, he cannot move his motion.

Mr. Masters: Mr. Speaker, I rise on a point of order. I only want to add a brief remark. I recognize that, and do not wish to take up the time of the House, but to my knowledge there had been an understanding. I would simply request that the matter be looked into.

Mr. Speaker: It is quite clear that there is not unanimous consent.

Security Intelligence Service

Hon. John A. Fraser (Vancouver South): Mr. Speaker, this is the last day of debate on Bill C-9, which is the legislation concerning the Canadian security service. You will know, Mr. Speaker, that we are at what is called third reading stage. If my hon. friends on the government side do not stop talking, I will sit down until they do. I wonder if Your Honour could call for order.

An Hon. Member: Wake up, Chairman.

Mr. Fraser: It is not my place to call order, Mr. Speaker, but there is too much noise.

The Acting Speaker (Mr. Guilbault): There appears to be too much noise, including a Member who said, "Wake up, Chairman", which is certainly offensive. Members should listen to the Member who is speaking.

Mr. Fraser: Mr. Speaker, it certainly was not I who made that remark about which you complained. It must have been somebody on the government side.

I was saying that we are here today because this is the last day of debate on Bill C-9. For those who are not knowledgeable about the terms of Parliament, this is what is called third reading. Just so that the public knows what has happened, I think it should be on the record that a number of months ago this Bill was first debated in the House at what is called second reading. That is supposed to be a debate on the principle of the Bill.

At that time the Solicitor General (Mr. Kaplan) said that the Bill contains a legislative mandate which sets out rules which will become law, within which the security service of Canada must operate. It was obvious at that time that the security service of Canada, which has been operating for many years under the aegis of the RCMP, had and needed some extraordinary powers. It was the decision of the Government to mandate those powers into law primarily because, after the revelations of wrong-doing in the early 1970s and late 1960s, it was stated publicly in 1977 in this House that the Government felt there should be such a mandate so such wrong-doings would not happen again. On that, your Honour, there obviously cannot be any disagreement.

• (1115)

The Government also felt that the security service should be removed from the aegis of the Royal Canadian Mounted Police. The Government's reasons for this were that almost 14, maybe 15, years ago—certainly as long as 12 or 13 years ago—members of the security service who also were Royal Canadian Mounted Policemen did things they should not have done. Therefore, after the revelations of 1977 in this House, the Government appointed the McDonald Commission.

The McDonald Commission studied the matter for a number of years and it came up with many recommendations, one of which was that the security service should be removed from the Royal Canadian Mounted Police. A not very thinly disguised implication was "because you can't trust the Mounties".

It was also very clear, however, that what went wrong with the security service under the Royal Canadian Mounted Police back in the early 1970s and late 1960s was that a Prime Minister and various Solicitors General on the government side in the Liberal Party failed to exercise appropriate control over the security service, and failed to ask the most fundamental, ordinary questions that any good commander of any force would ask, and they implicitly told the Mounties to find information and not to discuss with the Government what they would do and how they would do it.

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. I sincerely apologize to my distinguished colleague, the Hon. Member for Vancouver South (Mr. Fraser), for interrupting his excellent presentation, but in light of the fact that unanimous consent was asked on behalf of the Parliamentary Secretary to the Minister of Communications to table a report, I have now had an opportunity of discussing this matter with the Hon. Member for Thunder Bay-Nipigon (Mr. Masters) and my colleague, the Hon. Member for Hamilton-Wentworth (Mr. Geoff Scott), and I think if you were to seek unanimous consent now consent would be forthcoming to table the report in question.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent to table the report now?

Mr. Deans: Mr. Speaker, we would be pleased to give unanimous consent. I thought there must have been a breakdown in communications someplace, and I am delighted to see the report table in the House today.

Mr. Masters: Mr. Speaker, I apologize for the interruption in the dissertation of the Hon. Member for Vancouver South (Mr. Fraser). I thank the Opposition House Leader for his courtesy. We all have communication problems from time to time, even the Standing Committee on Communications and Culture.

ROUTINE PROCEEDINGS

[*English*]

COMMUNICATIONS AND CULTURE

PRESENTATION OF FIRST REPORT OF STANDING COMMITTEE

Mr. Jack Masters (Thunder Bay-Nipigon): Mr. Speaker, I have the honour to present the first report of the Standing Committee on Communications and Culture, in both official

languages, on the taxation of visual and performing artists and writers.

[*Editor's Note: For above report, see today's Votes and Proceedings.*]

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Kaplan that Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact An Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, be read a third time and do pass.

Hon. John A. Fraser (Vancouver South): Mr. Speaker, as I was saying, what happened in the early 1970s, and it happened partly at least as a consequence of the concerns of the FLQ in Quebec, the Government of the day, was that the Solicitors General of the day, and the Prime Minister of the day, with a wink, a nudge, and a nod, told the Mounties in the security service to go out and find everything they could and "not tell us, the Government, what they were going to do or how they were going to do it". That is an abysmally disgraceful part of the record of any Government of Canada.

I remember well, Sir, hearing the Prime Minister (Mr. Trudeau) make a statement when questions were being raised in the House of Commons in 1977 as the revelations came out. Questions were being raised by the Progressive Conservative Party and the other Party in the Opposition, which were being stonewalled by the Prime Minister. The questions were: What has gone wrong? Why can the Government not control illegal actions of the security force? The Prime Minister's notion is one which should be studied by law students for many years to come. His notion was that it was not up to him, that it was not up to the Government, to be concerned with the everyday activities of the security force and that if it did secret, illegal things, the courts would protect us. That was the theory of the Right Hon. Prime Minister, a theory which every first year law student knows is absolute nonsense and any practising lawyer knows is absolute nonsense, because secret, illegal activities will not even get before the courts.

• (1120)

I remind Hon. Members of that, because there was an attitude at the time on the part of the Prime Minister, and apparently on the part of Solicitors General, that in the murky world of intelligence gathering the Government ought not to know and certainly did not want to know. As events transpired, when members of the Royal Canadian Mounted Police exceeded what was appropriate and proper, they were abandoned immediately by their political masters who should have taken their responsibility.

The point I am making is that the RCMP and the security service of Canada were betrayed by their political masters, and those political masters were Liberals, including the Prime Minister of Canada. It became very convenient to find someone else to blame other than the Government. Finally, as more revelations became clear, the McDonald Royal Commission was set up under Mr. Justice McDonald and two other eminent commissioners.

It is interesting that the McDonald Commission came down with the conclusion that the security service should be removed from the Royal Canadian Mounted Police. It indicated that members of the RCMP could not be trained properly in intelligence gathering work, that it was impossible for an agency working under the aegis of the RCMP to do the special and sophisticated work required. The Commission believed, for reasons which I never found very logical, that it had to be some kind of special breed of creatures, perhaps born in some distant land, and only they, after special training, were fit for work in intelligence gathering.

Also, it pointed to the abuses which were certainly there for many years. It is interesting that it completely ignored the fact that the RCMP is a very sophisticated police force in crime detection, prevention, and the collection of information with respect to crime. The Commission forgot, as it sat month after month, year after year, in its deliberations, that it was looking backwards, not forwards, and that what it was examining had happened many years ago. It did not seem to occur to them that the difficulty was not with the Royal Canadian Mounted Police as such, but the lack of control and the lack of adequate constraints on the part of their political masters. The blame lies squarely with the Prime Minister and Liberal Solicitors General, and to place the blame anywhere else is a cruel and wretched cop-out. This is 1984, and the sins of commission or omission that were complained of happened 13, 14 or 15 years ago.

• (1125)

When I asked the Solicitor General about this security service in committee, this security service which until at least today is still under the aegis of the RCMP and reports to the Government through the Commissioner of the RCMP, I pointed out that all this talk of the new security service under this bill was just not so, that there was nothing new about the security service. After this Bill passes it will be the same people, the same building, same files, same typewriters, and same telephone. All that will change under this Bill is that, instead of an RCMP commissioner, there will be a director reporting to the Solicitor General. Then there will be some consequential changes with respect to pensioners, payment, and internal administration.

I asked the Solicitor General how, if there was such a desperate need to remove the security service from the Royal Canadian Mounted Police and the traditions, constraints, and concepts of justice and duty and country which go with that magnificent force, it was getting along all these years since those distant days 13 or 14 years ago when things went wrong. He had to say they were getting along very well with the security service under the Royal Canadian Mounted Police. He said the people were very fine people, that the Royal Canadian Mounted Police was a very fine organization, that his relations with the Commissioner were very good, and that he had nothing but good things to say about the RCMP. That seemed a little strange in view of the fact that the whole reason for getting the security service away from the Royal Canadian Mounted Police was because they had had a lot of bad things to say about it.

I asked the Minister, and I quote:

> The fact is, Mr. Minister, that for many months now—for many years in fact—since the revelations in the House of Commons in 1977 and the action which was taken consequently, the security service has been working as a part of the Royal Canadian Mounted Police. The Commissioner has been reporting to the Solicitor General effectively, competently and in a manner which I am sure you would agree meets with your approval. You testified that this has been done in a manner which meets the appropriate sensibilities of the Canadian public. Is that not so?

That was my question to the Solicitor General. The Solicitor General replied: "Yes, that is so." If the security service today is exactly the same security service which was in existence months and years ago, and which has been operating properly and well, it is very difficult to understand the strange, tortured logic of those who say that the only route to go is to take the security service away from the aegis of the Royal Canadian Mounted Police.

One can say that the attachment to the Royal Canadian Mounted Police is just emotional, just sentimental. It is a romantic view that the traditions of the Royal Canadian Mounted Police are such that perhaps there would be more public trust in the knowledge that a secret intelligence-gathering organization fell under the aegis of the Royal Canadian Mounted Police. After all, though, that is all romanticism and this is 1984. There is not much room for that any more.

• (1130)

Let me tell you what another group said about the Royal Canadian Mounted Police. The British Columbia Civil Liberties Association is an association which is well and favourably known to me and to many others. It is a serious association acting within my province and it concerns itself with the whole question of civil liberties.

When I was a boy growing up, we did not use the phrase "civil liberties" very much. We used another phrase that was well understood, "British justice". It was the tradition that we thought we had brought from the best of the old country and incorporated into our system. Today, the phrase "civil liberties" is used, but then it was justice and it is today justice for individuals living in freedom in this country of which we are speaking.

The British Columbia Civil Liberties Association is an association which is concerned with justice and is understandably and properly concerned with the ever-present potential for abuse in a police system or in a security intelligence system. But it is one which does not have a romantic, sentimental attachment to the Royal Canadian Mounted Police, or to any police force for that matter. Its purpose is to be skeptical and to be careful in its consideration of police and security services. Therefore, it has no romantic notions about the Royal Canadian Mounted Police. A representative of this association had the following to say before the committee:

> The second concern deals with the civilianization of the security service. The Senate Committee and McDonald Commission cite essentially two reasons for civilianization. One is that the intelligence personnel of the security agency require different training and abilities from those training and abilities that RCMP officers have and, secondly, the police hierarchy is incompatible with the strict process of review and control that is envisaged for a civilian security agency.

Mr. John Russell, the member of the association who was giving evidence at the time, had this to say:

> I think the lie is given to the first item by the fact that the RCMP security section is going to be given over to the new security service.
>
> We are left with the conclusion that either the RCMP does train competent personnel, in this case, or the service will begin its life with unsuitable employees. In our view, we would prefer that the security service, if there is to be a security service, should remain within the purview of the RCMP, where threats to national security are more likely to be placed in a realistic context. That is, they will be assessed in relation to other criminal activity and not isolated.

Your Honour—

The Acting Speaker (Mr. Guilbault): Order, please. The Chair regrets to interrupt the hon. gentleman but his time is up.

Mr. Hnatyshyn: No, it is unlimited time.

The Acting Speaker (Mr. Guilbault): The Chair will let the hon. gentleman continue for a moment.

Mr. Fraser: I am placed in a difficult position, Your Honour. I had inquired of the Table this morning and I was told that under the rules today I had unlimited time. I do not intend to go on in an unlimited fashion but I had structured my remarks accordingly. I hope I have sufficient time to finish my remarks.

Mr. Hnatyshyn: Mr. Speaker, I rise on that point of order. I believe, Mr. Speaker, that under the provisions of Standing Order 35(1) which deals with time limits with respect to interventions in debate, the following is the case:

> Unless otherwise provided in these Standing Orders, when the Speaker is in the Chair, no Member, except the Prime Minister and the Leader of the Opposition, or a Minister moving a government order and the Member speaking in reply immediately after such Minister, or a Member making a motion of "no-confidence" . . . shall speak for more than twenty minutes—

Accordingly, I would suggest that at third reading stage there is not the constraint of a 20-minute limitation on the person replying on behalf of the Opposition with respect to this legislation. I would suggest that the Hon. Member, as he has indicated, has something further to say. Although he will not

abuse the privilege, I know that he would like to complete his remarks.

The Acting Speaker (Mr. Guilbault): The Chair has just been advised along the lines put forward by the Hon. Member for Saskatoon West (Mr. Hnatyshyn). As a matter of fact, the Chair invited the Hon. Member for Vancouver South to continue his remarks.

Mr. Kaplan: Mr. Speaker, I rise on a point of order. Listening to the reading of the rule by the Member opposite, it struck me that the Hon. Member speaking was not entitled to unlimited time because he was not speaking in reply to a speech made by a Minister on this stage of the Bill. On the other hand, the Hon. Member did indicate that he had structured his remarks in such a fashion and that he had had some assurance that he would be allowed to complete his remarks as he had structured them. In view of that, Hon. Members on this side have no objection to his continuing.

The Acting Speaker (Mr. Guilbault): The Chair has made the decision in any event. Second, the hon. gentleman is not speaking in reply to a speech, he is speaking in reply to the mover of the motion. The Minister moved a motion earlier today. Although he has not yet spoken, he actually moved it and the Hon. Member for Vancouver South is entitled to unlimited time.

Mr. Fraser: Mr. Speaker, I appreciate the comments of my friend, the Hon. Solicitor General (Mr. Kaplan), and I appreciate his indication that, whatever the rule may be, there would be no objection to my continuing. I do want to assure the Hon. Solicitor General that I will not be overly long, but I do have more things to say.

We were discussing the question of the removal of the security service from the Royal Canadian Mounted Police. In addition to the remarks made by the British Columbia Civil Liberties Association to which I just referred, in which it is clearly stated that in terms of public trust it would be preferable if the security service remained under the aegis of the Royal Canadian Mounted Police, others who are knowledgeable had much to say as well. The Attorney General of British Columbia submitted a brief to the Justice Committee, and, among other things, he had this to say:

> It seems to me to make a lot more sense to build on the institutional credibility that is already established, to use the umbrella of confidence that there is there, and to direct it and make it an effective security agency and make it an accountable one. I believe the Royal Canadian Mounted Police can be made an effective security police force.

The Attorney General of Ontario on February 7, 1984 had this to say:

> But I find extremely unattractive and fundamentally unsustainable the assertion in this legislation that the Royal Canadian Mounted Police would exceed a statutory defined mandate, evade the formal external review mechanisms, thwart Ministerial accountability and abuse its defined statutory powers. The history and tradition of the Royal Canadian Mounted Police suggests very clearly to me that once there is an end to the absence of governmental direction and responsibility, which gave rise to the RCMP wrongdoing, the force will respond willingly and effectively to the wishes of the Canadian people as reflected in the new legislation.

The Attorney General of Saskatchewan had this to say:

> There is no indication, however, that the Royal Canadian Mounted Police, as it is presently being managed by its senior officers, is not being responsive to the needs identified by MacKenzie and McDonald for flexibility and change.

● (1140)

During the consideration of this Bill, we have argued strenuously that the Royal Canadian Mounted Police is getting a bum rap. A lot of people across this country have fallen too easily into the error of forgetting where the responsibility for the abuses of yesteryear really lies. The amazing thing about those who have said that the security service should be removed from the RCMP is that it has never occurred to them that for many years now, as the Solicitor General has admitted, the security service has been operating competently, effectively and properly under the Commissioner of the RCMP. The Solicitor General admitted that only a few weeks ago. Since the abuses of the early seventies and late sixties, it has never occurred to those individuals that things have been running very well and very efficiently. The training has been upgraded. The internal organization has been made more sophisticated. There have been administrative guidelines set down on the security service to ensure that what happened then would not happen now.

Some people have the strange view that unless this legislation is passed today, the security service could again do terrible things. That shows an incomprehensible lack of understanding of what happened in 1977, after revelations were made in the House. At that time everything was tightened up. Senior officials in the security service over the last number of years have ensured that nothing similar to the abuses which happened before could happen again. that view is extraordinary. To suggest that until this legislation is passed there will be continuing abuse does not do justice to the senior personnel who have been in the security service over the past number of years.

That is only one part of this Bill, it is not the main part. The main part of this bill establishes a set of rules within which a security service will operate. At second reading, the Government indicated that when the Bill reached committee, and when Members from all Parties considered the Bill and looked at the individual clauses, then there would be an opportunity to call in concerned citizens of Canada and listen to their suggestions. Then if the Bill appeared to be flawed, if errors were apparent, if it appeared to be inadequate, and if a persuasive case could be made by the citizens who came before the Members of Parliament, of course, that would be the time to put amendments. In the normal course of things, if one is dealing with a responsible government which is sensitive to the fact that this is a democracy and citizens matter—not just bureaucrats, Cabinet Ministers, and Senators who are unaccountable to anybody or anything—and if the attitude is right, amendments are accepted.

In this case, 25 groups and many individuals appeared before the committee. Over 50 briefs were filed. Evidence was given that the Bill was flawed. I am not referring only to the RCMP aspect. Of course, there was evidence submitted

regarding that to which I have referred. The committee was told that the language in the Bill was too loose and that the definition of "threats to the security of Canada" had not been properly thought through. Because the language was imprecise, it was suggested that it did not establish adequate constraints on the security service. In particular, Hon. Members who have been paying attention to this legislation will know that subparagraphs (a), (b), (c) and (d) of Clause 2 set out what are threats to the security of Canada. That is the clause which triggers what the security service can do in terms of intrusive surveillance of people. That is just another way of saying that wire-taps, illicit but now legal entry into residences and offices, search and mail opening—all of these things—if the threat to the security of Canada is great enough, become justifiable.

I have said before that it is too easy to talk about the illegality of what the intelligence-gathering security force will be required to do. Under certain circumstances this Bill allows conduct to be legal which ordinarily would be illegal, because of the concern for threats to the security of Canada. Witness after witness appeared before the committee and told us that the Bill was flawed and inadequate. They suggested amendments. Suggestions for amendments were made concerning the definition of threats to the security of Canada. Suggestions for amendments were made with respect to the RCMP and the review committee which would be established under the Bill. That committee would be established in order to ensure that someone was watching the security service because of its awesome power. It was suggested that Cabinet documents, which dealt directly with the security service and which could well contain directions to the security service, ought to be seen by the review committee. It was further suggested that there should be a review committee made up of Members of Parliament in order to achieve greater accountability. It was suggested that warrants for wire tapping should be limited to 60 days, as is the case under the Criminal Code, and not for many months as set out in this Bill.

There were many other suggestions. By the time the Bill reached report stage in the House, the Progressive Conservative Party had amendments for Clause 2, which is the definition section; Clause 3, which would have retained the security service within the RCMP; Clause 12, which dealt with better wording and the duties and functions of the security service; Clause 20, which related to more precise language and direction regarding the alleged unlawful conduct and the consequences thereof of employees within the security service; and Clause 21, which related to the method by which warrants would be applied for and the limitations of time for those warrants. I am speaking now of warrants of intrusive surveillance, wire-tap or otherwise.

● (1150)

We proposed amendments to Clause 22, which would have put more constraint on the renewal of warrants. We proposed amendments to Clause 24 which were designed to clarify the position of an innocent third party who found himself acting on orders for someone, by someone, who was acting under a warrant. We proposed amendments to Clause 31, insisting that the Inspector General, who is set up under this Bill as part of the review process, would at least be able to see the Cabinet documents which are in the control of the service. We proposed amendments to Clause 38, saying that the review committee should see Cabinet documents. We proposed amendments to Clause 56 relating to the establishment of a parliamentary oversight committee. And we proposed amendments to Clause 61 relating to a direction in which the Royal Canadian Mounted Police, who are acting as a consequence of work done by the security service at the federal level, should consult with other police forces at the municipal and provincial level. We had other amendments as well.

I believe Hon. Members would agree that those are substantive amendments which go to the very sum and substance of this Bill. I believe Hon. Members who will remember what was said at the second reading debate by the Solicitor General and by Government Members would agree with me that it is that very kind of substantive amendment at committee stage to which the Government ought to pay attention.

We in the Progressive Conservative Party did not dream up those amendments all by ourselves. We framed those amendments as a consequence of testimony brought in front of the committee by a very wide range of people, including the Canadian Bar Association, the Canadian Jewish Congress, the British Columbia Civil Liberties Association, other civil liberties associations, the Attorneys General of a number of provinces, police chiefs and others. The suggestions which were brought to this committee were not brought with the design to destroy the security service. They were not brought with the design to prevent a legislative mandate for a security service. They were not brought by destructive design. They were brought to improve the piece of legislation which had been presented.

It should be recorded that there was good reason for these witnesses to come before the committee. Following the McDonald report, the infamous Bill C-157 was drafted by the Liberal Government and instead of presenting that Bill, which was the forerunner of Bill C-9 with which we are dealing now, it was presented to a Senate committee, a committee no doubt of distinguished Canadians who were appointed to the Senate, but they do not have to get elected to be there. That Senate committee took a look at Bill C-157 and said, "Wait a minute; this is not a very good Bill". They were very critical of it and the Government sensibly withdrew the Bill.

I would hate to put out the thought, the suspicion, that someone drafted Bill C-157 in extreme terms with the idea of letting a Senate committee have a whack at it, then coming in with another Bill with some less obvious extreme terms in it. I could never prove that, of course. However, I practised law for many years and I used to teach young lawyers that when they are preparing a lawsuit, they start off knowing a lot of things they cannot prove. I suppose today, standing here in this Chamber with Hon. Members, I am very much like a lawyer who has been through a long lawsuit, and I may not be able to quite prove that last allegation; but it fits the piece.

So we got Bill C-9. We went to committee and, as I have recorded, Mr. Speaker, many people came in front of us. A lot of things happened at that committee which I am not going to go into now. There were attempts to close off debate. The Chairman of the Justice and Legal Affairs Committee, a distinguished Member of this House, was put into an intolerable position by the antics of his own Party and was only just the other day supported by this Party in our nomination that he continue as Chairman of the Standing Committee on Justice and Legal Affairs. So I want it clearly understood we are not being critical of him. He was put in an impossible situation.

Apart from all that, I have said in this House that no substantive amendments were accepted at committee, and I carelessly at one point said "no" amendments were accepted at committee. I was wrong there and I apologized to the Solicitor General yesterday. However, I can tell you, Mr. Speaker, that what was accepted at committee was practically nothing. An amendment of my own on Clause 4 changed the words with respect to the term the Director would serve from "good behaviour" to "during pleasure". I am not saying that is not important, but it is not the substance of the Bill. On Clause 12 the committee accepted another amendment which took out some superfluous words, which was a very sensible thing to do but hardly an amendment of substance. On Clause 2 the committee accepted an amendment of a former Solicitor General, Mr. Allmand, which was the same amendment being proposed by both the New Democratic Party, the Hon. Member for Burnaby (Mr. Robinson), and myself, which more precisely modified the word "violence" in Clause 2 by adding the word "serious". That was not unimportant but it hardly went to the very substance of the Bill.

The Government also accepted another amendment which put some limitation, at least, on warrants aimed at subversion; in other words, aimed at domestic activities of Canadians who had not yet committed any crime. But the most extraordinary amendment which was put before the committee was to Clause 39. It was put by myself, supported not only by the Hon. Member for Burnaby but—by accident—one Hon. Member of the Government side as well. That amendment would have allowed the review committee access to Cabinet documents.

Just so there is no doubt on the record when someone comes back and asks what we did with this Bill and why did we not do something proper, it should be made very clear that that was the limit of amendments made at committee. That last amendment, which was substantive, was met yesterday by a counter-amendment from the Government wiping it out.

● (1200)

My point is this. We have been invited to engage in a phony process and I do not believe the Government was ever serious about accepting any substantive amendments whatsoever in committee. The Solicitor General over and over again said: "Well, what is all the fuss about anyway? This whole issue has been debated for years. First there was the Mackenzie Commission in 1969, then the McDonald Commission after the revelations of 1977, then its report in 1981. Then there was Bill C-157 which went to the Senate, and then there was the Senate report. My goodness, what is holding it up? Why do you have to keep talking about it?"

This line of the Minister was echoed by some editorial writers across the country. I can understand why, because they are busy people and they have to write editorials every day. They do not have time to see through the smoke and mirrors every day and they miss the point. The fundamental point is that under our system we, as legislators, have to look at the words of the Act in front of us now, not at something that was in the Mackenzie report in 1969, the McDonald report in 1981, or the Senate report a year ago. We have to look at the Bill in front of us.

It astounded me when Members of Parliament who were putting these amendments got advice from some editorial boards and others to stop talking and get on with it. Pass it, they said, because it has all been discussed over and over again. This despite the fact that we had 50 briefs, 25 groups and witnesses in committee, all saying we can make this Bill a lot better and we ought to do it. They do not have to take my word for it; I can quote some editorial boards to support my position. On April 24 *The Globe and Mail* wrote a thoughtful editorial about this Bill. It said:

> Whatever happens, Bill C-9 should not be passed in its current form. While its flaws are less numerous than those of Bill C-157, its previous incarnation, the bill would still grease the wheels of the domestic intelligence-gathering force at the expense of the rights of the public the Government purports to defend.
>
> Agents would still be empowered, with a judicial warrant, to "demand, seize or detain" first-class mail, examine health records and violate the confidentiality of income tax returns. The agents could, with judicial approval, place wire-taps on telephones for 365 days, rather than the 60 days permitted in criminal investigations.
>
> Their actions would be monitored by a review committee which, Solicitor-General Robert Kaplan says, would be independent of the Solicitor-General and the agency and would "be there to blow the whistle on (the agency)." Yet the committee members, who would take an oath of secrecy, could report nothing to Parliament unless the director of the CSIS first certified that their report complied with that oath.

Dealing with its powers, it goes on:

> Bill C-9 is too ambiguous in this area. It defines a security threat as, among other things, activity within Canada in support of the threat or use of violence against persons or property to achieve a political objective within a foreign state. This could, without stretching the point, empower CSIS agents to monitor groups raising money to help rebels in Afghanistan or El Salvador, or even, since the phrase is "within a foreign state," the Governments of Nicaragua and Israel. Mr. Kaplan says this would not happen; but then, we doubt many people in the early seventies expected the RCMP would steal the membership lists of the Party Québécois.

It ends by saying:

> As it stands, however, Bill C-9 is not the remedy Mr. Kaplan believes it to be. In its present form, it would only perpetuate the disease.

A more recent editorial in the Vancouver *Sun*, my city, of Monday, June 18, shows that they were watching carefully what was happening to us in committee. It says:

> The government choked off consideration of the legislation by the Commons justice committee after making only a few cosmetic changes. The bill remains the seriously flawed product of a lame-duck administration and should be either thoroughly rewritten or shelved.

It goes on to say:

But as long as the security Bill makes Canadians insecure, it does not deserve passage into law.

Then I suppose I would be amiss in not quoting Toronto's other voice, as that newspaper advertises itself, the Toronto *Sun*, a paper which prides itself on taking a pretty hard-nosed view of the world. In an editorial on June 20, 1984, headed "False security", it says:

It's downright criminal that Canada has to meander along another six months or so without a security agency.

But we've done just that for the last eight years or so. We can manage another six months to avoid dangerous legislation—and the bitter taste of closure.

Those comments are in marked contrast to one of the other Toronto newspapers, the *Sunday Star*, dated April 8, 1984. It asks the question at the head of its editorial: "Why delay security Bill?" It then says:

All in all, Kaplan's legislation is an honest effort to strike the "delicate balance" between collective security and civil rights that a special Senate Committee called for last year. Unless the Tories and New Democrats have a better idea, they shouldn't delay its passage.

The fact of the matter is, Your Honour, that not only did the Tories and the New Democrats have a better idea, those better ideas were proposed by amendments in committee and at report stage, including amendments from a former Solicitor General on the Government side. Those amendments were a direct consequence of listening to some of the most eminent lawyers and civil rights people and others, including the United Church of Canada, who came in front of that committee. But the whole process has been a waste of time. All those people came from across the country at taxpayers' expense, and I see there are taxpayers in the gallery today, and made their suggestions, but none of the substantive ones were acted upon.

The Members of Parliament who made recommendations after listening to the evidence have all been ignored. The process has been cut off with closure. That was the first act this Government took after the election of its new so-called reform leader, Mr. Turner. Why should we be surprised? Mr. Turner was the Minister of Justice when the War Measures Act was brought in, a move which almost every observer today says has never been justified and that whatever had to be done could have been done under the criminal law.

Mr. Blais: Hindsight.

Mr. Fraser: It was not hindsight. The Minister of National Defence (Mr. Blais) sits in his seat and says that what I am saying about the War Measures Act is hindsight. Let me say this to my good friend. I was practising law in the courts when the War Measures Act was brought in. If the Minister thinks there were not common law courtroom lawyers at the time who said it was wrong, that the Government had not justified it and it ought never to have been allowed, the reason must be because the Minister was too young then to know what was going on.

● (1210)

Mr. Blais: I was practising law like you were.

Mr. Fraser: If the Minister was practising law at that time, he was a lousy lawyer. If he had learned anything about the common law he should have known that the War Measures Act did not have justification for its passage. It is clear that no one other than hysterical, ranting people can get up today and try to justify it. It has not been justified anywhere across the country among a critical, intelligent and thoughtful audience. The same man who supposedly reformed the Liberal Party last weekend moved in and closure was imposed on the security Bill.

The Minister wants me to believe that he was a good lawyer in those days. He cannot remember what was wrong with the War Measures Act. I would like to hear the Minister of Defence get up right now and tell us what the reasons were for the War Measures Act. I would like to have him ask his leader to come clean with the Canadian people and tell us what he reasons for the War Measures Act were. He says it is all locked up in the archives and we can look at it after he is dead and gone. That is disgraceful.

Probably to the relief of the Solicitor General, I am coming to the close of my remarks. I want to quote just one more person for the record. Many Canadians know Alan Borovoy. He is the General Counsel to the Canadian Civil Liberties Association. That is hardly a left-wing coup group. He said that this Bill is "one of the greatest threats to civil liberties Canada has seen in many years".

My point is that the Bill is flawed and could be a lot better. The Bill is flawed and should be better. The Bill, as it presently stands, leaves the door open to abuse. There is no excuse for that because many amendments were introduced and rejected by the Government which, if passed, would have made this a much better Bill. The whole process has been a sham and a fraud, a waste of time and money.

Mr. Blais: That is an incredible statement! That is an "objective and non-partisan analysis".

Mr. Fraser: In closing, I will say that we have a security service and in a few more days the men and women in it will come under the mandate in this Bill, imperfect though it may be. On behalf of my Party I think it is important to record that we understand the obligations which they have to our country. We understand the importance of their work. We must wish them well in that work and in the continued responsible action which they have exercised for many years. We deeply regret that we did not manage to give them a better Bill which would have secured the liberty of Canadians and given better guarantees against excess or error for the employees of the security service. We want it clearly recorded that we have confidence in them as Canadians. We expect them to do their duty in the very high tradition of that force which helped make this country and which counts for something in terms of duty, loyalty, discipline and patriotism under which the security service has been operating effectively for these number of years. I refer to the Royal Canadian Mounted Police.

We wish that we could have delivered a better Bill to the security service. For the sake of the future, we wish that we

could have delivered a Bill in which Canadians would have more trust. However, we have done the best we could while dealing with a Government which had no real intention of accepting any suggestions from the very beginning of this process. That is the shame of all this. That shame should be recorded and should be pondered upon.

Mr. Blais: That is completely false.

Mr. Fraser: I hope there will never be a day when someone asks what the Government Members were doing with this Bill and why they did not accept some changes. If that time ever arrives, I hope that the Minister of National Defence, my legal friend, will have thought out the answer he is going to give.

Mr. Svend J. Robinson (Burnaby): Mr. Speaker, I rise to make a few remarks at this final stage in the legislative process of what is unquestionably one of the most important Bills to come before this Parliament.

Before commencing my remarks I would like to note that as I entered the Chamber today I was informed that the Solicitor General (Mr. Kaplan) had described those of us who have done everything in our power within the rules of this Parliament to oppose this legislation which constitutes such an assault on civil liberties as "parliamentary terrorists". I think it is rather interesting that the Solicitor General would use that description for Members of Parliament who have sought, in good faith, using every vehicle at our disposal, to force the Government to come to its senses and accept changes to a Bill which we view as fatally flawed.

In describing Members of Parliament as terrorists and as having resorted to parliamentary terrorism, the Solicitor General is suggesting that the objectives of the Bill which we are now debating, which the Solicitor General has suggested would include combating terrorism, in his words, may be turned against Members of this House who choose to exercise their democratic right to dissent. By describing opponents of this Bill as terrorists, the Solicitor General in suggesting that one of the primary reasons why we in this Party and Canadians in general are so concerned that if this Bill becomes law, Canadians who have broken no law whatsoever but who engage in dissent or opposition to the government of the day may be targeted by the new security service.

I do not doubt that the Solicitor General genuinely believes that this Bill is a step forward. He believes that the safeguards contained in the Bill are adequate. The reality is that the Government is placing in the hands of the present and future Cabinets, of whatever political stripe, a very dangerous instrument. This Bill could easily be placed in the hands of a totalitarian Government, a repressive military dictatorship. Of course they would not need very many more powers than those the Solicitor General is seeking. He asks us to trust them and says that they will not abuse their powers. But he is asking for a blank check. Given the record of the Government, it is certainly not one that we are prepared to give.

• (1220)

Hon. Members will be all too familiar with the history of what it was that led to the appointment of the McDonald Commission in 1977. There were revelations of a series of what were not just isolated incidents of breaches of the law but of what amounted to a system of institutionalized disrespect for the law, as clearly documented by the McDonald Commission. Despite the clear and overwhelming evidence of breaches of federal statutes, including the Criminal Code and provincial statutes, there has not been, outside the Province of Quebec, any respect whatsoever for the rule of law in this country.

Mr. Fraser: Mr. Speaker, I rise on a point of order. I wonder if my friend from Burnaby (Mr. Robinson) would excuse a brief intervention. I realize that no one likes to be interrupted when making a point and the Hon. Member's point is very important. However, I was interrupted during my speech a couple of times. I thought that courtesy demanded that I rise at this time.

When I was speaking a few moments ago, I got into somewhat of a shouting match with the Hon. Minister of National Defence. It occurred to me after I had left the Chamber that I had referred to him as a lousy lawyer under certain circumstances. I would ask that that be corrected to read "less thoughtful than he ought to have been under the circumstances". I do not want to leave the impression that on a general basis we cast slights of that sort. I would like that on the record.

Mr. Robinson (Burnaby): Mr. Speaker, I was indicating before I was interrupted that I believe that the rule of law in this country, which is supposed to be the foundation of our system of law and indeed is referred to as one of the guiding principles of this country in the Charter of Rights, has been undermined by the failure of the federal and provincial governments to ensure that this same law also applies to those who are entrusted with its enforcement.

I do not believe that the political masters of the RCMP security service should escape that judgment because we are well aware of the willful blindness of those political masters. For example, in 1970 the Cabinet Committee on Security and Intelligence was informed by the Director of the security service that they had been breaking the law for 20 years. The Minister of Justice at the time, Mr. John Turner, has no recollection of that.

Immediately after the tabling of the McDonald Commission report, the Solicitor General moved to undermine the essential recommendations of that report with respect to the question of the rule of law and the question of powers which might be accorded to a new agency in a democratic society. Last summer he brought forward Bill C-157 which succeeded in uniting perhaps the most diverse coalition in opposition to any Bill in the history of Canada. The Bill was denounced across the country by provincial Attorneys General, civil libertarians, academics, church leaders and indeed a broad cross-section of Canadian society.

I regret to say that the one group that unfortunately remained silent about that piece of legislation was the Official Opposition. Let me also note that had they been a little stronger in their opposition to the Bill which is now before the House both in committee and in the House, perhaps it might not see the light of day.

Mr. Thacker: Mr. Speaker, I rise on a point of order. The record should show that the Hon. Member for Burnaby (Mr. Robinson) is daft.

The Acting Speaker (Mr. Guilbault): The Chair wishes to say that this is not a point of order and it is an unpleasant practice to interrupt another Hon. Member who has the floor.

Mr. Thacker: Mr. Speaker, any false pretence should always be brought to the attention of the highest court of the land.

The Acting Speaker (Mr. Guilbault): Order, please. It is not useful at all to anyone in the House that someone be interrupted. The Hon. Member for Lethbridge-Foothills may not appreciate or like what the hon. gentleman is saying, but it is a matter for debate.

Mr. Robinson (Burnaby): Mr. Speaker, I can appreciate the sensitivity of the Conservative Member, given the failure of his Party to speak out at all on Bill C-157, given their complicity with the Government in the passage of this Bill and given the fact that, even though that Party will have an opportunity to block this Bill in the Senate, I predict the Conservative Party will stand idly by in the Senate and permit its passage there as well. Therefore I am not surprised that spokespeople for the Conservative Party are sensitive when it is suggested that they are co-operating, at least implicitly, with the Government in the passage of this reprehensible legislation.

This is a fundamentally flawed Bill in a number of major respects. The Standing Committee on Justice and Legal Affairs heard many witnesses who represented a broad cross-section of the country. I have a couple of telegrams from church groups that I do not believe can be accused at all of extremism but who have deep concerns about the legislation before us. The first telegram is from the Reverend Dr. Clarke MacDonald, Moderator of the United Church of Canada.

> Bill C-9 an Act to establish the Canadian Security Intelligence Service in its present form should not be passed by the 32nd Parliament. Its definitions are too vague and broad. It expands powers of a secretive agency to supervise and interfere with the freedoms of Canadians. It provides inadequate democratic control over the new agency. It opens the way to collaboration with security services of states which are dictatorial or practice gross and systematic violations of human rights. Church and community representatives have detailed the flaws and suggested alternative ways of serving the legitimate security needs of Canadian citizens. We urge you to withdraw the Bill in its present form.

I have another telegram which was sent by the Reverend Dr. Donald W. Anderson on behalf of the Canadian Council of Churches. It states:

> Bill C-9 an Act to establish the Canadian Security Intelligence Service should not be pressed by the present Parliament until: A, It makes clear and rigorous provision for the accountability of the service; B, Defines national security and describes more precisely those activities which are illegal under the Act; C, Provides for the continuation of a free and vigorous participatory society in which work for justice on behalf of the poor, the marginalized and refugees may be carried on without fear of surveillance and prosecution.

Those are genuine concerns that are deeply felt by members of the church community and I suggest they are the concerns of literally thousands of Canadians across this land.

I have indicated that of course the status quo is not satisfactory. Operating under the sweeping 1975 Cabinet mandate is not satisfactory. We have seen the abuses. I will not go through the litany of abuses once again but I would note, for example, that in pursuit of their mandate they opened some 800,000 files on Canadians.

● (1230)

[*Translation*]

The wording in the clauses that define threats to security is now so elastic that it covers the list enumerated by the McDonald Commission in connection with the opening of files on millions of Canadians, including union leaders, Communists, friends of Communists, parents of Communists, separatists, native leaders, student leaders, the New Democratic Party, the Cabinet of the Province of Quebec, homosexuals, immigrants and refugees, extra-parliamentary opposition and now, Mr. Speaker, we can add pacifists.

[*English*]

We do not have to remind Canadians of the abuses which have taken place historically. But the question which we must address is whether this Bill is an appropriate and a sensitive response to those abuses. It is our view that the Bill, far from being an improvement on the *status quo*, represents a very profound threat to civil liberties and should be rejected in its present form.

The mandate of the proposed security service is far too broad. I would note under the definitions which have been proposed by the Minister, which define the scope of the potential targets of this new service, that hundreds of thousands of Canadians who have broken no law whatsoever, but who fall within this sweeping and vague mandate, could be subject to all of the most intrusive techniques of the service.

Under the terms of this Bill, a church group, Mr. Speaker, which chooses to send money to the African National Congress to support its liberation movement against a system of institutionalized violence in South Africa, a labour union which wants to support a Central American labour movement struggling against a military dictatorship, could indeed be targeted by this new service. Under the terms of the Bill, those Canadians who wish to protest the testing of the Cruise missile or who wish to protest against the insanity of the nuclear arms race could be targeted if some future government believed they were foreign-influenced. We do not have to look very far south of our border to hear that kind of rhetoric and that kind of suggestion with respect to peace movements in the United States.

Not only are the potential targets for this agency far too broad, but the powers which are proposed are sweeping, indeed

are unprecedented in any western industrialized society. No democracy anywhere in the world is prepared to accept the kind of powers the Minister is suggesting this Parliament should accept.

Under the provisions of this Bill the proposed security service would be able, following a traditional warrant in some cases but not in others—and that warrant process we have seen at work in the case of applications for telephone wire taps and we know what a rubber-stamp process that is—to tap the telephones of Canadians, to break into anyone's home, to steal liberally anything from that home and not return it, to look at confidential medical records, confidential psychiatric records, and to have access to journalists' files, to any government record, including income tax records. In short, Mr. Speaker, the service would have access to every nook and cranny of Canadians homes. What a massive invasion of privacy! What a rather ironic fact that these kinds of Orwellian, big brother powers are being proposed to this Parliament and being accepted by Liberal Members of Parliament in 1984!

As well, the placement of informers is countenanced in this Bill without even the minimum safeguard of a warrant or a requirement for ministerial approval.

There is no statutory bar on disruptive or countering techniques despite the fact that Members of this House, the members of the Justice Committee, proposed a motion in terms similar to those contained in other legislation in Australia and New Zealand that would prevent the kind of disruptive techniqus, Operation Tentpeg, Oddball and Checkmate, operations which did so much to bring into disrepute the operations of the security service. This Bill, which is supposed to be providing for safeguards, in many instances is simply making legal what was identified as illegal in the context of the McDonald Commission report.

There is no provision whatsoever for effective parliamentary oversight. There is a watchdog committee that has been gutted of any power whatsoever. It has no access to Cabinet documents in the possession of the security service, no right whatsoever to ensure that all of those players within the intelligence community come under their umbrella so that the Government cannot escape scrutiny by simply shifting responsibility to another agency in the intelligence community.

This Government is not prepared to trust elected representatives of the people of this country with oversight of the operations of the service, despite the fact that the oversight process is functioning effectively in the United States in terms of congressional oversight.

The service would have the power to open first-class mail. The service would have a new and unprecedented power to target any foreigner in this country, even if he or she posed no threats to the security of the country, if it is felt that that person might hurt Canada in the conduct of its international affairs or national defence. Nowhere, Mr. Speaker, is such a power afforded in another country except in the kind of brutal, totalitarian dictatorships which we are supposed to be fighting with this legislation. Indeed, we have received representations from a number of distinguished academics, including the Canadian Association of University Teachers and various member groups, pleading with us not to impose this kind of restraint on Canadians and on foreign visitors.

Michael Mandel, Professor of Law at York University, following the tabling of the McDonald Commission report said:

> If there is one lesson to be learnt from the RCMP scandal, it is that the Canadian sense of democracy is not adequately developed to resist these kinds of moves. And if they are successful, we may never have the breathing space within which to develop our sense of democracy any further.

Members of this House, Mr. Speaker, look back, as Canadians look back, at some of the blots on our history. We look back to October 16, 1970, the day the War Measures Act was proclaimed. That was a sorry day in the history of this country. The War Measures Act was approved overwhelmingly by Liberal Members and Conservative Members of Parliament. Only the NDP Members stood and said no.

We look back and recall with shame the actions of this Government, of Liberal Governments, in interning Canadians of Japanese origin, confiscating their property and putting them in concentration camps. Historically we look back and say that was wrong. I suggest that our children will look back on this day and say that indeed, this was a dark day for democracy in this country; a dark day for freedom. They will ask: Where were Liberal Members of Parliament as their fundamental rights and freedoms were being eroded? In the name of protecting our national security, the Government brings forward legislation which could ultimately destroy our fundmental civil liberties and privacy. Bill C-9 is an affront to democracy.

● (1240)

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I rise at the end of this amazing democratic process through which we have all struggled once again. We are all somewhat short-tempered as we voted from approximately nine o'clock last night until 5.30 this morning. I am sure we would all agree that sometimes the system seems bad and inconvenient to our wonderful staff who serve the House, such as people in the cafeteria who remained up all night, when the Parties have solid differences of opinion. The strength of the system is that we resolve those kinds of disputes here rather than on the streets.

We are only a thin wedge from being like so many other countries in South America or Eastern Europe that do not have forums in which people can clash, fight and yell back and forth in support of heartfelt positions. It is not a simple process, but it is much better than those of other such countries. As Winston Churchill said at one time, democracy is the worst form of government except for all the others.

I know the Solicitor General (Mr. Kaplan) is frustrated with the entire process. He thinks the Opposition is allowed to a much time in which to speak. We lambaste him and sometimes become personal in our remarks against him and his colleagues. By the same token, they call us names which we would not call each other as friends over coffee. However, that

is part of the process because we all speak on behalf of our own heartfelt positions, as we gathered them on our mothers' knees and in the parts of the country from which we come.

I think the Minister was somewhat extreme, if in fact it is true that he called the Opposition "terrorists". I do not feel like a terrorist. I feel that I presented a very legitimate perspective on behalf of the culture and the people I represent. Therefore, I do not apologize for one moment. Equally we have called the Minister some ruthless terms.

Mr. Kaplan: I was called a traitor by the NDP.

Mr. Thacker: Yes, that was an extreme. We still have this Parliament. If the new security service is as bad as the NDP believes it is, or if it is as bad in some areas as we think it is, then a future government will have to change it, assuming the improprieties are brought out. I am sure a future Parliament will.

We are now into that broad court of public opinion. The Canadian people will have to judge the Government on its activities, our Party on our activities and the NDP on its activities. The Government has to face and accept some legitimate criticisms. It brought forward the original Bill, Bill C-157, which emanated from the Cabinet and the bureaucracy. It was really an extreme document which polarized Canadians. Then the Government came in with Bill C-9 as a result of the Senate process. It incorporated many improvements to Bill C-157; however, many people were still polarized. They were unable to see the strengthening in Bill C-9. There is no doubt that Bill C-9 is much better than Bill C-157. It is regrettable that somehow the process is not adequate to generate a document which is closer to the Canadian consensus on the first drafting.

We in Her Majesty's Official Opposition found ourselves faced with Bill C-9. At the start, many members of our caucus appreciated the arguments in favour of the civilianization of the security service in comparison with leaving it with the RCMP. Then the witnesses began to appear and those of us who sat on the committee heard their evidence. We could genuinely see that there were still some defects in Bill C-9. Therefore, as a Party we decided that our strategy would be to try to select five or six of the major areas on which we could document the defects with hard evidence. We knew that we could put our arguments and amendments in committee and, if they were not accepted there, that we could appeal to the whole House. We had some success in talking with Government Members privately and at committee stage. I think Canadians will judge our actions in that regard as being fair and reasonable.

I should like to refer to the conduct of members of the NDP. They made a political Party decision which was to be the ultimate in terms of extremism. They decided to fight every clause of the Bill equally. Since the Bill contained almost 100 clauses as well as many subclauses, we were faced in committee with several hundred substantive sections which polarized the situation. I believe Canadians will judge them harshly. There are five or six areas where I am convinced that had it just been for the Government and the Official Opposition, we could have convinced the Government of the logic of our arguments in favour of these reasonable changes. Perhaps we would have obtained changes to the oversight committee; perhaps we could have juggled around the provision respecting access to Cabinet documents to cover our legitimate concerns as well as those of the Minister, the powers being too wide in subclause 2(d).

Also the Government became polarized when it was faced with the NDP strategy, a publicly acknowledged strategy of fighting every clause equally hard whether or not it was important. Canadians will judge the NDP harshly because it did not protect the interests of western Canada.

I will travel anywhere across the country and debate this matter with any NDP Member of the House, and I am sure I will carry the weight of opinion of western Canadians because they are reasonable people. I think the NDP will come out second best. As so often is the case, members of the New Democratic Party end up hurting the very people they purport to protect. They rise in the House and claim they are protecting and caring for the old people of the country. In 1972, during the minority government with John Turner as Minister of Finance, they started this Government on a process of deficits which has now resulted in inflation.

Mr. Robinson (Burnaby): Mr. Speaker, I rise on a point of order. Although it is interesting to hear the record of John Turner and the Leader of the Opposition (Mr. Mulroney) and how similar they are, I suggest that we are dealing with a security Bill and that there is much to be discussed in that context.

The Acting Speaker (Mr. Guilbault): The point is well taken. The Hon. Member for Lethbridge-Foothills (Mr. Thacker) would do well to try to relate his remarks to the Bill.

Mr. Thacker: Mr. Speaker, just as it did in the debate on Bill C-9, where the NDP claimed to protect people whereas in fact it has injured the legitimate interests of those people, so it is with its claim now that it protects the interests of old people, that the deficit and inflation are destroying those old people and that it protects the unemployed. When it drove out investment, Mr. Speaker, it hurt people far more.

Canadians will judge NDP Members. The polls already show that. The actions of the NDP on Bill C-9 will add to the decimation of that Party. That will be good for Canadians because that Party has perverted the legitimate political process and the method by which people, through their elected representatives, reach a decision on issues. We will return to a period when the NDP will be routed out of this place by Canadians themselves and the political process of resolution will be much more reasonable.

Let me turn to the substance of what we have proposed. The Government felt that the agency should be civilianized. We felt that it should be left with the RCMP. We heard the arguments of the Mackenzie Commission that it was not satisfactory, and we heard the McDonald Commission rein-

forcing that position. We looked at some of the evidence and we did not feel it was sufficient. We felt that the RCMP had become very sophisticated in terms of tracking the mafia, drugs and so on. We felt they had sufficient skills and capacity to take on and continue this role.

● (1250)

I speak as one from western Canada where the RCMP is much more a part of our very institution and culture. That is because it is our sole police force. We do not have in Alberta the equivalent of an Ontario Provincial Police or Quebec Provincial Police. Therefore, the RCMP are a part of our lives. They are our friends. We go out with them socially. I have two first cousins who served the country well in the force. It is more a part of us. We feel they could fill that role. The Government does not and it will have to live with the consequences just as we will.

There is no doubt that the Government will suffer in western Canada. It is a tragedy from their perspective politically that their new Leader did not step in immediately and alert them to the fact that they want to get into western Canada, to get some seats back and become a national party. Either he promoted this process or he was not adequately briefed to make a decision. I think he would have been more sensitive.

The Government will be judged and judged harshly across this country on its National Energy Program. It proposed to put in the Constitution a permanent veto for Ontario and Quebec. To be from the regions, to see that being done and to be locked into your future forever is a terrible feeling. That is why separatist parties develop. It is because the Liberal Party has failed in the last few years to be able within its caucus to strike a national consensus. It has also failed on this issue in Bill C-9.

Then we swing into the powers. The Government feels that the powers of the agency are appropriate and necessary. It says that because there is a judicial warrant system, that will be a sufficient check. It feels the Inspector General in combination with the review committee will be a sufficient check and Canadians need not worry. I hope they are right. I hope that our fears are unfounded, even though they are based on the evidence of those such as the Canadian Jewish Congress, parts of the Canadian Bar Association and some civil liberty groups. People who work in the area of human rights all the time have expressed some grave concerns. We in our Party tried to take those concerns and put them into a practical amendment to improve the Bill. Unfortunately the Government did not accept that.

We feel with regard to subclause 2(*d*), which is the definition of "domestic subversion", that the powers are too wide. When you use in the statute words such as "activities directed toward . . . or intended ultimately to lead to the destruction or overthrow by violence of the constitutionally established system of government in Canada", the words "intended ultimately" can be used by the security service to trigger an investigation of you, Mr. Speaker, me, or one of our constituents who might be part of a church group that is helping some freedom group in South Africa, or some group in Poland. Using the wording "intended ultimately", they can trigger that person and use all of these intrusive mechanisms to his or her disadvantage. Once you are triggered they can open your mail, put devices in your car or in your home, get into the records of your doctor or lawyer, and genuinely bear down on you. There is no doubt about that. They are far more broad than in the grand republic to the south of us where they have very real problems with Soviet agents and internal subversion.

We have no trouble going after the KGB under subclauses 2(*a*), (*b*) and (*c*), but (*d*), where we are dealing with Canadian citizens, is drafted too broadly. I hearken back to the way we treated Japanese-Canadians in World War II. It was not that they were aliens. They were Canadian citizens with Canadian citizenship. Surely Canadian citizenship must mean something.

I am looking at the constitution Act, 1982. I am always struck by the irony of the Liberal Government which stands and proudly proclaims that it brought out the Constitution Act, 1982 to protect the people. They proudly state that the Canadian Charter of Rights and Freedoms guarantees the rights and freedoms set out, subject to reasonable limits. That some Government has brought in this Bill where the intrusive mechanisms have been expanded dramatically from what we had before the Constitution Act. Before 1982 we relied on the ephemeral protections that were fought for by our ancestors in 1215 under the Magna Carta, the Petition of Right in the 1600s and the judicial protections we developed. We had the feeling in this country that we were free to do anything unless it interfered with your right personally, with your property or your fundamental freedom. That was the starting point.

Contrast that with the left-wing regimes where everything is banned unless you are told by statute that you can do it. Hundreds of millions of people in this world operate under that system. You are not free to do something unless the government tells you so. Our system is the opposite. We are free to do anything unless it is prohibited. Some of us are concerned that those limitations are being added and added and added. With all of the federal statutes and regulations, provincial statutes and regulations and municipal by laws, Canadians have lost those fundamental freedoms for which our ancestors fought so hard.

The Constitution Act, 1982 states in Section 8 that everyone has the right to be secure against unreasonable search and seizure. Yet a secret service agent who believes that somebody might be engaged in something which is intended ultimately to get at our government can trigger all of the investigative and intrusive devices that I have mentioned.

I am convinced that the success or failure of this agency will depend to a great measure on how sensitive the Government is in appointing people, in contolling how the Director will hire his agents, in the directions that the Minister gives to the Director of the service and how impartial the Inspector General and the review committee are in reviewing the agency.

That was one of the other amendments we made. Unfortunately, the review committee will be appointed totally by the

Government only with consultation with the Leader of the Opposition. Our belief is that the Leader of Her Majesty's Loyal Opposition (Mr. Mulroney) in his official capacity is part of our Constitution. We believe the Leader of the Opposition should have been able to choose one of three of the review committee or two of five. That would have lent genuine credibility to the organization, but the Government refused that.

We know from past appointments to Crown corporations, boards and agencies that too often the Liberal Government has appointed defeated Liberal political candidates and people who work for the Party, ignoring a vast body of Canadians who are not active in politics but have a genuine love for this country and could make a real contribution. If we could rectify that process, the whole thing would be better. The result of a failure of this group is that you and I, Mr. Speaker, will feel less free in our dealings to enjoy our constitutionally entrenched freedom of conscience and religion, less free in our freedom of thought, belief, opinion and expression, our freedom of peaceful assembly. Our freedom of association will be somehow intimidated by this agency unless the statute is changed or the Government is prepared to be very open and sensible in the appointments of people and its monitoring process. When talking to people from these countries, one finds that there is no doubt that their greatest fear arises not from hunger or famine; their greatest fear arises from the security services of those countries. That is true of both the extreme right-wing governments in South America and the left-wing Marxist and communist governments.

• (1300)

People fear a civilian security service that is answerable only to a government. We now have such a service in Canada. Unless Canadians are prepared to monitor it very carefully and to press for changes, there is the possibility that within a generation or two, or perhaps even less, we will find ourselves in a situation in which the people are being intimidated. I hope that never happens.

The Acting Speaker (Mr. Guilbault): Questions or debate? Debate.

Mr. Dan Heap (Spadina): Mr. Speaker, I would like to review some of the things that have been said in opposition to this Bill. I agree that there is very little new to be said now but I think it is useful to review what has already been said. I will go into detail only on one specific point with which I will deal in due course.

This Bill to establish a security service, which I think can be easily identified as this "police state Bill", will take away the security of the Canadian people. It will not add to our security but will undermine our security. We will be under the pressure and insidious attacks of a group that will no longer be under any serious democratic control. This is in keeping with the conduct of the present Government and the Governments led by that same Liberal Party in previous years. It is in keeping with its fully unjustified and dishonest use of the War Measures Act against Canadians of Japanese ancestry 40 years ago. It is in keeping with its unjustified use of the army against the people of Montreal 14 years ago.

At that time, the then Prime Minister and the now outgoing Prime Minister (Mr. Trudeau) promised that the War Measures Act would be reviewed and that a better and more just law would be put in its place. He never even attempted to do so as far as can be seen by the public eye. No serious attempt was made to replace or amend the War Measures Act though there have been many requests to do so.

Mr. Kaplan: Mr. Speaker, I rise on a point of order. That Party's critic objected very strenuously when Conservative Members began, in their last intervention, to speak of matters other than the Bill before the House. The Hon. Member is now taking off on a long discussion of the War Measures Act, an Act which is not before the House.

The Acting Speaker (Mr. Herbert): I have heard many references to the War Measures Act during the discussion of this Bill. In any event, perhaps the Hon. Member will heed the warning and try to stay relevant to the subject under discussion.

Mr. Heap: Thank you, Mr. Speaker. I agree with you that the War Measures Act has been seen as being very relevant to this Bill. This is a kind of civilian version of the War Measures Act and it is in keeping with the past conduct of Liberal Governments that we should now have the War Measures Act translated into a measure that will not be temporary but will be permanent. It will be a big brother Act.

There has been widespread public condemnation of this Bill. The Hon. Member for Vancouver South (Mr. Fraser) read at length from editorials in the Toronto *Globe and Mail* and *The Toronto Sun.* Neither of those newspapers are ever accused of being left-wing or subversive, so far as I know, except perhaps when they poke at each other. The gist of those editorials was that this Bill ought not to be passed in the form which the Government has insisted it must keep and cannot change. Both newspapers indicated that it ought not pass and that the status quo, bad as it is, would be preferable to life under this Bill. That was the gist of the editorials in *The Globe and Mail* and *The Toronto Sun.*

Those editorials described three general complaints about the Bill, complaints which have been made by witness after witness, in letter after letter, by public personage after public personage. The definition of the target is too vague. I will not go into that complaint in detail, but in fact the definition casts far too wide a net. The amendment proposed by the former Solicitor General that would have narrowed the target and made it more acceptable to the public was rejected by the present Solicitor General (Mr. Kaplan).

The means that are proposed to be used to legalize power in the hands of the new secret service are far too broad, particularly for use against dissidents or people who disagree with government policies. These people are to be harassed as though they were criminals, as though they were already enemy

agents. They are to be harassed in that way without any evidence that they have earned that harassment in cases where they are expressing and promulgating views with which this Government is uncomfortable.

In my opinion, the most serious complaint that has been made is that there is no effective parliamentary review of this service. The Inspector General is not an appointee of Parliament; he is a creature of the government of the day. He is answerable only to the Minister. He is not answerable to Parliament. He may confer a report upon Parliament but it will not contain anything that the secret service does not want it to contain. Such information that it does not want to disclose will be called information that is restricted by security.

The Bill makes provisions for a so-called review committee which again is not answerable to Parliament. Members of this committee will be appointed exclusively by the Government with perhaps a show of consultation with leaders of the Opposition Parties. However, there is no requirement that Leaders of Opposition Parties give their approval to the appointments, nothwithstanding the false statement made yesterday to that effect by the Hon. Member for Sarnia-Lambton (Mr. Cullen).

This is probably the most serious part of the Bill. It is this part of the Bill which, had it been corrected, had the Solicitor General been willing to accept the amendments of his own colleague and predecessor on this point, would have caused many people who are unhappy with the Bill in many other ways nevertheless to be inclined to say that the Bill was one with which they could live. However, the Minister has insisted absolutely that there will be no shadow or trace of parliamentary control over this service, over the review committee or over the Inspector General.

The Solicitor General has behaved very strangely and very irresponsibly with regard to this matter. He does not like me to say so because he feels that an Anglican priest should not call him irresponsible. However, the information he gave us last night flies directly in the face of the information that was documented before the committee on which he sat. He has now run out of the House because he is afraid that the facts will be put before Parliament while he is present and perhaps he will not be able to avoid blushing.

Last night the Solicitor General made the extraordinary statement that the committees of the Congress and Senate in the United States have less power to require evidence and information about what the secret service is doing than the committee proposed by this Bill. That statement was extraordinarily false. When I challenged him on it, he kept interjecting. I am sorry that *Hansard* is not yet available. I would like to be able to quote him precisely. He kept interjecting by saying that the statements I was making were not true. I said that the Congressional committees can call any witness and require any document to be brought forward. He said that that was not true. I have before me the Compilation of Intelligence Laws, Related Laws and Executive Orders of Interest to the National Intelligence Community as Amended through March 1, 1983, Prepared for the Use of the Permanent Select Committee on Intelligence of the House of Representatives of the United States of America. Their director, Mr. Simmons, appeared before our Justice Committee and was interviewed extensively about his work. The document which set up the select committee in the United States reads as follows:

• (1310)

SEC. 5(a) For the purposes of this resolution, the select committee is authorized in its discretion (1) to make investigations into any matter within its jurisdiction, (2) to make expenditures from the contingent fund of the Senate, (3) to employ personnel, (4) to hold hearings, (5) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate, (6) to require, by subpoena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents, (7) to take depositions and other testimony,

I underline the relevance of paragraph (5), Mr. Speaker.

The Senate and Congressional committees have the powers which I have read from this American document of legislation. Americans exercise those powers, as we saw a few weeks ago when the wrongdoing of the CIA in the mining of harbours in Nicaragua was exposed. They hauled the director of the agency before the committee and they bawled him out. Barry Goldwater, who is vice-chairman of the committee, expressed himself in language which I suppose would be considered unparliamentary.

What are we to do about a Solicitor General who stands in his place and boldly denies facts which have been placed in testimony before the Justice Committee? If an ordinary Member of this House expressed such ignorance, we would suppose that he had not been doing his homework. If a member of the Justice Committee who heard Mr. Simmons speak expressed such ignorance, we would wonder if he had attended the committee meetings. The Solicitor General, the person who has expert advice at his beck and call, who brags that he sat through the committee hearings and heard all the testimony, who says he is very weary of answering questions, and who says "Trust me", last night stood in his place and roundly denied facts which were placed in evidence before the committee in which he sat.

We could, of course, ask why the Solicitor General should so mislead the House. I would not suggest at this time that he was deliberately misleading the House. Frankly, I find it astonishing that he would think that he could get away with that. The only other alternative would be to suggest that the Minister closed his mind several years ago and does not let anything enter it except what the Prime Minister (Mr. Trudeau) or the new Leader of the Liberal Party puts into it. He did not listen to the testimony which was placed before his committee. He does not listen to anything he does not want to hear, or he allows it to go in one ear and out the other without any interference between the ears.

At any rate, the Minister is asking us to believe that he does not know that the committees of Congress and the Senate in the United States, which are made up of ordinary elected representatives, can review the budget in detail of all the intelligence agencies in the intelligence community. Those committees can review all of the appointments which they wish

to review. Those committees can call any person to appear before them and require that that person bring the information which they want.

Another document which was filed with the committee was the report to the Senate of the United States of the Select Committee on Intelligence for the period covering January 1, 1979 to December 31, 1979. It reads:

> The general principle embodied in these provisions is that all the information that the oversight committees require will be provided when the committees require it and in the detail that the particular occasion demands.

There is no limitation, qualification or suggestion that Congressmen and Senators are not fit when they undertake the appropriate oath of secrecy to review what the appointed and hired public servants of the government have been doing. The Minister cannot bear to hear the contrast between the freedom and responsibility which is exercised by the committees of the American Congress and Senate and the childish impotence and phoneyness which he wants to enforce on Members of Parliament and Senators for whose vote he is asking in order to give him the power to set up this petty little dictatorship.

It is bad enough that this bill is being rammed through by some of the extraordinary perversions of procedure which the House has witnessed on the part of the Government in the past two weeks. However, it is alarming that we have a Solicitor General who is so astonishingly ignorant of the very matters for which he has achieved responsibility in this land. If we are to believe that he was not willingly trying to mislead us, he must be disastrously ignorant.

In conclusion, I would like to read two telegrams which I received from people in Toronto with regard to this Bill. I received a telegram from Mr. Y. Forgang which reads as follows:

> What is subversion? If a subversive is someone who agitates for social change, those people should be elected, not harassed. I am amazed and angered by Bill C-9.

I received another telegram from S. Perston which reads as follows:

> It is far too easy to label someone who is lobbying for social change a "subversive". Bill C-9 does not offer Canadians greater security, but rather creates opportunity to harass.

That is the opinion shared by many Canadians across this land that this Government refuses to listen to. Within the rules of parliamentary procedure, we must only suppose that we have a Solicitor General who is invincibly ignorant about matters of true security, the very matters on which he is asking us to legislate.

We do not know who drafted this legislation upon which he is adamantly insisting. We do not even know if it was drafted by Canadians, since it contains provisions for putting the security service into contract with unnamed foreign powers while it has no continuing obligation to this Parliament. We do not know on whose orders the Solicitor General has imposed this Bill. What we do know is that he has shown himself completely unable to answer simple questions of fact regarding the powers which are possessed by the American Congress and Senate, powers which he has denied to the Canadian Parliament and Senate.

• (1320)

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments. Are there any questions or comments?

Mr. Robinson (Burnaby): Mr. Speaker, I want to preface my question by saying that I believe the Hon. Member for Spadina (Mr. Heap) should be commended by Hon. Members of this House—indeed, I know he will be commended by his constituents—for the untiring fight he has personally waged against this repressive piece of legislation. When history is written on this Bill it will certainly show that the Hon. Member for Spadina played an outstanding role in committee and in this House in helping to fight this repressive piece of legislation.

I certainly would be most interested, in the context of the question of congressional oversight, to know the extent to which senior Senators are prepared to chastise inappropriate behaviour on the part of members of the intelligence community. Perhaps, Mr. Speaker, the Hon. Member for Spadina might be a little more explicit as to precisely what it was that Senator Goldwater had to say with respect to the operations of the CIA on the mining of the harbours of Nicaragua.

Second, Mr. Speaker, I do not know whether the Hon. Member, in the limited time which is at his disposal, could perhaps comment on some of the concerns he already has expressed very eloquently in other forums on the impact that this legislation may have on refugees and political refugees from other countries such as Chile, El Salvador and elsewhere. Could the Hon. Member comment in the context of the immigration provisions, Mr. Speaker, as well as in the context of general concern about these refugees having fled from one police state to come to a country in which this kind of repressive legislation is being put forward? I would like to hear from the Hon. Member for Spadina, Mr. Speaker, both with respect to the question of congressional oversight and the nature of the frank and candid exchanges between the elected representatives and the senior officials of the service, and with respect to the implications for political refugees, in particular.

Mr. Heap: Mr. Speaker, the matter of the refugees does concern me very much. I have had occasion in the last three years particularly to meet with a good many refugees, especially from Latin America, and with a good many Canadians serving refugees such as those in the Interchurch Committee for Refugees. There is great ground for concern about the present activities of the RCMP in relation to refugees from some of the Latin American dictatorships such as El Salvador and Chile. People from those countries who have been established here for several years, landed immigrants, some of them citizens, have been quizzed at their homes about their associates here and back home. It is very disquieting, Mr. Speaker, to them, and to many of us, to think that the RCMP would be gathering information about the associates of those people

here and back home since the only likely purpose for doing so would be to pass on the information to the dictatorships of El Salvador and Chile for the purpose of further repression in those countries.

Refugees who have come here, not only from those countries but from Eastern Europe and Southeast Asia, are very uneasy about the activities of secret police. They have had too much experience with them in their homelands to feel easy about them. The broad and unsupervised powers being given in this legislation are going to be a very great worry to everyone who was born in another country, but especially to refugees.

With regard to the oversight of the Senate committee, the only information I have is that at the time when the newspapers brought out the fact that, indeed, the CIA had directed the mining of the harbours in Nicaragua, the vice-chairman of the committee, Senator Goldwater, said that the committee was supposed to be given advance notice. This is, in fact, contained in the very documents which were put to our committee here by the representative of the United States security service. These are the very documents which the Solicitor General now cannot remember, apparently. Senator Goldwater said he had not been given that advance notice and his expression publicly, Mr. Speaker, was, "I am pissed off with the service".

[*Translation*]

Mr. Gaston Gourde (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, I was listening to the Member for Burnaby (Mr. Robinson) just now when he put a question to the Member for Spadina (Mr. Heap). In the preamble to his question, he mentioned the important role played by the Member for Spadina in committee. Now, I attended each and every sitting of the Committee, and I do not remember hearing the Member for Spadina. Perhaps he could tell us how many times the Hon. Member intervened in committee? How many times did he comment on the Bill? Could he inform the House whether his presence at the Committee was for the sole purpose of helping the Member for Burnaby when he started his filibuster, which lasted about five or six hours?

[*English*]

Mr. Heap: Mr. Speaker, the point of the questioner is well taken in the sense that I was not present at the committee for the purpose of intervening. I was present at the committee, however, for the purpose of learning what the committee was doing and, for example, observing the behaviour of the hon. gentleman who has just asked me the question. And I must say his behaviour indicated to me that he had stopped thinking many months ago about this subject and was simply there to ram this Bill through regardless of what anyone might say.

Mr. Thacker: Mr. Speaker, I would be interested to hear the response of the Hon. Member as to why the New Democratic Party decided to fight every clause with equal vehemence when there were only four or five clauses which were substantive in affecting the rights and freedoms of Canadians. It seems to me that that action minimized its case and resulted in the Government becoming polarized so that we could get no action at all.

Mr. Heap: Mr. Speaker, what happened in the committee was that after the Liberal representative tried to close off debate, the Hon. Member for Burnaby (Mr. Robinson) responded with a filibuster. That was when he introduced, as I understand it, amendments to every clause in the Bill. If the Government had not polarized the situation by insisting there would be no changes to the Bill, it might have been possible to pursue a very different approach and to focus not only on just five or six clauses. There are a lot more than five or six parts of this Bill which are bad. There are probably three general areas which are the worst. However, since the Government made clear from the outset of the committee's deliberations, after the witnesses had been heard, that it was not going to listen to anyone, that is to say, that Government Members were going to sit there like bumps on a log with either their ears closed or their minds turned off and simply vote as the Solicitor General directed them to vote, then it was necessary to draw to the attention of the public—and this was successfully done, Mr. Speaker—just what kind of dictatorial practice was being followed by the Government. It was only after the public became aroused that the Hon. Member who just asked me that question, and some of his colleagues, began to feel that if they did not begin to hustle around and oppose some parts of the Bill, they would be exposed for conniving with the Government is passing the Bill.

The Acting Speaker (Mr. Herbert): That is the end of the ten-minute period for questions and comments. Continuing debate.

Mr. Gordon Taylor (Bow River): Mr. Speaker, all legislation, if it is going to be successful in a country, must have the confidence and the trust of the people. Any legislation that the people do not trust, particularly if they do not trust the administration, causes difficulties in a country.

• (1330)

We have come to the point now where we are in the last stage of passing this Bill. Judging from what has happened so far the Bill will be passed later on today by the Liberal Government with opposition from all other sides of the House. Since it is going to become law, then we as Canadians have to do our utmost to make the Bill successful. Surely none of us wants subversion and fifth columnists. We are not going to be quitters, like the former Minister of Finance and Prime Minister designate who went back to Bay Street to practise law for ten years. We are going to see it through. I think that is our responsibility.

I was delighted today with the splended address by our critic, the Hon. Member for Vancouver South (Mr. Fraser), and his chief lieutenant, the Hon. Member for Lethbridge-Foothills (Mr. Thacker). Both gave knowledgeable addresses, outlining in a fair way why we oppose the Bill.

I have to say that none of us has a monopoly on loyalty or integrity. That is one of my biggest complaints, if you can call

it that, concerning the NDP. They seem to think that they have a monopoly on wisdom, loyalty, goodness and honour. Well, none of us has. We are all citizens of the same country, even though we may be members of a different Party with different outlooks. We should all be sincere enough to realize that each of us is trying to improve the country in our own way. I will never be a socialist. I have no use for communism or socialism. I respect those who think that type of system can make Canada a better country; therefore I am prepared to listen to the Hon. Members of the NDP. But when they make charges which are so completely wrong and unfair that anyone can tell it is being done for political purposes, then I cannot go along with that.

For example, the Hon. Member for Burnaby (Mr. Robinson), who is a sincere young man, said this morning that the Hon. Member for Vancouver South (Mr. Fraser) and the Conservative Party had helped the Liberals to pass this Bill. How can anyone say that when the Hon. Member for Vancouver South and the Hon. Member for Lethbridge-Foothills, indeed the whole Party, have been endeavouring to make the Bill a better Bill? We have advanced the things our people asked us to advance. Members of the NDP should respect that. I think the Hon. Member for Burnaby, when he is a few years older, will realize how ridiculous it is to think that every single clause in this Bill is wrong. No Bill could be that wrong, even this one. That is why I wish the NDP would attempt to be fair and recognize that other people have points of view.

That is what we are going to endeavour to do with regard to this Bill. If it becomes law, then the things we have pointed out will either prove to be true or not true. That will depend largely on who administers the Bill, on the attitude of the Director, the Government and the Solicitor General (Mr. Kaplan). If they take a wholesome attitude and say they are going to make sure that the interpretation of this Bill is not going to be as wide as it can be, then it may work out without too much difficulty. However, whether it does or not, we are going to be stuck with this legislation, stuck with the civilian intelligence service. Therefore, in the interests of this country I think we have to say that while we prefer the RCMP because we think they could do a better job, we will have to give this new intelligence service our co-operation.

We do that for three reasons, which reasons are set out right in the Bill. I refer to the threat to the security of Canada in the interpretation clause of the Bill. Whether it is the RCMP or this civilian agency, these three things are paramount to the interests of the security of Canada. The first is that:

(a) espionage or sabotage that is against Canada or is detrimental to the interests of Canada or activities directed toward or in support of such espionage or sabotage,

That is a very serious threat to the security of a country. One of this agency's main jobs will be to watch for that. Then the next one is:

(b) foreign-influenced activities within or relating to Canada that are detrimental to the interests of Canada and are clandestine or deceptive or involve a threat to any person,

I do not want to be in a position where people come from other countries to threaten me, my family of friends. None of us do. We do not want foreign influences coming here to subvert us. We want to run our own country. But they could come here. Spying is not something new. Spies are found in every country. Every country has its fifth columnists so we have to be aware of that. Thirdly, we have:

(c) activities within or relating to Canada directed toward or in support of the threat or use of acts of violence against persons or property for the purpose of achieving a political objective within Canada or a foreign state,—

There you have the three very serious threats that this intelligence service is going to have to watch. None of us would support such type of activity. I come from a coal mining town. Certainly the communist element is very evident and conspicuous in coal mining areas. Our society is so free and we are so tolerant that communists can organize and endeavour to disrupt the entire country. The objective of a communist is world domination. He believes in the government telling everybody what is good for them and he will work towards that end. But when he starts interfering with our system and threatening the property of our people, then that is a different thing altogether. For those reasons we have this intelligence service and we have to hope they will keep these saboteurs and fifth columnists in check.

The next definition of a threat to the security of Canada is a little more worrying. If it is not watched very carefully it could become a very serious threat to the liberties of the Canadian people. This is what it says:

(d) activities directed toward undermining by covert unlawful acts, or directed toward or intended ultimately to lead to the destruction or overthrow by violence of, the constitutionally established system of government in Canada,

● (1340)

We in Canada have the right to work for the type of Government we want. Sometimes I think we have gone too far. We allow people in the country who want to have a complete communist, Nazi or fascist government in the country. I do not think that 90 per cent of the people of Canada want such types of governments. We do not want them to start using so much influence that we eventually get those kinds of governments. We believe in a democracy where people are elected and are responsible to the people who elect them. As I have said many times in the House, one of the major principles of democracy is that we reflect the thinking of the people who elect us. We do not tell the people what is good for them. That is my biggest argument against the present Government. It is forever telling the people what is good for them instead of reflecting the thinking of the people in its legislation and administration. That is contrary to democracy.

Some Liberal and NDP members have gotten up in the House and said that they give leadership to their people. At least 80 per cent of the people in my riding want capital punishment reinstated. I have heard Liberal and NDP members of the House say that they give leadership. They do not do what their people ask them to do. Consider that for a moment. Could that be considered by this committee as being "directed toward undermining by covert unlawful acts, or directed

toward or intended ultimately to lead to the destruction . . .”? It is certainly not a democratic principle to tell people what is good for them.

We must be very careful with this type of language. The language is too loose. It is going too far. The Hon. Member for Lethbridge-Foothills referred to the phrase “intended ultimately”. Is this committee going to have the power to see into the future to see what you are aiming at? I told the story the other day about one of the strikes in the Drumheller Valley. One big union, OBU, was determined to overthrow the United Mine Workers of America which is a good union. They carried out sabotage. They threatened to burn down houses. They shot a man near a washhouse. They threw rocks at cars. They burned a house just a block away from our house at the old Newcastle mine. That was going too far. That was sabotage. They were trying to replace part of the operation of administration in the country. There was not any action taken on it. I am wondering if this section is going to be used in the wrong way. I urge the Solicitor General to watch this very carefully. That could be used by a Nazi, communist or fascist government because people are working towards a democracy.

These are some of the reasons I feel we have to now examine the civilian agency and make the best of it. This Party worked hard at the recommendations which it made. I admire the fair, honest and excellent way in which our critics, the Hon. Member for Vancouver South and Lethbridge-Foothills, advanced our cause with regard to keeping the RCMP as our security service. The RCMP has been our security service through the years. Even the Attorney General has admitted that it has done a good job. I want to pay tribute to the RCMP security service.

The son of an excellent Canadian of Chinese origin in Edmonton was trained in that intelligence service. He joined the RCMP and had training in policing. He had training in intelligence too. He became a very excellent man. When he heard that they were going to move all the RCMP into the intelligence service, he asked for a transfer. He said he wanted to be a policeman. He loved the intelligence service part under the RCMP. He said that he wanted to continue to wear the uniform and had dedicated his life to being a policeman. Now he is stationed in Alberta doing an excellent job in one of the detachments there.

People cannot tell me that the RCMP do not train their people. It amazes me when they claim something like that and then they say they are going to take that whole RCMP section and make it the foundation for the civilian service. They will take their uniforms away but use all their brains and training as the foundation of this civilian service. That is one thing which I think is in favour of the civilian service.

The civilian services of Britain and the United States have shown that they are prone to spies and fifth columnists. They can get in there and get a highly specialized education. They can have doctorate degrees by the score and become highly educated and trained in that type of thing. It has been proven in Britain and the United States that their training was there, but as the Minister of Energy, Mines and Resources (Mr. Chrétien) said the other night, their heart was not for their homeland. Their heart is for another country and they become a fifth columnist within our country. When you get a fifth columnist in the civilian intelligence service; beware. I say beware because they can do a tremendous amount of damage and harm.

Many people wonder about the term “fifth column”. That originated during the Spanish war. Franco was going to march into Madrid and, as he was marching in, said that he was going to overthrow the government with five columns. He said that he would have four columns marching in with him and that he had a fifth column in the city already. Therefore, the fifth column refers to people who are going to destroy the very thing which they should be supporting or trying to change rather than overthrow.

We wanted to have more accountability, and not only to the Solicitor General and the Governor in Council who appoint the review committee. I see, Mr. Speaker, you are indicating my time is running out. May I have just two more minutes? I am only a third of the way through; I guess I will have to talk in a hurry.

The review committee is appointed by the Government. We should have an overview committee to enlighten Members of Parliament. Every section of this service should be accountable to Parliament. As Members of Parliament we are then accountable to the people who elected us.

I wanted to deal with some of the powers which are given to this committee. It may examine medical records, break and enter, look into income tax files and medical records and open your mail. There is one safeguard. They must go to a court and get a warrant from a judge. I think some of the warrants are too long in duration. Our Members dealt with that. There are some items there to protect.

• (1350)

In closing, I have three major objections to this Bill. My first objection concerns the attitude of the Government in refusing almost every amendment. It is the wrong attitude for a democratic government to take. My second objection is that closure was introduced on us almost as soon as the Liberals had a new Leader. That will be seen with suspicion by the people of Canada since it is the same Leader who brought in the War Measures Act. Third, we must be very wary that this service does not harass ordinary citizens of Canada who are honest, upright citizens with integrity and loyalty to this country. We must ensure that they are not harassed, and if they are because their views differ from the government of the day, it will be time for the people of Canada and whatever government is in power to review this civilian agency.

In the meantime, let us hope that it works and keeps the fifth columnists and saboteurs out of this country while not harassing everyday, honest Canadians.

[*Translation*]

The Acting Speaker (Mr. Herbert): Questions, comments. The Hon. Parliamentary Secretary to the Solicitor General (Mr. Gourde).

Mr. Gourde: Mr. Speaker, the Hon. Member informed the House earlier that he was against creating a separate civilian service. When the Senate Committee chaired by Mr. Pitfield made its recommendations, the Committee was unanimous on this issue, with the exception of Senator Kelly, a Progressive Conservative Senator who objected to separation. All other senators were in favour of creating a separate civilian security service. Am I to understand that the Progressive Conservative Senators who spoke out in favour of creating a civilian service were expressing views opposed to the position taken by the Progressive Conservative Party and the Caucus?

[*English*]

Mr. Taylor: Mr. Speaker, I am aware that the Mackenzie and the McDonald Commissions recommended a separate service. However, in my view, those recommendations were made without any basis for comparison. They simply found that there was something wrong with the RCMP intelligence service without saying what should be corrected. They recommended the creation of a civilian service. Perhaps the same thing will be wrong in that service along with many other inadequacies.

I suggest to the Hon. Member that I am here to represent the people of my constituency, not the McDonald Commission and the Mackenzie Commission. I am satisfied that close to 75 per cent of the people want the RCMP to remain as the intelligence service. The Hon. Member can use all the arguments he likes about the big shots. To me, the big shots are the people who elected me and sent me here. Those are the people I intend to represent.

[*Translation*]

The Acting Speaker (Mr. Herbert): A supplementary for the Parliamentary Secretary to the Solicitor General of Canada.

Mr. Gourde: Mr. Speaker, this has no connection with the MacKenzie or McDonald Commission. Bill C-157 was tabled during the previous session and examined in the Senate Committee.

My question earlier was: Did the Progressive Conservative Senators who spoke out in favour of creating a civilian security service at the sittings of the Committee chaired by Mr. Pitfield, say they were opposed to the position taken by the Progressive Conservative Party or Caucus? That was the first part of my question and I would like an answer.

Second, the Hon. Member informed the House earlier that the Government refused to accept any amendments. Will the Hon. Member acknowledge that since Bill C-157 was tabled, at least fifty amendments have been tabled, approved and considered in Committee, by the Government?

[*English*]

Mr. Fraser: Mr. Speaker, I rise on a point of order. The Hon. Member on the Government side who just spoke said that since Bill C-157 was introduced, 50 amendments have been tabled. I think it is incumbent upon the Member to explain just what he means, because 50 amendments have not been tabled on Bill C-9, which is the Bill that is in front of us.

The Acting Speaker (Mr. Herbert): I do not see that as a point of order, but a point has been made.

Mr. Taylor: Mr. Speaker, the Hon. Member is criticizing his own Government. It brought in a Bill that was so loosely and poorly drafted that it had to be withdrawn. Furthermore, there was not even enough time to thoroughly review that Bill or to determine what our constituents felt about the Bill.

Mr. Reid (St. Catharines): It went to the Senate.

Mr. Taylor: Yes, it went to the Senate. If the Government introduced its Bills in an appropriately drafted manner so that it would not have to withdraw them and reintroduce another Bill, we would have much better legislation. His comments are criticizing his own Government and I commend him for that.

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, I too have a question for the Hon. Member for Bow River (Mr. Taylor). It relates to comments he made about the new Leader of the Liberal Party who is either unaware of what is before us or is condoning what is before us. Could he explain exactly where he believes Mr. Turner stands with respect to this legislation as far as closure is concerned and with respect to the principles involved as well. Is it the Member's belief that Mr. Turner is adhering to these principles and actually condones them?

The Acting Speaker (Mr. Herbert): Before giving the floor to the Hon. Member for Bow River, I should mention that the questions are supposed to be directed to the remarks that the Hon. Member has made in his speech. I do not see the question as being appropriate.

Mr. Taylor: Mr. Speaker, almost before the convention was over the new Leader had closure introduced on this Bill. His record with respect to the War Measures Act is not good. He is an experienced parliamentarian and as Leader of the Party and future Prime Minister he knows that he is responsible for the legislation before the House now. If he did not want this Bill to pass he could have told the Solicitor General to drop it and it would have been dropped like a hot potato.

I am satisfied that the new Leader of the Liberal Party was well aware that closure was being introduced and that he wanted it introduced because he is in favour of this Bill. If he is not in favour of it he is a very strange leader. Furthermore, he talked about such things as free votes in the House. His first act was to bring in closure. The people of Canada look at his record of deficits—

The Acting Speaker (Mr. Herbert): Order. I am afraid I have to tell the Hon. Member that the discussion is irrelevant.

Mr. Thacker: Mr. Speaker, the Hon. Member for Bow River served for over 20 years in the Legislature of the Province of Alberta. He came to power in the province during the Depression years when the provincial government was bringing in statutes to try to save its people from the Depression, when three out of four had to leave the land and bankruptcies were rampant. Part of this Bill permits the Attorney General of Canada to take over the prosecution of offences in the security area. Would the Hon. Member share his views with the House about how that will affect that delicate balance between the federal and provincial governments?

Mr. Taylor: Mr. Speaker, that is an excellent question. It brings to the foreground the fact that provincial governments are elected by the people of the provinces. The Attorneys General of those provinces should be kept informed about items such as this. In fact, one of our motions was to keep our attorneys General informed. We are in serious difficulty if matters are so determined to the future of this country that the Government cannot even inform our attorneys general in the provinces. We even had a method for keeping them informed.

The success of this country will depend on the co-operation between the federal Attorney General and the Attorneys General of the provinces. We must remember that the Attorney General and the Attorneys General of each province are elected by the people.

Mr. Speaker: Order. It being two o'clock p.m., the House will now proceed to Statements by Members pursuant to Standing Order 21.

STATEMENTS PURSUANT TO S.O. 21

[*Translation*]

CULTURE

CREATION OF NATIONAL HOUSE OF ACADEMICS

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, the Royal Society of Canada announced not long ago that it wanted to establish a National House of Academics in the vacant building formerly occupied by the Teacher's College, on the corner of Elgin and Lisgar, in Ottawa.

The Royal Society, which was founded by the Government of Canada in 1882, would like to bring under the same roof all our national scientific and cultural institutions and associations, to facilitate the sharing and exchange of ideas and resources. There is no centre of this kind in Canada, unlike other developed countries. The Royal Society feels it is time that Canada, like most of the world's civilized countries, had its own National House of Academics.

• (1400)

[*English*]

Teacher's College, now the property of Public Works Canada, has been empty since 1978. Now that the July 15 deadline for termination of negotiations between Public Works Canada and the City of Ottawa for renting the property is drawing near, I would like to suggest that this House support Dr. Alexander Mackay, President of the Royal Society, in urging the federal Government to assign Teacher's College to the Royal Society, on a rental basis, so that it may become Canada's "National House of Academies".

Mr. Speaker: The Hon. Member's time has expired.

* * *

AGRICULTURE

REJECTED ACCESS TO QUEBEC MARKET FOR ONTARIO TOMATOES

Mr. Robert Daudlin (Essex-Kent): Mr. Speaker, the Minister of Agriculture (Mr. Whelan), and through him the Government, will be aware that the farm community of southern Ontario and, by extension, all agriculture, were dismayed at the actions of the Province of Quebec last year when it refused tomatoes and other product from Ontario in litre containers.

The federal Government has, we know, passed the appropriate regulations for use in Canada of the four litre containers, and the Province of Ontario has provided certain guarantees for container cost subsidies, but the Province of Quebec to date has not passed implementing regulations, and the season will be fast upon us.

Undertakings to study will not allow the free movement of product, and in the end the farmers will be those who will be made suffer through packing products for which they will not be paid. This is clearly unfair and unacceptable.

The time has come for trade between provinces to be unhampered by artificial barriers, and if necessary the Minister must convoke a meeting of his Ontario and Quebec counterparts in order that a political will be developed and enforced, such that the necessary regulations will be put in place before the shipping season commences.

At a time when Canadians should be pulling together and Canadian markets should be shared openly and fairly so as to create more jobs through increased productivity, no stone should be left unturned in our search to remove restrictive trade barriers within Canada.

[*Translation*]

We should explain to Mr. Garon that by opening the market to Ontario products, he is helping Canadians from Quebec who are trying to find jobs in Ontario through the federal Department of Employment and Immigration.

[*English*]

We are one country. Let us find the means to act like it.

S.O. 21

POLITICAL PARTIES

PROGRESSIVE CONSERVATIVE PARTY LEADERSHIP

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, perceptive Canadians will have noticed something of considerable impact over the last several weeks. With the Liberal Party in disarray, divided and squabbling among itself, with a lame duck Prime Minister (Mr. Trudeau), who has lost interest in government, and a new Leader who seems more interested in milking the last few dollars from his corporate directorships than in taking over the reins, it is the Official Opposition that is assuming, even now, the role of government and conducting itself in the responsible and competent manner expected of a Government, but which is so sadly lacking with the Liberals.

For example, just yesterday when Mr. Turner was pontificating over how many non-elected bodies he should co-opt into his Cabinet, it was the Leader of the Opposition (Mr. Mulroney) who was in Washington, preserving jobs for Canadians in our threatened steel industry, and fighting against the hazards of acid rain.

Canadians are realizing that even before the next general election it is the Conservatives, not the Liberals, to whom they should look for leadership in conducting the affairs of the nation.

* * *

[*Translation*]

INDUSTRY

TEXTILE AND CLOTHING INDUSTRY—CLOSING OF PLANTS

Mr. Claude Tessier (Mégantic-Compton-Stanstead): Mr. Speaker, I wish to make a statement under the provisions of Standing Order 21 and ask this Government to consider the disastrous effects of textile and clothing imports which seem to be out of control, with or without quotas. This is causing serious harm and creating an intolerable situation. The closing, announced yesterday, of Celanese Canada Limited in Coaticook, in my riding, is not only a social and economic tragedy for the employees who will lose their jobs, but also a very real disappointment, first to the employer, considered to be progressive because of investments in modernizing a plant which, unfortunately, has been losing money since 1982, and an even greater disappointment to the workers, especially since they had made every effort at the right time to get through the slump in the textile industry and the economic recession.

The people are asking the Government to do what can be done to protect their jobs or give them new ones right away, because the only thing these workers want is to keep their jobs. If they cannot, they feel the Government should create new ones, since uncontrolled imports are one of the immediate causes of the lack of sufficient markets.

[*English*]

VISIBLE MINORITIES

JAPANESE CANADIANS INTERNED DURING WORLD WAR II—GOVERNMENT POSITION

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, in announcing its response to the report on visible minorities yesterday, the Government has taken the first step in dealing with the Japanese Canadian compensation issue. It did acknowledge the injustices done to Japanese Canadians in World War II and its aftermath. It did acknowledge the suffering caused thereby. However, it is only a first step, and in announcing only a very general fund to combat racism it has not dealt adequately with the complex issue of compensation.

Now is the time for Parliament to act, and there still is time before the end of the session. Parliament should spend one hour addressing this issue with all-Party support. There should be a motion acknowledging these injustices, and an opening of the door to compensation with proper negotiations with duly elected representatives of the National Association of Japanese Canadians.

Further, Mr. Speaker, it is important that there be a re-examination of the War Measures Act, the legislation that enabled these injustices to happen in the first place. It is not enough to say that now that we have a Charter this will not happen again. These injustices did occur in the United States, which has an entrenched Charter, and we have to work to change the legislation that permitted them in the first place. The Japanese Canadian community expects no less from Parliament, that Canadians, representatives of all Parties, speak on this issue. We will not have justice in the future until we recognize the injustices committed in the past.

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[*Translation*]

HOUSE OF COMMONS

ATTITUDE OF NEW DEMOCRATIC PARTY MEMBERS

Mr. André Maltais (Manicouagan): Mr. Speaker, I must admit that last night it was extremely embarrassing, as a Member of Parliament, to witness the parliamentary circus in which all Members took part. I want to censure the attitude of the NDP, which certainly abused the privileges of this institution yesterday. I know that today, in some parliaments, we find people who want to settle problems with guns, and what happened last night and early this morning just goes to show that people are right to be suspicious of the qualifications of parliamentarians or the validity of the institution as such.

Mr. Speaker, I wish the Chair could make some new rules about this sort of thing, because what we saw last night is certainly unacceptable. Mr. Speaker, I would also like to know the cost to the House of Commons in terms of overtime for all services that had to work from nine o'clock last night until five o'clock this morning. The NDP claims that public money is

being wasted but I think that yesterday, those same people showed an incredible lack of responsibility and lack of respect for Canadian taxpayers.

Some Hon. Members: Hear, hear!

* * *

EDUCATION

FRENCH FRANÇOIS-BUOTE SCHOOL IN CHARLOTTETOWN

Mr. Tom McMillan (Hillsborough): Mr. Speaker, I would like to draw the attention of Parliament to the existence of a French school in Prince Edward Island, in my riding. It was founded in September 1980. Today the school has twenty-one pupils, from the first to the eighth grade. The school employs two teachers full time and one teacher part time.

Initially, the school's expenditures were paid for directly and almost exclusively by the federal Government. Today, the provincial Government is gradually increasing its contribution with funds derived from federal transfer payments. More than half of the school's pupils are children of employees of the Department of Veterans Affairs. In fact, establishing the school was a prerequisite for moving the Department from Ottawa to Charlottetown. At the François-Buote school, English is taught only as a second language. Next week, we will have the pleasure of inaugurating the new building of the Department of Veterans Affairs in Charlottetown. The François-Buote School—

Mr. Speaker: Order. Unfortunately, the Hon. Member's time has expired.

* * *

• (1410)

[*English*]

NATIONAL REVENUE

DEPARTMENT'S TREATMENT OF ARTISTS—COMMITTEE RECOMMENDATION

Mr. Douglas Fisher (Mississauga North): Mr. Speaker, last winter the House ordered the Standing Committee on Communications and Culture to investigate the impact of tax policies and tax administration on Canada's arts community. I had the honour to chair a special subcommittee on the issue, and we reported on it today.

We found one problem which requires fast action. We urge Revenue Canada to review the files of artists reassessed prior to April 1, 1984. Many were asked to pay very high amounts of tax which they cannot afford. On the other hand, artists assessed after April 1 face lower demands. We found that their tax deductions and claims were similar to those of the first group.

The difference is that Revenue Canada has changed its assessment policy. The change is welcome, but has created inequity for some artists. After April 1 Revenue Canada is looking only at claims for the current year and back one year. Before April 1 it looked back at claims for four years. I urge the Government to make these reassessments equal and fair for all artists. The new policy is much better. The situation should be made consistent by providing refunds where past demands went back too far into the past.

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THE ADMINISTRATION

CONDUCT DURING PRIME MINISTER'S TENURE

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, the Prime Minister (Mr. Trudeau) was reported earlier this week as saying that he was happy that there had been no serious scandals, I think the phrase was, during his 16-year administration. We must congratulate the Prime Minister on this achievement, and in future perhaps we should refer to some of the peccadillos which took place as errors of judgment by the Prime Minister and his Cabinet colleagues, rather than as scandals.

Many of these minor errors of judgment involved Cabinet resignations, and included such careless mistakes as participating in an illegal international uranium cartel, airport shop sales, bid-rigging and price-fixing in Hamilton, contempt of court both by criticizing a judge's ruling and also by phoning a judge and trying to influence him, evasion of income tax, building in national parks against the rules, lobbying within two years of resignation, extensive examples of conflict of interest especially in connection with anti-dumping problems, forging of abortion papers, suppression of information and failure to act regarding illegal activities by the RCMP, bribes to achieve atomic sales, maintenance of blacklists unknown to the victims—

Mr. Speaker: The Hon. Member's time has expired.

* * *

THE CANADA COUNCIL

REQUEST FOR EXCLUSION FROM PROVISIONS OF BILL C-24

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, I rise today to ask, as others have before me, that the Government remove the Canada Council from the listing of Crown corporations and agencies included in Bill C-24.

Considering the operations of some Crown corporations in the country, there is little doubt that legislation is needed to make these agencies accountable. In fact such legislation is long overdue. However, the Canada Council is not an economic machine. It produces no profits or losses, and the Auditor General has never complained about its accounts. What is more, the Canada Council was never intended to be under the kind of direct Cabinet control outlined in Bill C-24. Instead, it

was supposed to be an independent funding organization for the arts, and direct Cabinet control of its operations would compromise the Council's independence.

There is no need for the Canada Council to be governed by Bill C-24. Such action will only threaten the future integrity of the Council. Obviously the monolithic tendencies of the Government have once again manifested themselves. I urge the Government to leave well enough alone and allow the Canada Council to operate as the efficient and independent agency it is and must remain, outside the provisions of Bill C-24.

ORAL QUESTION PERIOD

[*English*]

FINANCE

EXCHANGE VALUE OF DOLLAR—INCREASE IN BANK OF CANADA RATE

Hon. John C. Crosbie (St. John's West): Mr. Speaker, in the absence of the Prime Minister, of the Deputy Prime Minister, and of the Minister of Finance when the Bank of Canada rate is announced today, I will direct my question to the Charlie McCarthy of the Department of Finance, the Minister of State for Finance. He will know that today the Canadian dollar hit its lowest value.

An Hon. Member: What should we call you?

Mr. Evans: His name is Mortimer Snerd.

Mr. Crosbie: The birdbrain should keep quiet for a minute.

An Hon. Member: Sit down then, John.

Mr. Crosbie: Today the Canadian dollar hit its lowest value ever in our history. The Bank of Canada rate has gone up again to 11.98 per cent, which will force up the prime rate and all interest rates in Canada.

This has been done in lieu of a report of the OEDC which indicates that our unemployment, currently at 11.7 per cent, will stick close to that level until the end of 1985. For the next 18 months it sees unemployment averaging about 11 per cent for the whole period. Also it indicates that the jobless rate for young Canadians under 24 years of age will be at least 19 per cent during the whole period. At the same time the jobless rate in the United States will be about 7 per cent.

In view of the fact that the resurrection of Mr. Turner, Pierre Elliott Turner, has not given any confidence to the financial system, and apparently has not done our economic situation any good—there is no confidence in him either—will the Minister recommend an immediate election to the Government unless the Government can take steps to reverse this increase in interest rates, the weakness in the Canadian dollar, and the horrendous unemployment situation? Will you get your courage about you and call an election, if you cannot do any better than this?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the answer to the Member's last question is no. The answer to his earlier question is that the basic reason for what has happened today in the case of the Bank of Canada rate is that in the United States there has been the publication of what is called a "flash" on second quarter growth in the U.S. Substantial economic growth has been estimated for the second quarter, and the estimates for the first quarter have been revised upward.

In the United States there is rapid, real economic growth. At the same time there is a continuing concern in the U.S. that nothing is being done about the very high levels of government deficit financing. Equally, there is severe continuing monetary restraint. Those factors have come together to produce, in the United States, a fear that interest rates may go up again. This has had its impact in Canada, both in terms of our bank rate as the Hon. Member noted, and upon the Canadian dollar.

I would, however, point out to the Hon. Member opposite that all major currencies have weakened against the U.S. dollar, not just the Canadian, as the expectation, fear or speculation about an increase in U.S. interest rates has continued. The Hon. Member opposite knows perfectly well that Canada is a major trading nation with open currency borders. It is not immune from, and indeed is vulnerable to, interest rate movements in the United States. That is exactly what has been happening—

• (1420)

Mr. Speaker: Order. The Chair has concern at this point about time limits. We are not getting questions and answers; we are getting debate when a very long preamble with a long initial question is followed by a lengthy answer. If it takes ten minutes for the original questioner, it is at the expense of the back-benchers of the Member's own Party. It is very difficult for the Chair to enforce time limits because the Chair has no guidelines on this. Will the Hon. Member for St. John's West bear this in mind in posing his supplementary question?

INTEREST RATE LEVELS

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my supplementary question is addressed to the same Minister. The Minister just flashed at the Canadian public. The Canadian public is not interested in these silly reasons for what is happening here. We have now had three months of inactivity while the Liberal so-called leadership convention went on and Mr. Turner received his coronation, and Mr. Chrétien was crucified by the Deputy Prime Minister among others.

Mr. Speaker: Order. The Hon. Member for St. John's West, being an experienced parliamentarian, knows that it is not the practice of the House to refer to Cabinet Ministers by name. I am sure the Hon. Member knows that his question should be addressed to the Chair.

Mr. Crosbie: In view of the fact that Statistics Canada shows that residential construction activity, that is housing, has fallen 3.4 per cent, and over-all building construction has fallen 1.5 per cent, how can the Government allow interest rates to go up again? How can the Government force interest rates up through the Bank of Canada as you are doing today, and what are you going to do to reverse that? Will you—

Mr. Speaker: With respect, the Chair is not doing any of these things. The Hon. Member should bear in mind that questions should be addressed through the Chair.

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member knows that Canadian interest rates are affected substantially by those in the United States. For him to speak in terms of this Government driving up interest rates is a lot of poppycock. He knows that.

With regard to his query about the OECD report, as usual he chooses to take the gloomiest and most pessimistic view that he possibly can. No wonder he talks about being mean and nasty. It seems to come natural to him to choose the most pessimistic of all aspects of any report. If he had taken the time to read the OECD report he would have seen that it says that the Canadian economy should continue to perform favourably compared with other countries. It states "Canada's economic performance last year was unexpectedly favourable. The recovery saw output rebound and unemployment ease while inflation decelerated." Against that good news about the Canadian economy, it has been possible for us to continue, during the period under review, to pursue economic growth policies that have allowed us to close the interest rate gap with the United States. The Hon. Member opposite knows perfectly well that interest rates in Canada are now no greater than and, in a few instances, less than those in the United States.

Mr. Speaker: It would be helpful to the Chair if something like the 90-second rule that governs Standing Order 21 could somehow be introduced on both sides.

Some Hon. Members: Hear, hear!

* * *

THE ECONOMY

FOREIGN INVESTMENT

Hon. John C. Crosbie (St. John's West): Mr. Speaker, I will direct my final supplementary question to the Prime Minister who, I am sure, will give a short, concise answer. On June 19 the Minister of Finance stated at Jasper: "New foreign direct investment has increased, not decreased, and has increased substantially in recent years." That is entirely incorrect. In fact there has been a net loss of foreign direct investment since 1980 of $4 billion. Will the Prime Minister advise the House whether he will keep in his Cabinet, even for the few short days remaining, a Minister who tells fibs to the investment community and attempts to deceive the public? Will Fibber Lalonde and the dollar be removed from office by the Prime Minister before he goes, in view of the untruthfulness contained in his speech to investment dealers on June 19 which has destroyed any confidence there may have been remaining in that Minister?

Right Hon. P. E. Trudeau (Prime Minister): What a lot of empty phrases, Mr. Speaker. I remember that when the Minister of Finance was quoting from either the Bureau of Statistics or from one of the well-known economic research bodies in Canada, I do not recall which, he was really making public information that he had received from a very authoritative source. This Member stands up and says it is not true. He has no evidence of that. He is just making it up, like most of his questions which are founded on nothing but air.

LEVEL OF UNEMPLOYMENT

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, I have a supplementary question for the Minister of State for Finance. I want to put the Minister's good news in the context of the 1.5 million Canadians who are unemployed today, and tell him that Canadians are becoming fed up with the Minister of State for Finance and the Minister of Finance saying that everything is rosy in Canada, that everything is going well in Canada. It is not, because there are 1.5 million people unemployed. If Canadians had had the same job-creation rate as in the United States, the unemployment rate in Canada would be 8.7 per cent, not 11.7 per cent. In the face of the drift we have in Canada, when is the Government going to act to face this problem?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member opposite engages, as usual, in his gloomy pseudo statistics which do not show the real picture at all. As the Hon. Member knows, and as I told him last week when he asked the same question, the growth in the Canadian labour force has been at record levels. It has been greater than the growth in the labour force in other major industrialized countries. The Hon. Member opposite should know, if he does not already know, that from 1968, for example, the increase in the Canadian labour force was some 40 per cent, whereas in the five other major industrialized countries it was at an average rate of 13 per cent.

Second, he makes a comparison between rates of unemployment in Canada and the United States. I would point out to him that if the Canadian labour force had grown only at the rate that the U.S. labour force has grown, we would have only 4 per cent unemployment today.

POSITION OF GOVERNMENT

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, Canadians are fed up with the professorial response. They want action from this Government, not a lecture. I wish to quote from one of the Government's documents:

Manufacturers appear to be facing a slowdown in new orders, particularly for such things as cars and steel . . . Rising interest rates appear to have cut into final demand and investment, and this is working back through the production chain, curtailing orders—

It is causing greater unemployment in our country. Since the change in Liberal leadership last weekend has done nothing to stop the drift in confidence, as seen in the Canadian dollar today, in the bond market and in the stock market, what is the Government going to do to face up to these very serious problems that are real out in the streets, and not as the Minister points them out as he stands here in the House like a professor?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member again describes, as he always does, a gloomy outlook for the Canadian economy, by choosing a few selected statistics. If he will look at the facts and look at the release of information the other day by my colleague, the Minister of Regional Industrial Expansion, he will find that in fact companies responding to a survey of business capital investment intentions have indicated that their spending will increase by about 2 per cent in 1984 from the comparable 1983 level. This is the first net increase since 1982. If the Hon. Member does not know, a 2 per cent increase is a substantial increase for the period under review.

Partly as a result of the Government's policies in the previous two Budgets, there is now evidence of a real reaffirmation of confidence in growth in the Canadian economy, particularly in the manufacturing sector where companies now expect 17 per cent real growth in spending versus 10 per cent indicated in the previous survey of last October. Contrary to what the Member opposite is indicating, there has been, in the private sector, a vote of confidence in the Canadian economy similar to that expressed in the OECD report to which the Hon. Member for St. John's West drew our attention.

* * *

• (1430)

HOUSING

CONSTRUCTION OF SOCIAL HOUSING UNITS

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my question is directed to the Minister responsible for housing. I am sure the Minister is aware that the actual number of housing starts this year on an annual basis is running at about 50,000 housing units behind the projected need, and about 30,000 housing units behind what was projected to be the actual number of starts by the Government at the beginning of the year.

Given those two facts, what possible reason can there be for the Minister to recommend that there be cutbacks in the number of social housing units to be built in Canada, from the level of 25,957 last year to the level of 22,500 this year? I would ask the Minister please not to tell me that he is paying back the loan from last year, because that just does not wash.

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, the Hon. Member began by quoting statistics. I might tell him that the seasonally adjusted rate of housing starts in May was 135,000 dwelling units. This represents an increase of 7 per cent over the April, 1984, total of 126,000.

That being said, the Hon. Member must remember, as I am sure he does, that the increase in the allocation to social housing was very clearly understood by everyone. He may say that it does not wash with him, but I am sure that if he made a commitment to do something when the housing starts had improved, as they have in the last year or year and a half, then at that point the social housing budget would return to its normal level.

PROJECTED HOUSING CONSTRUCTION

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, the Minister says that the number of housing starts is at 135,000. He knows full well that the projected need is 200,000 units a year. He also knows that in the first quarter of this year alone we were building housing units at a rate of only 145,000 per year, which leaves us on a yearly basis 65,000 housing units behind our need or, on a quarterly basis, 55,000 housing units behind our need. Taking that into account, and recognizing that there are 12,000 people in metropolitan Toronto alone who have no fixed address because they cannot find affordable housing or accommodation, how can the Minister justify making these cuts in the field of social housing?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, I did not make cuts. The fact is that we have been running at a level of 30,000 housing units on a program which was intended to run at a level of 25,000 housing units. We simply had to accept the fact that the building of these units which were received as an advance payment would not continue forever. However, the Hon. Member speaks of housing starts. In 1982 housing starts were at a level of 125,000 units. In 1983, they were at a level of 162,000 units, and the estimated level for the current year is 171,000 units.

PLIGHT OF SENIOR CITIZENS

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, in quoting the statistics the Minister does not seem to recognize that in each of the years about which he is speaking we ran at least 40,000 housing units behind our need. With 12,000 people in Toronto in need of housing of a social nature, with 3,000 senior citizens in Toronto unable to find senior citizens' accommodation, and with thousands of others in almost every municipality from coast to coast unable to find housing at an affordable price, how can we afford to take 2,500 to 3,500 units away from the social housing allocation this year, knowing full well that we will not be able to meet either the immediate need or the projected requirements?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, the Hon. Member has served in the provincial Legislature of the Province of Ontario, if my memory is correct. He

seems to forget that housing does not fall totally under federal jurisdiction. In fact if he compares the amount of money this Government is putting into housing, and particularly social housing with the amount of money spent by the provinces then he may want to speak to his counterparts in the provincial Legislature of his own province and, in fact, in the Legislatures of most provinces. The federal Government is doing more than all of the provinces of Canada combined.

* * *

THE ECONOMY

FUTURE PROSPECTS—UNEMPLOYMENT LEVELS

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, my supplementary question is directed to the Minister of State for Finance, who was speaking of confidence. I would wonder what kind of confidence the people have shown in the Government of Canada with the Canadian dollar at its lowest level in history today.

Across the country today there are billboards which read: "Celebrate the Future" and on which yesterday's man is featured prominently. I would like to know what kind of future we are to celebrate? Are we celebrating a future that now sees Canadians with a full-time employment level of 2.4 per cent less than it was in January, 1981, when full-time employment levels in the United States are up 5.1 per cent? What kind of future are we celebrating? What kind of future do these unemployed Canadians have to celebrate?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member opposite should look for a moment at the OECD report with which the Hon. Member from St. John's is so preoccupied. In fact that report offers good news. If he wants to receive good news, he should read what the OECD has to say.

The OECD predicts that Canada's economic growth in 1984 will be second only to that of Japan and will be substantially ahead of that of the United States and other industrialized countries. The OECD believes, and the Canadian Government shares its view, that our growth in 1984 will be in the 4 per cent to 5 per cent range. This, of course, will in turn bring increased investment in the Canadian economy and an increased creation of jobs.

When talking about job creation the Hon. Member should also know that over the last years we have set record levels in job creation. Indeed, since the end of the recession we have created almost half a million jobs in the Canadian economy, the creation of which has played a substantial part in offsetting the effects of the recession.

Mr. Blenkarn: Mr. Speaker, if we had all of the jobs that government Members say have been creating, every Canadian in the country would be working night and day, and on weekends. We would be bringing in great numbers of immigrants. We would not know what to do with all of the jobs they say they have created. The fact is that we have gotten nothing but blarney and nonsense from the Government.

COMPARISON WITH UNITED STATES

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, why does the Minister not pay attention to what is being done in the United States? In the United States there was a growth rate of 9.7 per cent in the last quarter. I would point out to the Minister that Statistics Canada has now delayed stating the Canadian growth figures three times. However, those figures are likely to show a 2.4 per cent or perhaps 2.7 per cent rate of growth for the same quarter. Why are we doing so poorly when the United States, our major trading partner, is doing so well? What does the Minister have to say about that? Why has the Government given us nothing but yesterday answers, and now a yesterday Leader?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the fact is that the Canadian economy is doing well. We shall see increased growth during the course of this year. This growth is estimated to be ahead of that of the United States for the year.

The Hon. Member opposite should know, as should his colleague, the Hon. Member for Etobicoke Centre, that in fact the increase in the Canadian workforce has been at levels greater than that of the United States, or, indeed, of any of the other summit countries. The Canadian labour force has grown at rates which have been unparalleled, not only in our history but in comparison with those of other industrialized countries. In those circumstances we have had high rates of unemployment. I regret to say that we shall continue to have a substantial rate of unemployment in the time ahead. However, we shall equally be creating jobs at a very rapid rate to absorb as many as possible of the new workers who will be entering the workforce.

* * *

● (1440)

HEALTH

SAFE DRINKING WATER

Miss Aideen Nicholson (Trinity): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. In view of the continuing concern about acid rain, both from environmental and health points of view, will the Minister indicate if she is encouraging new initiatives to protect the health of Canadians and, in particular, what is being done to ensure that drinking water in unorganized areas, where the water quality is not controlled by municipalities, is safe?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I know that this is of great concern to the Minister and to the Department. There is a good deal of study being done in this regard, particularly as it relates to people's health. We hope to

be able to have something more definitive when those studies are completed in the near future.

* * *

NATIONAL REVENUE

SUPREME COURT FINDING ON MINISTERIAL POWERS

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, I imagine that the Minister of National Revenue is being briefed on the answer to the question which I am about to ask him. The Minister will know that the Supreme Court rendered an extremely important judgment today in which it found against the Department of National Revenue in favour of James Richardson and Sons Limited. In view of the fact that the decision of the Supreme Court included the following statement: "The Minister cannot under subsection (3) of Section 231 of the Act conduct a "fishing expedition" into the trading activities of the customers of one broker," I would ask the Minister what assurance he can give to the House that any attempt to conduct this sort of fishing expedition in the future will be stopped. Also, would he assure the House that no attempts, similar to the one which was made with the request to the City of Kitchener for complete access to the computerized data base of that city, will be made in the future?

Hon. Pierre Bussières (Minister of National Revenue): Mr. Speaker, as the Hon. Member knows, the judgment was made public this morning. We are studying, in the Department, the nature of that judgment. I want to ensure the Hon. Member that the application of Section 231 and the administrative practices related to it will be put in line with respect to the judgment which was made today.

RESPECT FOR RIGHTS OF TAXPAYERS

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, the judgment opens up two possibilities. The first is that in a case such as this the Department could have asked for the files of very brokerage firm and gone on an even more massive fishing expedition than it had contemplated. The second possibility is that the Department would not target one individual firm.

I would like to ask the Minister for the assurance that he will not take the option of simply casting the nets farther and increasing the ability of the Department to go on this sort of a fishing expedition, but instead that he will opt for the privacy of Canadians and for some respect of their basic rights. Can he at least give us that assurance, which was recommended by the PC Task Force on Revenue Canada?

Hon. Pierre Bussières (Minister of National Revenue): Mr. Speaker, I want to give the assurance to Members of the House that we will continue to respect the rights of Canadian taxpayers as we have always done. I also would like to assure the Hon. Member that the judgment of the Supreme Court and the suggestions which were made will be respected by the Department.

* * *

HOUSING

ASSISTED HOME OWNERSHIP PROGRAM—DIFFICULTIES FACED BY OWNERS

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, my question is directed to the Minister responsible for housing. It has to do with the survivors of the AHOP Program, many of whom have loan payments which are coming due. They are asking that the Government give consideration to forgiving those loans altogether. In view of the fact that many home owners were lucky enough not to subject to the wrong assumptions behind the AHOP Program and received the $3,000 grant, those who remain in the AHOP Program are asking that their loans be forgiven. I would like to know if the Minister is considering doing this, given the difficult situation in which many of these people have been placed by that program?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, I interpret the Hon. Member's question as a representation. He well knows that that program was intended to help people whose revenue was limited or reasonably modest. I am sure that anything the corporation can do to be helpful will be done.

REQUEST THAT LOAN PAYMENTS BE FORGIVEN

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, it is not a representation. I am asking the Minister to indicate whether he will authorize CMHC to forgive the loan payments. CMHC is willing to take a dive in other respects. I have the real estate sales listings for Winnipeg for the months of February and March which indicate that CMHC is willing to sell approximately one dozen homes at $3,000 below the market price, to one company. CMHC is willing to sell those homes to that company at fire sale prices, but to private people it is asking approximately $3,000 more. If CMHC is willing to take a $3,000 dive to benefit one company, why will is not take a similar dive on behalf of the people who have stuck it out in those homes, who have tried to make a go of it, and who are asking for the same kind of consideration which was given to the people who received the $3,000 grant?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, the Hon. Member's representations may be perfectly justified. I think they might have been weakened by the demagoguery which he is trying to put before the House.

THE ADMINISTRATION

LIBERAL PARTY LEADER—CORPORATE DIRECTORSHIP FEES

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, my question is directed to the Prime Minister and it has to do with Mr. Turner. Mr. Turner is reported to be earning in excess of $100,000 per year in director's fees. I wonder if the Prime Minister could tell us how much money Mr. Turner is receiving in director's fees for the period in which he has access to confidential Cabinet documents? Would the Prime Minister also tell us why the Government and Mr. Turner believe it is appropriate that he should be paid by private companies while he has access to confidential information which could help those private companies?

Mr. Speaker: The concerns the Chair has at this point is whether such information should be presumed to be within the knowledge of the Government. The rules of the House are clear with respect to questions within a government or ministerial responsibility.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, your instincts and your knowledge are great. You took the words out of my mouth. I can confirm the basis of the doubts. In fact, I do not know how much Mr. Turner is earning. I do not know the answers to the questions which the Right Hon. Member is asking. However, I am sure Mr. Turner will take notice of those questions.

PARLIAMENTARY RESPONSIBILITY OF NEW GOVERNMENT

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, I would like to examine a field about which the Prime Minister may well have more certain knowledge, as it has to do with when he will be leaving. Another aspect of Mr. Turner's "old boys' club" approach to government is that he is considering appointing new Ministers to Cabinet who will sit neither in the House of Commons nor in the Senate.

I would like the Prime Minister to tell us whether this new Government will meet Parliament before this session adjourns on June 29, or will it act as an extra-parliamentary Government, without the legitimacy of either being elected by the people or being approved by the House of Commons?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know the answer to that question either. I know that, traditionally, the transition between one Government and another—and the Right Hon. Member has two experiences in that regard, and so do I with him—generally takes about a fortnight. I have told Mr. Turner that I would be ready to offer my resignation at a convenient time within that general time frame, a few days earlier or a few days later. I do not know what his decision will be.

Mr. Crosbie: You are going, though?

Mr. Trudeau: I think I will be going, yes.

[*Translation*]

TRADE

TEXTILE AND CLOTHING IMPORTS—GOVERNMENT ACTION TO PROTECT JOBS

Mr. Claude Tessier (Mégantic-Compton-Stanstead): Mr. Speaker, my question is directed to the Minister for International Trade who is responsible for import controls.

The textile industry in the Eastern Townships is steadily declining, and the closing of the Celanese Canada Limited plant in Coaticook is one more in a series of final shutdowns that has already been announced.

Could the Minister inform the House whether the fact that imports are being tolerated by the Government is a sign that the Government is unwilling or is no longer willing to protect jobs in the textile industry, and if so, can employees and the people of Coaticook expect that this Government will make up for the loss of jobs by urging or even obliging high-tech industries to locate in the area, thus providing jobs in presumably more modern and more lucrative sectors?

Hon. Gerald Regan (Minister for International Trade): Mr. Speaker, first I would like to say that the jobs of workers in this area are very important to the Government. In the case mentioned by the Hon. Member, it is very important—

Mr. McDermid: A coté de vous, M. Diefenbaker était vraiment doué pour les langues!

Mr. Regan: Mr. Speaker, we must not forget that the Coaticook plant is not a modern one. Furthermore, we must bear in mind that our polyester imports do not come from countries where prices are lower than they are in Canada. Many of our imports are from the United States and Japan, which means we must develop modern and competitive plants in our own country.

* * *

• (1450)

[*English*]

THE ADMINISTRATION

LIBERAL PARTY LEADER—POSSIBLE APPOINTMENT OF NON-ELECTED CABINET MINISTERS

Hon. Ray Hnatyshyn (Saskatoon West): M. le Président, c'est le français parisien?

Some Hon. Members: Oh, oh!

Mr. Hnatyshyn: Silenzio!

Some Hon. Members: Oh, oh!

Mr. Hnatyshyn: Svyenya! C'est Ukrainien!

Mr. Speaker: Order. We are all having difficulties after last night, but the Chair can only recognize two official languages and is having some difficulty.

Mr. Hnatyshyn: Mr. Speaker, I would like to direct my question to the Prime Minister. It deals with the question of whether or not Mr. John Turner, the future Prime Minister, has in fact received or sought from the Government a legal opinion as to the legitimacy, constitutionality, or appropriateness of an unelected Prime Minister appointing a cabinet, which is made up of a significant number of persons who are non-elected, in the dying days of a dying Government in a dying Parliament, especially in light of the fact that the President of the Liberal Party of Canada and members of his own caucus have pronounced this type of activity, which is unprecedented, as being repugnant?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am sure that your instincts are to interrupt the Hon. Member and indicate that this is not, as well, anything under my purview. Whether Mr. Turner has sought legal advice or not, he certainly has not done so through me.

Mr. Hnatyshyn: Did he ask the Government?

Mr. Trudeau: Oh, I apologize. The Hon. Member asks if he asked the Government for such advice. I have no knowledge that he had or would ask such advice of the Government, Mr. Speaker. The Hon. Member himself gave away, I believe, the fallacy of his question when he asked whether it would be legal or appropriate. The Department of Justice, perhaps unlike the Supreme Court, does not give opinions on what is appropriate, only on what is legal.

Mr. Hnatyshyn: Mr. Speaker, judging from some of the opinions the Prime Minister has received, I can believe that to be the case.

BRIEFING BY SECRETARY TO CABINET

Hon. Ray Hnatyshyn (Saskatoon West): The Prime Minister has committed Mr. Osbaldeston to brief the future Prime Minister with respect to confidential documents, government documents, which are available normally only to members of the Cabinet. He said yesterday that he instructed Mr. Osbaldeston to show Mr. Turner some but not all of the documents. I wonder if the Prime Minister would tell us, in light of Mr. Turner's corporate connections, which have been a question of some prominence as well as speculation in the editorial pages, what documents there are which Mr. Osbaldeston is not showing to Mr. Turner? Having regard to the conflict of interest guidelines of the Prime Minister, what documents has he directed Mr. Osbaldeston to refuse access to Mr. Turner?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have not given any such specific directions to Mr. Osbaldeston. I indicated my confidence in Mr. Osbaldeston and in Mr. Turner. Both gentlemen, I am sure, would want to make sure that any possibility of conflict of interest would not arise if there were some document dealing with some subject with which Mr. Turner, as director of a company, had been involved. I am sure both gentlemen will be very aware of that danger because of the suspicious nature of the Opposition.

* * *

FORESTRY

STATUS OF INDUSTRY IN BRITISH COLUMBIA

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, my question is directed to the Minister of State for Economic and Regional Development. According to the *Financial Post*, a report prepared for the Minister's Department by Woodbridge Reed and Associates, confirms what the New Democrats have been trying to tell the Government about British Columbia's forest industry. The report paints a picture of a devastated industry, locked into outdated technology, with inadequate research and development and poor levels of utilization of a mismanaged and threatened forest base.

The industry has depended on raw and semi-processed products and cannot compete with more developed products because it has not developed the infrastructure for marketing. Considering Liberal Government promises in 1979 to help the lumber and plywood industries of British Columbia, and considering that no such help has been given, what proposals does the Government have to help the forest industry of British Columbia get out of its present devastation so that it can act as the proper solid foundation for a decent economy?

Hon. Donald J. Johnston (Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, it is apparent from all of the actions which the Government has taken with respect to every province which has a forestry sector—British Columbia is the most important, but by no means alone—that we are taking steps to encourage the provinces to have primary responsibility in this area, particularly with respect to reforestation. That is where the real devastation has taken place in Canada. We have taken steps to move ahead with joint agreements in order to give effect to the national forestry strategy which the Government adopted in 1981. The Hon. Member is quite right that the industry is in a sad state across this country. The provinces have not done their share of reforestation and taken other steps which are necessary in order to preserve what is one of this country's greatest national resources, and the major export from Canada.

We will be, I hope, entering into negotiations with British Columbia in order to sign an economic and regional development agreement with that province. It is one of the few provinces, I might point out, Mr. Speaker, with which we have not yet embarked upon substantial negotiations. We have now signed off in fact seven economic and regional development agreements. In each instance, as I can recall, forestry, of course, has been featured as one of the major areas of develop-

ment. The same, of course, obviously has to be true with British Columbia.

With respect to research and development—

Mr. McDermid: Come on!

Mr. Speaker: I believe the Hon. Member has given his answer.

TAX CREDITS PROPOSAL

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, I hope that the Government is able to get some action going. The report concludes that the industry itself is in such debt that it is not able to finance any long-term restructuring or expansion. That is largely, of course, because of mergers. It suggests that the federal Government—

Mr. Speaker: Would the Hon. Member please ask his supplementary question?

Mr. Manly: Considering that the report suggests that the federal Government should allow the industry to sell tax credits to finance equity, would the Minister tell the House, if the Government adopts such a doubtful approach, what guarantees would there be for the Canadian people that this will not be another scam such as we saw with the research and development tax credits? What guarantees have we that this will not be—

Mr. Speaker: The Hon. Member has asked his supplementary question.

Hon. Donald J. Johnston (Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, first of all, the conclusion that there is some kind of a scam associated with research and development tax credits, of course, is nonsense. I believe we should all be pleased that so many Canadians have taken advantage of those research and development tax credits. The important thing is to ensure that they are being applied in a constructive way in terms of the R and D which is now begun in Canada. I suspect that that will be evaluated very soon. Instead of being critical of that, I feel we should be delighted that more money is going into research and development in these areas.

I come back to the point, Mr. Speaker, that this is an area where we have to work hand in hand with the provinces. I would hope that the kind of representations which the Hon. Member is making here today will also be made by him in his own province to the provincial officials and to provincial politicians.

• (1500)

AGRICULTURE

ACCESS TO QUEBEC MARKET FOR ONTARIO TOMATOES

Mr. Robert Daudlin (Essex-Kent): Mr. Speaker, the Minister of Agriculture will know that, notwithstanding the undertakings by the federal Government to implement the litre container legislation and regulations, the Province of Quebec is still holding to a July 15 deadline for possible implementation of the regulations, which will be two weeks after the start of the tomato season in southwestern Ontario. Will he take the lead and offer to meet with Mr. Garon and obtain assurances that in fact we will not have the same kind of fiasco we had last year where trade between Ontario and Quebec will stop because of the containers?

Hon. E. F. Whelan (Minister of Agriculture): Yes, Mr. Speaker, I will.

ROUTINE PROCEEDINGS

[*English*]

VACANCY

CALGARY EAST—JOHN KUSHNER, BY DECEASE

Mr. Speaker: I have the honour to inform the House that I have received a communication notifying me that a vacancy has occurred in the representation, namely, John Kushner, Member for the electoral district of Calgary East, by decease.

Accordingly, I have addressed my warrant to the Chief Electoral Officer for the issue of a writ of election for the said electoral district.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions, with the exception of one, presented by Hon. Members on Wednesday, June 20, 1984, meet the requirements of the Standing Orders as to form.

MR. PELLETIER—U.S. PRESENCE IN CENTRAL AMERICA

Mr. Speaker: The petition presented by the Hon. Member for Sherbrooke (Mr. Pelletier) on Wednesday, June 20, 1984, does not meet the requirements of the Standing Orders as to form.

Introduction of Bills

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Hnatyshyn: Mr. Speaker, I would like to put to the President of the Privy Council the usual Thursday question with respect to the Government's legislative intentions over the course of the next few days and weeks.

Mr. Pinard: Perhaps I can begin with the business starting on September 10, but let us try to get something done before the end of next week.

[*Translation*]

Mr. Speaker, tomorrow the House will be considering four Bills, in the following order. The first Bill will be C-40, which concerns the guaranteed income supplement, followed by C-37 dealing with the mortgage rate protection plan for homeowners; the third Bill will be S-14, which concerns a tax agreement with the United States; and the fourth Bill to be debated tomorrow will be C-36, to amend the Interest Act, which is related somewhat to Bill C-37, the second Bill on the agenda tomorrow. So we shall be considering Bills C-40, C-37, S-14 and C-36.

As far as next week is concerned, a number of Bills were discussed at a meeting of the Parliamentary House Leaders held earlier today. At this point I cannot say we have a firm agreement regarding consideration of these Bills. However, we are confident, since the House is sitting for extended hours and we shall automatically adjourn on June 29, and also considering the spirit of co-operation required under our new system, that the three Parties will be able to agree on adopting a reasonable number of measures before we adjourn on the 29th. I believe that in the circumstances, now that we have determined the order of business for tomorrow, next week's order of business should be set for one day at a time, since we shall probably be having regular meetings of the Parliamentary House Leaders, and we can then do so according to daily progress in the House on the items of legislation concerned.

For the time being, I shall therefore set the order of business for tomorrow only. Tomorrow I can be more specific, depending on our progress and the results of my talks with the Parliamentary House Leaders of the two Opposition Parties.

* * *

[*English*]

HERITAGE RAILWAY STATION PROTECTION ACT

MEASURE TO ESTABLISH

Mr. Jesse P. Flis (Parkdale-High Park) moved for leave to introduce Bill C-253, an Act to protect heritage railway stations.

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Flis: Mr. Speaker, it was the demolition of the West Toronto CP railway station which motivated me to bring forward this Bill. Its purpose is to prohibit companies from removing, destroying, selling, assigning, transferring or otherwise disposing of a heritage railway station owned by it or otherwise under its control unless otherwise authorized by an order of the Governor in Council.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

[*Translation*]

MULTICULTURALISM ACT

MEASURE TO ESTABLISH

Hon. Yvon Pinard, for the Minister of State (Multiculturalism) moved for leave to introduce Bill C-48, an Act respecting multiculturalism.

Mr. Speaker: Is it the pleasure of the House to authorize the Minister to introduce this Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall this Bill be read the second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

[*English*]

WESTERN ARCTIC (INUVIALUIT) CLAIMS SETTLEMENT ACT

MEASURE TO ESTABLISH

Hon. John C. Munro (Minister of Indian Affairs and Northern Development) moved for leave to introduce Bill C-49, an Act to approve, give effect to and declare valid the agreement between the Committee for Original Peoples' Entitlement, representing the Inuvialuit of the Inuvialuit Settlement Region and the Government of Canada, and to amend the National Parks Act in consequence thereof.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

BUSINESS OF THE HOUSE

Mr. Pinard: Mr. Speaker, on House business I forgot to mention that tomorrow I will be seeking unanimous consent, which follows consultations, concerning Bill C-47, an Act to amend the Indian Act. We have agreed to allow this Bill to go to committee without debate so I just want to indicate that the first item of business tomorrow, when we reach Orders of the Day, will be to seek that consent on Bill C-47.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 27 and 170.

[*Text*]

BEHAVIOURAL MODIFICATION PROJECTS

Question No. 27—**Mr. Beatty:**

1. Is it government policy to allow behavioural modification projects to be conducted in the federal prison system and, if so, in each case (a) what is the purpose of the project (b) who are the persons responsible for its completion (c) how many subjects are involved (d) what is the nature of the treatment?

2. Which departments, agencies, boards, commissions or Crown corporations are directly or indirectly involved in behavioural modification programs and, in each case (a) what is the nature of the government's involvement (b) what is the purpose of the project (c) how many subjects are involved (d) who is the person responsbile for the government's participation (e) who is the person in charge of the program (f) what is the nature of the treatment?

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): I am informed by the Ministry of the Solicitor General and the Medical Research Council as follows:

1. The question is too general to answer. A principal goal of the Correctional Service of Canada (CSC) is to encourage rehabilitation. Virtually all activities in prison take account of this goal.

2. The Medical Research Council:

(a) The funding of a grant which has to do with Skinnerian behavioural modification, that is, investigations of training and production technologies for developing vocational competencies of the severely and moderately retarded (University of Manitoba, $41,192—Dr. Garry L. Martin).

(b) To teach industrial skills to mentally retarded patients within sheltered workships and in a community residence.

(c) One hundred and seventy-three.

(d) Not available.

(e) Dr. Garry L. Martin, University of Manitoba.

(f) Basic skill development and performance of simple work tasks.

ATOMIC ENERGY CONTROL BOARD SUBCOMMITTEE ON NUCLEAR SECURITY

Question No. 170—**Mr. Mazankowski:**

1. Is there an Atomic Energy Control Board Sub-committee on Nuclear Security and, if so (a) who are the members (b) what is the (i) background or expertise (ii) term of appointment of each member (c) what remuneration, such as salary or travel expenses, do the members receive and, for the length of each appointment to date, what amount did each member receive (d) what other funding, if any, is provided by the Government?

2. (a) What are the terms of reference of the Sub-committee (b) what matters did it consider in the fiscal year 1982-83 (c) how often did it meet and how often is it required to meet (d) what reports and/or recommendations did the Subcommittee publish in the fiscal year 1982-83?

Hon. Bob Kaplan (Solicitor General of Canada): 1. No. There is, however, a subcommittee of the interdepartmental Security Advisory Committee which provides advice on the security of nuclear installations and materials.

(a) The members are officials representing:

The Atomic Energy Control Board

Atomic Energy of Canada Ltd.

The Department of National Defence

The Ministry of the Solicitor General

The Department of External Affairs

Emergency Planning Canada

The Royal Canadian Mounted Police

(b) (i) Representatives on the subcommittee change from time to time but each member has some security responsibilities within his or her own department or agency which relate to national security issues. (ii) There are no specific terms of appointment.

(c) The members do not receive remuneration for providing these services other than their public servant salaries.

(d) None.

2. (a) and (b) The specific terms of reference and the matters dealt with relate to issues affecting the security of Canada and cannot be publicly disclosed.

(c) The subcommittee met twice in FY 82-83. There is no established requirement for frequency of meetings.

(d) See 2 (a) and (b) above.

Security Intelligence Service

● (1510)

[*Translation*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 175 could be made an order for return, that return would be tabled immediately.

Mr. Speaker: The questions enumerated by the Parliamentary Secretary have been answered. Is it the pleasure of the House that question No. 175 be deemed to have been made an order for return?

Some Hon. Members: Agreed.

[*Text*]

NATIONAL ADVISORY COMMITTEE ON BIOTECHNOLOGY

Question No. 175—**Mr. Mazankowski:**

1. Is there a National Advisory Committee on Biotechnology and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Committee meet and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Return tabled.

[*Translation*]

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

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Kaplan that Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact An Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, be read the third time and do pass.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, we are now at third reading stage of this Bill. There are four very important aspects of the Bill which deserve further consideration. You will recall that last evening we spent some time on votes on this Bill. However, we did not have an opportunity, before coming to those votes, to finish consideration at the report stage. There were still a number of very important matters before us when we had to turn to the vote.

There are four elements of this Bill which I want to emphasize most particularly. The first is the separation of the agency from the RCMP. That has been a matter of some controversy. I suppose it is the element which divides the Government Party from our Party and our attitude toward the agency, whether it be within the RCMP or separate. Our Party favours the retention of the agency within the larger ambit of the RCMP.

That is one element. I think the Canadian public is concerned about that particular element. A lot of people have made up their mind. I am sure that a lot of others are still wondering. If there is a balance swinging in one direction or another, it is in favour of the retention of the service within the RCMP, for the very simple reason that the RCMP is a known quantity. The separate service outside of the RCMP is an unknown quantity. Given the history of intelligence agencies around the world, the separation of that agency from a known quantity is causing concern.

I will mention the second matter and return to it later, and that is the element of ministerial responsibility. This is a deep and abiding concern. Ministerial responsibility does not exist in this Bill. I know it is difficult to retain ministerial responsibility. However, there must be a link between an agency such as the Security Intelligence Service and the Parliament of Canada. That does not now exist, even with the review committee.

The third element which is causing concern is the threat to human rights and the imminent invasion of privacy which are inherent in the type of organization which is being created by this Bill. Mistakes can be made and innocent people can have their rights affronted and their privacy invaded. What recourse do individuals have to secure what they believe to be their rights? How do they protect their privacy?

One of the interesting elements in timing is that this potential for invasion of privacy or assault on human rights in Canada comes right on the heals of the Charter of Rights which is now embedded in the Constitution. People now feel that they have their rights and they are damn well going to be sure that they are recognized. How are they going to be recognized under this legislation unless there is some sort of ministerial responsibility? That is a tragedy. The Bill was not properly thought out. The link between the individuals, the legislators and the Government has not been properly worked out.

I am not questioning for an instant the need for a security intelligence agency. My experience in a previous career has taught me, and my reading since that time has reinforced what I learned, that there is a need for a security agency. However, in creating that agency we must not avoid this parliamentary institution which is a safeguard of the rights of the Canadian people. That is what we are doing with this Bill.

The fourth element arose over the past weekend. It has two aspects. It is the emergence of a new Leader of the governing Party. Mr. Turner was elected last weekend as the new Leader of the Liberal Party. In the course of time he will become Prime Minister. For the first day or so we were prepared to concede that Mr. Turner was not aware of what this Bill might contain. He had been Minister of Justice at a very critical time so he should have been aware. He should have been following what was happening, but of course he was busy campaigning. Perhaps he had not focused clearly on the contents of this Bill. Therefore, for the first day or so we were prepared to concede that, being unaware, the process of legislating this Bill was proceeding without his knowledge. That period has now passed. Mr. Turner must be aware that this Bill is before the House of Commons. He must also be aware of, and therefore must have condoned, the imposition of closure or time limitation on debate.

In two senses the future Prime Minister of Canada is coming in with two strikes against him. He is prepared to back a new institution with which he must have been familiar because he was working with the agency before. Starting out with those two heavy strikes against him on this particular piece of legislation is a pretty tough way to begin.

● (1520)

Let me come back to ministerial responsibility and leave the names out of it for the moment. Others have spoken about other elements of the Bill. My prime concern today is that element of ministerial responsibility.

Let me read extracts from a book that I was looking at recently. I believe reading these extracts give the gist of the story. This is the story of a person who became embedded in the security institutions of the Canadian Government. I admit that it is a novel, but this person became embedded within those institutions and it finally became clear that this person was a plant or a spy. The book first points out that those who were investigating the matter found a number of unused one-time cypher pads. Unused one-time cypher pads are used for cyphering plain language to transmit over the wires, which can then be unscrambled at the far end. However, in the belongings of this particular person they found some one-time cypher pads, a list of call signs, tables set to 24-hour cycles keyed to five-year calendars, and so on. It is the manual that is used for conveying information in a secure manner.

It became apparent that this person, having suspected that she had been detected, fled from Ottawa to Montreal with her son. Their car was traced to what was called Pier 11. The head of the service said: "Pier 11, is that not where the MS *Alexandr Puskin* normally docks?" The trail became a little more interesting and the fears were being substantiated. It then became apparent to the head of the intelligence service who had all these ideas in his mind that he would have to tell the Prime Minister. He was sure that the Prime Minister would not like what he had to tell him.

The book goes on to say that the head of the intelligence service saw the Prime Minister in his Centre Block office in the Houses of Parliament. He gave his account to the Prime Minister. Finally the Prime Minister, having heard the story, asked the head of the intelligence agency where was the car that was used to get from Ottawa to Montreal. He was told by the head of the agency that it had been impounded by the RCMP in Montreal. It had been found on federal property within the jurisdiction of the agency and therefore could be impounded without anyone knowing it had been impounded.

The Prime Minister thought for a moment and said: "I intend to call a special meeting of the Cabinet Committee on Security and Intelligence early tomorrow morning. I would like you to be there. We will have a number of decisions to make". The Prime Minister said: "In the meantime, arrange to have that car moved to Ottawa in a closed van and stored in a secure garage. By the way, you and the Secretary of Cabinet will be the only officials present tomorrow. I do not want the meeting advertised".

That is normal. These matters must be dealt with in a very careful manner when the security of the state is in question. He brought the Cabinet Committee together on short notice. The Prime Minister said: "I am sorry we have to meet on such short notice. As you will know, the only officials present are the Secretary of the Cabinet and the Head of the Security Service". He said that the reasons for that will become apparent. He instructed that no minutes be kept of the meeting and went on to say: "I do not intend to raise the matter in full Cabinet and I would ask that each of you refrain from discussing the subject matter of the meeting with anyone outside this group".

The scene is set. When he came to make his report he began: "Gentlemen, we have a problem. The secretary of this Committee, Mrs. Heide Latour, was discovered not long ago to be a spy, an agent of a foreign power, the Russians". This, of course, caused consternation. The Prime Minister proceeded with his account and laid out before his colleagues the full story of the operation that had been undertaken to find the leak at first, and then focusing on Madam Latour. One of the Ministers said: "Why in the hell didn't the RCMP keep her under surveillance?" The question was passed to the head of the security service who said that when it was agreed that the person in question could visit her in-laws in Quebec with her son, he suggested that she be accompanied by the woman operative who had been stationed in her house from the time they first picked her up when suspicions started to gel.

The RCMP had been dealing with this matter. The Prime Minister then said: "It appears to me that there are two practical alternatives to dealing with the problem. Make a statement in the House disclosing the facts of the case, or provide some credible public explanation for her disappearance which avoids disclosure of the true facts". It is necessary to hide the true facts. I suppose this is normal within a security operation. Someone spoke up and said: "The first alternative could be political suicide given our minority position in the House". Political considerations come into play.

The Prime Minister did not wait. He said: "Exactly my feelings. Instead, I propose that her disappearance be attribut-

ed to an accident to her car", the gas tank of which would have exploded causing the vehicle to dissolve in a pillar of fire. They had the car and he had instructed that the car be brought to Ottawa. That can all be staged.

While I am reading from a novel, it is an interesting novel which bears directly on what we are talking about. He mentioned that the car had been found and brought to Ottawa. He said that he gave instructions that Mrs. Latour's car be removed to Ottawa in a closed van for storage by the RCMP and arrangements were accordingly made that it be found as having exploded somewhere. He turned to the head of security and said: "I assume your people can make the necessary arrangements?"

The head of the security agency then turned to the Prime Minister and said: "Mr. Prime Minister, there is no doubt that if the affair becomes public the damage done to our extensive and sensitive relationships with various foreign security and intelligence agencies within and outside NATO would be considerable". They had to avoid that. Then comes the crunch. One Minister who was very smart said: "Fine, but it could become messy. If it does, you will understand that we have to deny all knowledge of the affair". That essentially ends my reading but those words "we will have to deny all knowledge of the affair" are important.

Let me tell you, Mr. Speaker, who wrote that book. It was written since his retirement by the first civilian director of the Canadian Intelligence Service, Mr. John Starnes. It is based on his experiences. The book is called "Deep Sleepers". That is a term used in the intelligence world for those who are placed many years in advance into positions of significance and influence so they could do their spying.

I just read a small part of the book. How does it end? The Minister says: "If this becomes public you will understand, of course, that we have to deny all knowledge of the affair". There is an absolute absence of ministerial responsiblity. This is not good enough. Mr. Starnes speaks from experience.

• (1530)

Yesterday in our debate before we came to the vote we were considering an amendment which was brought forward by my colleague, the Hon. Member for Vancouver South (Mr. Fraser), that this House set up a Commons committee, or a committee in conjunction with the Senate which could meet in camera or openly, depending upon its agenda, to review the administration, provisions, and operation of the Service.

This Bill was not fully studied in this House—in committee, yes, but not in this House. We were not given enough time, thanks to the connivance of Mr. Turner and the Government, to deal with all the provisions of this particular legislation. It is essential in my view that there be a committee of this House to ensure that there is some responsibility to the Canadian people for the activities of that agency and for the manner in which this Bill is being implemented.

There must be a Minister who will answer. That is one of the reasons that, through the Solicitor General (Mr. Kaplan) and the Commissioner of the RCMP, that channel exists. But what does this Bill propose? It proposes that the RCMP be cut out, that a separate agency be instituted and that there be no ministerial responsibility. That is the tragedy of this Bill, Mr. Speaker. It is so important that I felt I had to rise this afternoon to explain why it is such a dangerous Bill.

The Acting Speaker (Mr. Guilbault): A ten-minute period is provided for questions or comments relating to the remarks of the Hon. Member. Are there any questions?

[*Translation*]

Mr. Gourde: Mr. Speaker, I have a question for my colleague. I asked the same question to the Hon. Member for Bow River (Mr. Taylor) this morning, but he did not bother to answer.

There are various positions concerning the establishment of a civilian agency. The position of the Government is very well known since it is in keeping with the recommendation of the McDonald Commission and the MacKenzie Commission, and that is the creation of a civilian agency. As usual, the New Democratic Party has not made up its mind, it is like a weather vane. As to the Progressive Conservative Party, the senators who belong to that Party spoke in favour of a new civilian security agency during the proceedings of the Senate committee chaired by Mr. Pitfield. However, it would seem that the caucus of Conservative Members does not see eye to eye with the caucus of senators since it appears to be against the creation of a civilian security agency.

Could the Hon. Member enlighten us and give a clear, unequivocal and precise answer to this question: what is the exact position of the Progressive Conservative Party concerning the creation of a civilian agency? And perhaps he might try to be less evasive than the Hon. Member for Bow River?

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, the position of the Progressive Conservative Party is clear and unequivocal. It has been explained by our spokesman, the Hon. Member for Vancouver South (Mr. Fraser), and it is this: there must be no breakdown between the security agency and the intelligence service of the Royal Canadian Mounted Police.

At the beginning, during those studies . . . and the senators, as the Hon. Member must know, are free to think otherwise and to have their own opinion.

I do not remember exactly the dates on which the comittee sat, but in the final analysis, some of them were in favour of separating the agency from the RCMP, while only one Progressive Conservative Senator favoured integrating the Service within the RCMP. However, since then, following the study carried out by the caucus and the submissions made by the Attorneys General of the Provinces, it became obvious that the present situation needed to be cleared up; indeed, a Bill was required to resolve the problem, but there is no need to have the intelligence service separate from the RCMP.

Mr. Gourde: In its findings, the McDonald Commission recommended that a civil security service be created; on the other hand, the tenors in the Progressive Conservative Party have often rejected this very important recommendation of the McDonald Commission, even though they have often based their arguments on the findings contained in the McDonald report. Am I to understand that the Progressive Conservative Party supports and approves the McDonald Commission or is the Official Opposition against the general conclusions of this report?

Mr. Munro: The McDonald Commission made many recommendations, but as concerns separating the service from the RCMP, we do not agree with its conclusions. If I may say so, Mr. Speaker, this might be the first time that the Government is accepting the recommendations of a commission it has itself created. Generally speaking, the commissions appointed by this Government have been set up to delay matters. Indeed, when the Government does not want to make any decision, it appoints a commission to study the issue and finally comes to its own conclusions even though they may go against the recommendations of its own commissions. I am not necessarily referring to the McDonald Commission, but this acceptance by the Government of a recommendation made by a commission it has itself appointed is quite unusual.

[*English*]

Mr. David Kilgour (Edmonton-Strathcona): In rising to speak to Bill C-9, you will recall, Mr. Speaker—I think you were here last night—that many of us were here until five o'clock this morning. As a result, we are very tired today. We have not much desire to do anything with this Bill other than to throw it in the wastebasket. I do not think anybody, even Members of Parliament, should be asked to vote 130 times as we were last night.

Subject to that expressed concern today, I would speak on four aspects of the Bill, if I may, Sir; first, the question of the civilianization of the force, second, on the question of judicial warrants, third on the question of powers and civil liberties, and fourth, on the question of the review committee.

As you know, Mr. Speaker, my Party, and specifically the Hon. Member for Vancouver South (Mr. Fraser) and the Hon. Member for Lethbridge-Foothills (Mr. Thacker) have made it very clear that we do not wish to see a civilian security force established, separate and apart from the security service of the Royal Canadian Mounted Police, or The "Force" as we call it in western Canada.

• (1540)

I should like to give eight personal reasons why I would not like to see the security force separated from the RCMP and civilianized. Perhaps I will state my bias in indicating that.

I have worked with members of the RCMP in Ontario, Manitoba, Alberta and British Columbia as Crown Attorney over a number of years. I have strong respect, affection and goodwill for the force and its unique ability, recognized worldwide to obey the law and do its work without fear of favour. As the House may know, that is the oath which every recruit takes when he or she is sworn into the force. I have the highest regard for the Royal Canadian Mounted Police. As a western Canadian I am unhappy to see the force being told that it cannot handle the security service and that it will be civilianized.

First, the attitude of the Canadian people is the most important factor. One's personal views are not as important as the views of Canadians. I have been told that an opinion poll taken about a year or so ago indicated that 75 per cent, or three out of four Canadians, do not want to see the security service civilianized. If that is correct, the overwhelming majority of Canadians share my view, that it is not a positive step forward.

Second, what is the attitude of RCMP members? Having spoken with members of the force in Ottawa, and primarily in Alberta, both within and outside the security force, my impression is that they do not want the service taken away from them. They see a loss of career opportunities if suddenly a regular member cannot apply for the security service. It is a blockage in their career opportunities. In short, RCMP members in western Canada do not want to see the security service civilianized.

Third, what is the position of our allies with respect to this matter? We all know about Hugh Hambleton, and about other cases which regrettably have proven for one reason or another that Canada is not as secure as we would like it to be. My impression—and it is not based upon any survey or poll—is that our 15 NATO allies, including the one closest to us geographically, would not like to see the RCMP lose its identification with the security service. If my judgment is correct, our allies do not want to see this aspect of the Bill implemented.

Fourth, in my experience 99.9 per cent of RCMP members across Canada obey the law all the time, unless superior officers tell recruits or younger members to go and do thus and so. Very rarely will a member of the RCMP break the law. One of the issues confronting the McDonald Commission was whether or not practising politicians and Cabinet Ministers—and the House knows the names as well as I do—ordered the security service to carry on activities in Quebec which either tacitly or implicitly led to barn burning, stealing of membership lists and so on. Again, in my experience of dealing with the force over a decade, and complaints against it, its members do not break the law unless ordered to do so by superior officers. Indeed, as the Hon. Member for Esquimalt-Saanich (Mr. Munro), pointed out, *maintiens le droit* is the motto of the RCMP. In my experience, members of the force follow it better than any other force in the world.

I could exaggerate and say that someone recently graduated from university with a political science degree or a sociology degree could be made a member of the security service. However, a person who has been trained as a regular police officer knows more about investigating, obeying the law and dealing with various people than such a graduate.

Fifth, the Government has relied heavily upon the recommendation of the Mackenzie Commission a number of years ago which indicated in effect that the RCMP could not handle high technology and, therefore, we required a civilian security force to do the job. The RCMP is becoming thoroughly involved in high-tech. We could visit detachment offices in western Canada where we would find the RCMP well trained in the use of high technology on land, sea and air. The premise of the Mackenzie Commission that the force could not handle high-tech has been effectively overtaken by events. Therefore, in my view, that reason largely collapses and the Government does not have it to fall back upon.

Sixth, I should like to deal with the question of career opportunities for RCMP members now in the security service. The Government says that they will all be given jobs. However, members of the security service have indicated that if they wished to return to regular force work at the time of the establishment of the civilian security agency their chances would be very small. The Solicitor General (Mr. Kaplan) knows well that the amount of regular RCMP work in provincial contracts is becoming smaller. At the moment there are no recruits in Regina and there is no ongoing training, to my understanding. In effect the Government is telling them that they cannot return to regular police force work because there is little or none available, especially for someone who has worked in the security service for 10 or 15 years. That is unfair in terms of the careers and the good faith with which people joined the RCMP, thinking that they could return to regular police work if they wished to do so.

Another aspect of the matter is that regular members will not be able to go into the civilian security service from regular police work. That career opportunity will be cut, and I think it is undesirable.

Seventh, I should like to touch upon a matter I dealt with previously. According to the McDonald Commission—and the details seem somewhat hazy—the RCMP security service was ordered by political masters to conduct a number of illegal acts. I am worried that a civilian force would be subject to even more political control and direction than a group of men and women who have been trained since the day they entered the RCMP. You obey the law. You do not break the law. You do not step on people's rights.

● (1550)

The CIA is a civilian security service. Under bad or incompetent political management or both, it did things far worse than what the RCMP appears to have done during the 1970s. We have heard reports of CIA actions which are almost beyond belief in a civilized country. The CIA experience is an argument against having a civilian force in place of a force that has gained world-wide respect.

My eighth reason for not wanting a civilian organization is the McDonald commission itself. The Parliamentary Secretary cited the question to my colleague a few minutes ago; at least I think he did. The argument of the McDonald commission carries no weight whatsoever. Mr. Justice McDonald is an Albertan. He and I knew each other as lawyers, and latterly when he became a judge. One of the reasons he was appointed to head the commission was that he was past president of the party opposite in Alberta. It was hoped that he would not create waves for the Liberal Government as a result of that appointment. In my view, he was not a suitable person to have been given that job. The test of the pudding was in the tasting. In my view, his report is not taken very seriously by many people in western Canada, at least by those who know Mr. Justice McDonald as I do.

Even while the three commissioners were sitting, if my memory is good, Mr. Gilbert continued to make donations to the Liberal Party—even while he was purporting to sit in judgment on his Liberal colleagues during the period in question. I know Mr. Justice McDonald well. I put it to you that his report is not to be taken very seriously when he calls for this to be taken away from the RCMP.

The second subject is the matter of judicial warrants. The Liberals want these warrants to be alive for a one-year period. The spokesmen for our Party have said that these warrants should collapse or expire after 60 days. We believe that is sufficient. I am told that a number of witnesses who appeared said the same, that we do not need year-long warrants. If you are concerned about civil liberties and the effective use of warrants, you do not need that period. I think that reflects the view of most witnesses, at least those concerned with civil liberties. The Government's refusal to accept amendments on that principle was unsound.

The third heading is the question of power. I refer to subclause 2(b) which in part states "intended ultimately to lead to the destruction or overthrow by violence of the constitutionally established system of government in Canada." They can unleash the whole panoply of arsenal tools against you. This includes opening mail and taking records, including medical records. There is a whole range of very severe actions that can be taken against you if it is decided that you fall within the definition of a security threat. We have argued, as did many of the witnesses, that that is too broad, that there must be a more narrow definition of security threat before triggering all of those actions I mentioned. Why will the Government not at least start with a smaller definition? If it proves too constrictive, it can go to a wider one. Why go to such a wide area if it is truly concerned about civil liberties in this country?

The fourth matter is the question of the review committee. The Hon. Member for Vancouver South and the Hon. Member for Lethbridge-Foothills said that the review committee should have access to Cabinet documents. The Government refused all amendments to that effect. If this Bill passes, as it obviously will, the review committee will not have access to Cabinet documents. I am told that nobody demolished the Government's position better than the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand). He pointed out in committee that public servants and executive assistants see Cabinet documents, and even secretaries have access to them. The fact that the Government has taken the

view that Privy Councillors sitting on the review committee should not have access to Cabinet documents does not reassure one of its good intentions in this matter. Unless there are things going on in Cabinet that should not be going on, the Government should believe in the open, accessible and democratic principle through which this committee should have access to documents.

You have indicated my time is just about up, Mr. Speaker. Let me repeat the point made by others. My Party wants an overview committee consisting of Members of Parliament. The security intelligence committee of the United States Senate consists of only elected Senators, albeit, to be elected to that committee you require the support of all other Senators. That guarantees that you have democratic and political control. It is a much better concept than what we have here. Thank you, Mr. Speaker, for letting me make my points on the Bill.

The Acting Speaker (Mr. Guilbault): Questions or comments.

[*Translation*]

Mr. Gourde: Mr. Speaker, my colleague also spoke at length to the issue of separation. He seems to have forgotten that two important commissions, the McDonald Commission and the Mackenzie Commission, did come out in favour of separation or the creation of a civilian agency. The Pitfield Committee was also in favour of separation. He even made some allegations which, if we were not in the House and did not enjoy parliamentary immunity, would be a serious breach against the bench, for he implied that, for partisan motives, Mr. Justice McDonald had been influenced or ... anyway, his remarks could have meant that.

However, that surprises me somewhat because he was referring to an Alberta judge. One member of his party, the Hon. Member for Edmonton West (Mr. Lambert), and perhaps the Hon. Member might explain to me ... On February 20, 1984, as shown in *Hansard* on page 1545, the Hon. Member for Edmonton West said this:

I would personally tend to favour a civilian agency ...

I repeat, a civilian agency, referring to Bill C-9 and the civilian agency—

I would personally tend to favour a civilian agency with a director with much more responsibility to the Minister ...

That is exactly what we are advocating in the House today.

Under these circumstances, do the remarks of the Hon. Member against Mr. Justice McDonald apply as well to the Hon. Member for Edmonton West?

Mr. Kilgour: Mr. Speaker, I would like to thank the Parliamentary Secretary for his question. I must say that I am not in complete agreement with the Hon. Member for Edmonton West (Mr. Lambert) that the new service should be a civilian agency. I respect the opinions of the Member for Edmonton West, but as I said earlier, I have spent a lot of time with the RCMP and I respect these people. I may have had longer experience with their officers than the Hon. Member for Edmonton West. I am convinced that the agency must remain under the aegis of the RCMP for the reason I have just given. The Hon. Member also said that both the McDonald and the Mackenzie Commissions recommended this separation. For the same reason, I do not agree with the findings of either Commission.

Finally, the Hon. Member even mentioned the Senate Committee chaired by Mr. Pitfield. He may not be aware of Mr. Pitfield's former activities; he was Secretary of the Cabinet for several years. In short, if I may say what I think about it, the Hon. Member should look for a more democratic, a stronger and a more effective source than the Pitfield Committee. For my part, as someone who strongly believes in a democratic government, chosen by the people because, or at least I should hope so, of its ability, and so on—

• (1600)

[*English*]

The Acting Speaker (Mr. Guilbault): Are there any other questions? Debate.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, it has been said that there are none so deaf as those who refuse to listen. The Solicitor General (Mr. Kaplan) claims that he has listened to a wide range of advice and, on the basis of the advice he received, has brought forward a Bill which is the best Bill he could bring forward. The fact is, however, that a wide range of very responsible organizations with which the Minister worked closely before he became a Minister appeared before the Justice Committee, made representations, criticized important clauses of the Bill, made concrete proposals and drafted amendments which they believed would make the Bill better. All of those efforts were ignored and rejected by the Minister and by the Government.

We on this side have continually said that we accept the fact that Canada, like other countries, needs to have a security agency. We have said that we want a security agency which will do its job but will respect the rights of Canadian citizens, will observe the law and will perform its duties in a manner which will permit it to do its job while not infringing on the rights of Canadian citizens. I think the Canadian Civil Liberties Association put it very well in its brief, part of which reads as follows:

In the troubled and dangerous world of today, we do not, indeed we cannot, object to the performance of security and intelligence functions on behalf of the Canadian people and their institutions ...

But the endorsement of the goal does not carry with it a carte blanche for the means. The lessons of history demonstrate all too well the ease with which national security has been invoked improperly to curtail personal liberty.

We have heard a great deal of evidence about the fact that our security agency, the Royal Canadian Mounted Police, did in fact break the law. That particular assertion was made by the McDonald Commission. The RCMP did in fact break the law and infringe upon the rights of Canadian citizens on many

occasions. Its members were involved in kidnapping, barn burning, the theft of dynamite and the theft of the membership lists of a legitimate political Party. Those are just a few of the things which were done. Canadians learned of these facts almost by accident.

Again and again, we have been told that security operations must be kept secret or horrible things will happen. That is the position taken by the British security organizations. Yet many people who were very high in the British security service turned out to be double agents and spies for the Soviet Union. It seems to me that if they had not kept everything so secret, and if the public had been given more facts, those spies would have been discovered much sooner than they were.

In the United States, because the Congress has access to so much more information than Parliament, and because the American Freedom of Information Act gives the public access to so much more information than ours, both the FBI and the CIA were found to have committed acts which were absolutely contrary to the law. These are the facts, Mr. Speaker. What we want is a security agency or service which lives by the law.

It has been suggested that we are asking for too much. It has been suggested that this Bill in fact meets the requirements of our country. It has been suggested that, as compared to an earlier Bill which was withdrawn, this Bill has met most of the objections of organizations and individuals to the earlier proposed legislation. Nothing could be further from the truth.

The fact is that a host of very responsible organizations have made clear their objections to the present Bill. They have indicated how they think the Bill should have been drafted in order to have a security service which would do the required job, but would give the people of Canada the needed protection to continue to express their views and promote their policies as they should in a democratic country.

We have heard some of what I am about to say before, but I want to point these things out to the Minister because I think that what the Minister has done in bringing forward this Bill is to forget his past, to forget the things for which he supposedly worked in earlier years and to forget the belief in civil liberties supposedly held by members of the Liberal Party. He has brought forward a Bill which has been drafted by senior officials in his Department and in the security service. The Bill does not give organizations in Canada, some of which may hold views which are accepted by the majority of the people of Canada, the right to continue to do the things they wish to do and to advocate their views without being put under surveillance, without being infiltrated, without having their mail opened, without having their telephones tapped, all of which should not happen in a democratic society.

● (1610)

The Canadian Council of Churches includes all the major churches in Canada, except the Roman Catholic Church. It includes the Anglican Church, the Baptist Convention, the Greek Orthodox Church, the Lutheran Church, the Presbyterian Church and the United Church, to mention just a few. In regard to this Bill, the Council has said:

> In our view, Bill C-9 is sufficiently broad in scope and vague in definition to permit intrusive surveillance in the form of electronic bugging of conversations, surreptitious entry of offices and homes, invasion of confidential records, mail openings and infiltration of social organizations, churches, agencies members and employees. It makes possible surveillance or interference with many lawful activities. It is inconsistent with our vision of the sort of Canada in which we seek to work and live.

The Canadian Council of Churches is a very large and well respected organization. Why would the security service want to do this kind of thing to the Canadian Council of Churches? If the security service does not want to do this type of thing, why does the Bill require a clause which would permit it to do so?

I would like to quote further from the brief which was presented by the Canadian Council of Churches which reads:

> We are particularly concerned about the effect of broad interpretation of Paragraphs (b) and (c) of Section 2. Our submission is that the Canadian Security Intelligence Service could construe lawful church activities, for example in mission work, and/or lawful church and community activities, including development education, peace advocacy and human rights defence as falling within these definitions, and hence to determine previously lawful activities as threats to the security of Canada.

The Council is not speaking without some knowledge of what might happen, because the World Council of Churches of which the Primate of the Anglican Church of Canada, Archbishop Scott, until recently, was the head, has been accused by some people in the United States of having given money to the African National Congress which was used for the purchase of arms. The World Council of Churches has denied that and has explained that the money they gave to the African National Congress was to be used for welfare and relief. If some people believe that about the World Council of Churches, obviously it would be quite possible and likely that the security service, as proposed in this Bill, would have the authority and might well intrude into the activities of the World Council of Churches.

I would like to quote from a submission which was made by the Canadian Association of University Teachers to the Chairman of the Standing Committee on Justice and Legal Affairs. That submission dealt with the right, as provided in one clause of this Bill, for the security agency to keep under surveillance—which means the opening of mail, the wire tapping of telephones, and so on—foreign academics who visit Canada. The CAUT submission reads:

> It seems to say . . . that two Ministers of the Crown can sign a document which will allow the security forces to collect intelligence relating to the capabilities, intentions or activities of any visiting foreign professor or any foreign student at a Canadian university. It does not require that this be triggered by reasonable suspicions of involvement in terrorism, espionage or subversion. It need only be done pursuant to the conduct of the international affairs of Canada.

In other words, if a university professor from an eastern European country, who is in all likelihood a communist, comes here to give a lecture, arranged by a Canadian university which is interested in extending its knowledge of what is going on in eastern Europe, that professor who comes here for purely academic reasons could be put under surveillance by the security agency.

The CAUT suggested that a section be added which reads:

—a bona fide visiting foreign professor under contract to a Canadian university chartered by Her Majesty in right of Canada or any of the provinces.

The CAUT requested that section because foreign professors should not be placed under surveillance.

I would like to turn to the submission made by the Canadian Jewish Congress. It produced a tremendously well-documented submission at the time Parliament was discussing the Constitution and the Charter of Rights and Freedoms. That Congress has done a similar job in connection with this Bill. I would like to quote from their brief as follows:

Canadian Jewish Congress recommends that the members of the Review Committee be appointed by the Governor in Council with the consent of the Prime Minister and the Leader of the Opposition in the House of Commons and after consultation with the leader in the House of Commons of each party having at least twelve members in that House. This requirement for the participation of each major political party in the selection process is intended to provide the Committee with the benefit of expertise and independent judgment.

I believe what we ought to have is an oversight committee made up of elected representatives, as is done in West Germany and in the United States. The Canadian Jewish Congress does not go as far as that, but it makes it clear that it believes that the review committee should be appointed with the approval of not just the Prime Minister, who would call in the Leader of the Opposition or the leader of another Party and inform them of what the Government is doing, whether they like it or approve of it, and tell them who are the people who will be appointed. The Canadian Jewish Congress made the recommendation that the appointments should be made with the approval of the Leader of the Official Opposition and the leader of any other Party which has 12 or more Members. What is wrong with that? What is wrong is that this Government is afraid to open the doors and let anyone except the trained seals whom it appoints see and do anything about what it is going to do.

The Congress goes on to say, in connection with the threats to the security of Canada, that the clause should have been amended to read as follows:

Unlawful activities directed toward undermining or directed toward or intended ultimately to lead to the destruction or overthrow, by violence, of the constitutionally established system of government in Canada;

In other words, there would not be surveillance, infiltration or wire tapping of those organizations which are expressing views and positions which they have the right to do in our democratic system. The security system would only be allowed to investigate organizations which have as their objective the overthrow or destruciton of our country by violence.

I would like to refer as an example to the province from which the Hon. Parliamentary Secretary to the Solicitor General (Mr. Gourde) comes. The security service had every right, and it had the duty, to investigate the FLQ and its activities. However, I would say to him that the security service had no right under the law, and certainly it did not have any right morally, to steal the membership list from the Parti Québécois. We live in a democratic society. Parti Québécois has said openly that it believes in the separation of the Province of Quebec. I oppose that view and I congratulate the people of Quebec who have already, and who I am certain will again demonstrate by their vote in a free and democratic election, that they do not want separatism.

• (1620)

I say to the Parliamentary Secretary that there was no reason for the security service to steal the membership list of the Parti Québécois. And I suppose it will be 30 years or 40 years, if ever, before we find out whether it was done with the knowledge or without the knowledge, with the consent or without the consent, of the Solicitor General or the Minister of Justice of that time. However, I say to the Hon. Member that that was inexcusable. It is for that kind of reason that we in this Party do not trust this Government. It illustrates why this Party will not vote for this Bill, Mr. Speaker. We would, however, vote for a Bill which gave the security service the power which it needs, but which would protect the rights of the Canadian people.

I would like to quote another section from the excellent brief of the Canadian Jewish Congress. The brief states that there should be a section as follows:

The Service is prohibited from investigating the affairs or activities of or engaging in surveillance of any person or group of persons solely on the basis of the participation by that person or group in lawful advocacy, protest or dissent.

Let me again challenge the Parliamentary Secretary to explain—if one accepts that as a very reasonable proposal by the Canadian Jewish Congress—why the security service stole the membership list of the Parti Québécois, and why after having committed that act, which the McDonald commission says was illegal, the response of this so-called Liberal Government is, "It was illegal before but we are now going to change the law to make it legal so we can do legally in the future what we did illegally in the past"? That is wrong, wrong, wrong, Mr. Speaker, and I would like to hear the Solicitor General give me an explanation of why he seems to want that kind of thing to continue.

[*Translation*]

Mr. Gourde: Mr. Speaker, I have listened to the Hon. Member for Winnipeg North (Mr. Orlikow), who seemed to suggest that there would be no actual protection for our rights and freedoms under Bill C-9. The Hon. Member probably ignored volontarily the list of review and control mechanisms provided under this Bill. Whether we are speaking about the Director reporting to the Minister, the Inspector General, the Review Committee, the reports to Parliament, the judiciary control in the issue of warrants, and so on, I do not agree that there will be no protection of individual rights and freedoms. I believe that, on the contrary, this Bill will, for the first time, provide official mechanisms to protect our rights and freedoms.

I would like to ask the Hon. Member, who said for instance that he did not trust the Government, whether the New Democratic Party is willing to trust those who will work for

the new security service and how far this trust may go. Indeed, from what the NDP Members have said, anyone who works for a security service would need someone else beside him to monitor what he does and this second person would have to report to a third, who would report to a fourth or to a group which could be a Parliamentary Committee, and this would create such a massive agency or security service that it would no longer be able to serve its purpose.

In view of the circumstances, can the New Democratic Party tell the House to what extent they will trust the people in these services? Where does trust begin? Is it where ends the trust of those who work in the Departments or the people who work in the security services? This is what we want to know.

[*English*]

Mr. Orlikow: Mr. Speaker, I thought I made it quite clear that the criticism in the suggestions which I put on the record came not from me. I would not be surprised if the Minister or the Parliamentary Secretary took the view that I, or any other Hon. Members of my party are not really knowledgeable in this field or any other field. That is their usual approach. However, what I did, Mr. Speaker, was to put on the record the very valid questions, complaints and fears of respected, responsible, large organizations. The Parliamentary Secretary does not have to convince me that all the protections are there. He must convince those organizations. I have not heard any one of the organizations which made representations at the committee, wrote to the Minister or to any Member of Parliament, say, "Now you have your amended Bill, we are satisfied that our objections have been met".

I would like to do something which I do very seldom, Mr. Speaker, and that is to give a personal illustration. I do not know whether the Parliamentary Secretary knows, but the Minister does, that nine Canadians, of whom my wife is one, are now in the process of suing the Central Intelligence Agency in Washington, D.C. for coming to Canada to a hospital in the Province of the Parliamentary Secretary and funding an experiment in mind control. How was it able to do that, Mr. Speaker? It is able to do that because the American Freedom of Information Act is so much better than ours. Investigators in the United States were able to obtain access to tens of thousands of pages of CIA documents from the 1950s and 1960s. Without those documents they could not have acted against the CIA. That could not happen in Canada, Mr. Speaker, because our Access to Information Act does not permit it. In fact, the Minister knows there are records of the RCMP having do to with security which are not 10 years or 20 years old, as in the CIA case, but they are 50 years and 60 years old, and they are still being kept secret.

Therefore, Mr. Speaker, some of us have questions and doubts and suspicions about the way in which the security service in Canada has operated in the past, and the way in which it will be able to operate in the future, whether it be a civilian agency or the RCMP, given the law which we are going to pass today. And if some of us have some worries, the Minister or the Parliamentary Secretary should not be surprised.

[*Translation*]

Mr. Gourde: A very short question. Since Hon. Members from the New Democratic Party so often pick on the Royal Canadian Mounted Police, the RCMP, how come they do not support the establishment of a civilian security service?

[*English*]

Mr. Orlikow: Mr. Speaker, I think I have made it clear—and I am only speaking for myself at the moment—that the question of whether we are to have a civilian security agency or a security agency as part of the RCMP is not important. What is important to me, whether it be a civilian agency or part of the RCMP, is that it operate under the rule of law and that the law be very clear as to what the security agency can do. It should not be able to intrude, for example, into activities of legitimate churches, trade unions, peace groups or student organizations, and there is plenty of evidence to indicate that it has done so in the past. If this Act made it clear that it could not do those things, then we would support this Bill. However, the question of whether it will be a civilian agency or part of the RCMP is to me, personally, not important.

The Acting Speaker (Mr. Guilbault): Are there any more questions? Debate.

Mr. Gordon Towers (Red Deer): Mr. Speaker, just a week ago today I was speaking on the closure motion which was brought in at the last stages of the debate. That closure motion totally gutted the debate; the right to debate the Bill was taken away from us. Once that was removed, for many of us, especially those from western Canada, the debate was practically closed. Coming from central Canada, the Minister has perhaps overlooked the high regard we have in the west for the RCMP. They were a part of the west. They were formed to maintain law and order in the west. The RCMP as a whole is considered to be a friend of western Canada. In a sense the force was established as a result of the friendship it developed with the first people who lived out there, the native people. The force was fair, honest and it could be trusted. This above all is why the native people held the force in high esteem. This esteem has carried through to the modern day generation in western Canada. For those reasons this is perhaps something to which the people in central Canada have not given a great amount of thought. This is one of the reasons why we in the west are very suspicious about what the federal Government is doing with this legislation.

• (1630)

Why are we doing this in the last days of the so-called Trudeau regime? We have other Bills which will be carried over into the next Parliament. The Minister shakes his head, but there is a Competition Bill and the Bank Act. Goodness gracious, the Bank Act kept coming back through different sessions and even different Parliaments. There did not seem to be as much of a hurry with that as there is with the establish-

ment of the security agency. Why is the Government so intent at this particular stage on getting this legislation through the House of Commons? I referred to last Thursday as "Black Thursday", and I will call today "Black Thursday" because this is the day that this Parliament is going to pass this legislation. We spent seven and a half hours voting last night—

Mr. Kaplan: Not because of us.

Mr. Towers: —on this legislation, trying to impress the Government with the fact it should take a second look at it.

Another thing I have to ask is why is the new Leader of the Government Party not taking a hand in this? If he is going to do something for the west, as he promised us he is, I tell you that there is nothing better he can do for western Canada at this time than to put a hold on this legislation until such time as he is installed in office and can have a look at it. Apparently he has overlooked that. A great deal of distrust is created in the minds of western Canadians if he can do something but is doing nothing. He has a perfect opportunity here to ask his Minister to delay this legislation. There might be a spot in his future Cabinet for the Minister, or he could carry on as Solicitor General. I am sure my Party would agree with that. But the Government has to take a second look at this Bill.

In any event, I do not want this debate closed with a shadow over the image of the Royal Canadian Mounted Police. I am satisfied that all Members of my Party would agree with me when I say that there does not exist a law enforcement body in any part of the world superior to the RCMP. Why, then do we have to distrust them when we set up this security agency? This is one area where my colleague and I from Winnipeg North disagree. He just said it was immaterial to him whether it was left with the RCMP or placed with a new agency. Well, it is not immaterial to us. We trust the RCMP. The Solicitor General (Mr. Kaplan) made a statement some time and I want to put it on the record. He said:

> As a law enforcement agency the RCMP enjoys an international reputation; it is one of the best police forces in the world. They deserve our respect and our admiration for their success when enforcing the law. But in its security intelligence work—work that occasionally deals with sensitive political questions affecting the rights and freedoms of Canadian citizens—the RCMP has been entangled in innumerable difficulties. Those difficulties centre on activities which are not acceptable in Canada, and we need to find a way to prevent them.

Isn't that some admission? The reason the RCMP got into trouble was because of Government interference. That came out in this House of Commons concerning the seizure of lists of Quebec separatists. Who inspired that? I am as sure as I am standing here today that the RCMP would not have done that had there not been some suggestion, either from provincial politicians or federal politicians.

My friend on the Government side is smiling. Well, we are good pals, and I bet he would agree with me on that very issue. There had to have been some influence there or the RCMP would not have done that. Why would they need to? They have other things to do. Therefore I am sure the suggestion was made somewhere along the line that this had to be done. So the officer or officers set out to do a job and this is where the Government went wrong.

Take, for example, the October, 1970 crisis in Quebec. It was not the RCMP that created that situation, it was the Government. It did not give the required guidelines to the force. This is what an officer of the force told me. If they had been given the guidelines under which they knew they had to operate, they would have stayed within them. There is no guarantee that this new agency the Government is setting up is going to be under that kind of regimented control which exists in any force such as the RCMP. They are all subject to their superiors.

• (1640)

What guarantee do we have that the members in this agency are going to be under any kind of control? We have none whatsoever. That is why this debate is so strenuous. If the Government was satisfied and could prove to us, in a legitimate way, that it was right, and could prove to us that the new agency was going to be under adequate control, we would go along with it.

The Government is now bringing in legislation 14 years after the last act took place during the October Crisis in 1970. Why are they bringing it in at this particular time? The RCMP had been doing a reasonably good job until such time as the McDonald Commission was put in place. I believe it existed from 1977 to 1981. I was told at the time that the RCMP were kept so busy trying to dig up information at that particular time they did not have the manpower to do the job for which they were intended; that is trying to control any espionage which was taking place in the country.

The RCMP have been treated shabbily by the Government. I want all Canadians to know that. As far as western Canadians are concerned, as this Bill comes into force and effect, the image of the RCMP is held in as high regard in western Canada today as it ever was. Although the Government opposite questions that image, it does not mean that our feelings have been allayed. Western Canadians are loyal and they are loyal to the Royal Canadian Mounted Police.

I have a fear that we will never know how successful or otherwise this new agency will be. There is no way we will be able to measure what is taking place. We will not know about their successes or otherwise. That creates a real dilemma for all Canadians. We are not going to be secure in the knowledge that those people who have adverse opinions or ideas or want to get involved in espionage in Canada will be under control. This is one of the reasons we are concerned.

I will read an article into the record from *The Globe and Mail* of September 15, 1983. This relates to the Senate study of this Bill. The article reads:

> A Senate committee now is studying the move to set up the agency. When the Senate makes its report, Mr. Kaplan said, "the Government will consider it and I've indicated I'm very amenable to amendments."
>
> The new bill "will respond to sensible suggestions" made during the Senate hearings, but he added he hasn't drawn up his own list of what might be retained when the bill is redrafted.

This is when he was dealing with the former Bill, C-157. The article continues:

The changes would "not just be a question of editing but a question of principles."

However, Mr. Kaplan said no substantive change will be made in a much-criticized section of the bill that would allow members of the security service to take any reasonable actions which are "necessary to enable them to perform their duties and functions."

That section will stand because "the principle is already accepted across the country," the minister said. "People want members of the new agency to have the same protection as peace officers."

Mr. Kaplan suggested the wording of the article could be altered slightly "to find a formula that supports that principle."

"That's all we want. We don't want more protection" for members of the new agency than exists for peace officers, Mr. Kaplan added.

I think the Minister errs in that, Mr. Speaker. He needs more protection for the citizens rather than for these people who will be political appointees. That is another feature of this agency which frightens us. There is not an elected politician in Canada today who has any effect on the appointments within the RCMP, or at least they should not have. If they have, they are intruding into areas where they should not be involved. This should be left up to that body itself.

There is too much room for the Minister to manipulate the system. Once it is put in place, how is it changed? A lot of people are concerned about the placement of this body. I am sure that you, Mr. Speaker, as well as other Members of the House, received this press release from the Canadian Medical Association. I will read it into the record. It reads:

Some parts of the federal government's proposed bill to establish the Canadian Security Intelligence Service threaten the confidentiality of Canadians' medical records and are against the best interests of both patients and their doctors.

This was the essence of a letter from the Secretary-General of the Canadian Medical Association to the chairman of the House of Commons Committee now studying Bill C-9.

Mr. B.E. Freamo pointed out three areas of the proposed legislation which should be of particular concern to the public.

Under Section 16 there is absolutely no protection for the patient against having his records examined and/or having his physician provide information about him over and above what appears in the record.

Section 19 appears to provide unlimited disclosure of a patient's medical information as the Security Intelligence Service sees fit.

Section 23 of Part II of the proposed bill authorizes the holder of a warrant to enter any doctor's office and take any patients' records found there.

Section 24(b) can be interpreted as directing physicians to release their patients' medical records if the physician believes "on reasonable grounds" that the investigator has a warrant. In other words, search and seizure may be carried out in the absence of a warrant if the physician is led to believe that one exists.

"I must express to you in the strongest possible terms the CMA's concerns over the potential mis-use and abuse of the information in medical records if the aforementioned sections are retained in the bill," reads the letter to Claude-André Lachance (MP Rosemont).

"Physicians may be reluctant to commit to writing information provided by a patient on a confidential basis if either the doctor of the patient believes such information can be obtained, used or disseminated by the Service."

Mr. Freamo added that patients would be reluctant to provide all relevant details of their illness to a doctor, thus affecting their chances of recovery. "This aura of distrust would be detrimental to the practice of medicine and certainly not in the best interests of the patient."

He concluded by requesting that the sections in question either be removed or at least modified to reflect the concerns of the medical practitioner for the rights of his patient.

We have been asked where this search and seizure stops. What happens if a mail carrier, while carrying mail to an individual, is accosted by an individual with a warrant to seize the mail? I am sure that the mail will be handed over and opened.

You have signified to me that my time is up, Mr. Speaker. I do want to impress upon you and the Members opposite the high regard with which the RCMP are held in western Canada. Regardless of the implementation of this security agency, and regardless of what was said about the McDonald Commission, one of the questions that western Canadians ask first and foremost is whether any member of the force ever benefitted personally from any of these actions. The Mackenzie Commission and the McDonald Commission never once suggested that a member of the force ever received any personal benefit. I can say that this is where the line is drawn. Of course there was not, as far as the RCMP was concerned.

● (1650)

Mr. Deputy Speaker: There follows a 10-minute period for questions and comments.

Mr. Dick: Mr. Speaker, the Hon. Member has indicated a sensitivity as well as an affection that is held by western Canada for the RCMP. Has it been explained to the RCMP that most of the officials in the new civilian agency might be drawn from the ranks of the RCMP?

Mr. Towers: Yes it has, Mr. Speaker. While the concern is not immediate, they are afraid of what might happen in the future. Those officials in the new agency will only be there for a certain period, because new people will be appointed as a result of retirement or the general attrition that takes place. We are as farsighted in western Canada as you members from Ontario. If it had not been for the farsightedness of Ontario people, I would not be here, because my stock goes back to Ontario.

Nevertheless, they are concerned about the future. The concern is that these people are appointed politically, by a minister or whatever, and they would rather see the members of this agency come up through the ranks of the force and be controlled through a regimental condition. They would feel much more secure with that rather than with these appointments.

[*Translation*]

Mr. Gourde: Mr. Speaker, the Hon. Member earlier mentioned the October 1970 incidents in Quebec. I would like to refer to the Pitfield Committee Report, which discriminated between a police force and an intelligence service. It is a very short quote:

The differences are considerable. Law enforcement is essentially reactive. While there is an element of information-gathering and prevention in law enforcement, on the whole it takes place after the commission of a distinct criminal offence. The protection of security relies less on reaction to events; it seeks advance warning of security threats, and is not necessarily concerned with breaches of the law.

Would the Hon. Member not agree that had we had in 1970, or the preceding years, a civilian security service as we now propose, we would have had every chance of getting advance warning of the unfortunate events of 1970? I am not implying this would necessarily have been an insurance against such acts, but at least we would have had all the chances on our side to find out whether the activities of those FLQ cells would not eventually lead to the events of October 1970.

[*English*]

Mr. Towers: Mr. Speaker, certainly I am not an authority on it. I have always been very cautious to talk about what takes place in other provinces, because when people comment on matters in my province I want them to be very correct in what they say. Therefore I do not want to make any inferences.

However, I have tried to make the point that to my knowledge they were brought in after the fact. They were not given any guidelines with respect to searching to see what was happening. They were brought in after the fact. I am sure that the inference I drew in the House of Commons from listening to debate, questions and answers is that it was as a result of political influence that the RCMP was put into that position. If the RCMP had been left alone, or had been given a particular objective such as takes place with the Army in a war, and if they were given guidelines for that objective, they would not have been in the trouble they were. The RCMP were told to do something without being given any guidelines. I think everyone would agree that they accomplished their objective successfully because the operation was stopped immediately. For that reason I do not like to see them criticized at this point for doing something at which they were successful.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I have always considered the Hon. Member to be a man of honour. I was somewhat disturbed by his remarks that he was sure that a political leader in Quebec or at the federal level instructed the RCMP to conduct the illegal acts in Quebec. He just repeated those remarks. He did not say that he suspected or thought that this was the case; he said he was sure. If he was sure it would seem to me that it is incumbent upon him to put forward in the House the facts upon which he makes that assertion. It was not a thought but an assertion. Knowing him to be a man of honour, I am sure that he would want to take the opportunity to do so. I ask him to do so now.

Mr. Towers: Mr. Speaker, all I am drawing on is the information and the retention of the knowledge that I gathered sitting as a Member in the House listening to debates, questions and answers. I mentioned that fact during this debate. The inference from those debates which took place is that a request went to the RCMP to do this. I would have to do some research to find it. I am sure that if it is in the House of Commons debates, it is in *Hansard* somewhere. I could not give it to the Hon. Member at the present time.

I am satisfied, and know that I did not dream it. In the days prior to the establishment of the McDonald Commission there were many questions and answers relating to what happened. It is as a result of that debate and those questions and answers that I arrived at that conclusion.

Mr. Dick: Would the Hon. Member indicate if the true feeling about why the RCMP would like to have the security service is that people in western Canada have felt that the present Liberal Government has done away with and desecrated all federal institutions in such a way that a new civilian institution would not have the same respect that an agency coming under the RCMP would have?

Mr. Towers: Mr. Speaker, that is a fair comment. This is one of the concerns of western Canadians. If any members opposite want to know why they have little representation in the House from the West, it is as a result of the loss of the traditions that we have lived by. We are losing another tradition. This is what irks so many people in western Canada. As far as we are concerned, the RCMP is a tradition. We are seeing that tradition desecrated, diffused and taken away. While this is taking place, the RCMP is being more or less slandered. That is why we in western Canada are standing up for the RCMP. My colleague is particularly right.

• (1700)

[*Translation*]

Mr. Deputy Speaker: Order! It being five o'clock p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—PUBLIC BILLS

[*Translation*]

Mr. Deputy Speaker: Shall all orders and items preceding No. 121 stand by unanimous consent?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Stand.

* * *

[*English*]

NATIONAL FLAG OF CANADA MANUFACTURING STANDARDS ACT

MEASURE TO ESTABLISH STANDARDS

Hon. Allan B. McKinnon (Victoria) moved that Bill C-234, and Act to establish standards for the manufacture of the national flag of Canada, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

He said: Mr. Speaker, first I understand there is agreement in the House to give unanimous consent so that we can attempt to get this Bill through all stages this afternoon during the hour we have for Private Members' Bills. You may want to ask for an expression of opinion from the other side to ensure that my information is correct, namely, that we do have unanimous consent.

[*Translation*]

Mr. Deputy Speaker: Order! The Hon. Parliamentary Secretary to Minister of Supply and Services (Mr. Massé) has the floor.

Mr. Massé: Mr. Speaker, it would indeed seem that all parties are in agreement to the Bill being passed today. However, some Hon. Members wish to express their views on the Bill, including the Hon. Member for Victoria (Mr. McKinnon). And I am sure the Hon. Member will have the opportunity to explain his proposal. Members on this side of the House will have the same opportunity.

Mr. Deputy Speaker: The Hon. Member for Burnaby (Mr. Robinson).

[*English*]

Mr. Robinson (Burnaby): Mr. Speaker, we are certainly prepared to facilitate passage of this Bill in all stages this afternoon.

Mr. Deputy Speaker: Is it agreed that the House shall dispose of Bill C-234 standing in the name of the Hon. Member for Victoria (Mr. McKinnon) at all stages before the conclusion of Private Members' Hour today?

Some Hon. Members: Agreed.

[*Translation*]

Mr. Deputy Speaker: The Hon. Parliamentary Secretary to Minister of Regional Industrial Expansion (Mr. Cousineau).

Mr. Cousineau: Mr. Speaker, before giving my consent, I would like to consult the Parliamentary Secretary to Minister of Supply and Services, in order to be quite sure that we do have unanimous consent.

An Hon. Member: The House has agreed.

Mr. Cousineau: Mr. Speaker, I withdraw my objection.

Mr. Deputy Speaker: Is there unanimous consent for this Bill to be passed at all stages before the expiration of the hour provided for the consideration of Private Members' Business?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Agreed and so ordered.

The Hon. Member for Victoria (Mr. McKinnon).

[*English*]

Mr. McKinnon: Mr. Speaker, I assure you there have been considerable discussions about this Bill. I wish to thank my friends on all sides of the House for their concurrence. I understand the Government would like to make an amendment to the Bill. That has been discussed with me, and I am quite prepared to receive it at the appropriate time, which I imagine will be when we are sitting as a Committee of the Whole House.

The purpose of the Bill, Mr. Speaker, is to ensure that a high quality of material, design, and colour will be used in the manufacture of the Canadian flag. The objective is to reduce fading and other signs of wear which render our flags unsightly after a relatively short period of use. I have found, as have many Members, who attend international conferences and meetings, that if there is an outdoor part of the ceremonies we attend it is not unusual for a Canadian flag to be of very cheap design and not colourfast in comparison with flags of all other nations. This is embarrassing and is unworthy of this great country.

Several things have caused me to introduce this Bill. I was visiting in the United States a couple of years ago and I was asked to participate in a Chamber of Commerce function because they looked forward to having many Canadian tourists. I admired the Canadian flag beside the doorway to this Chamber of Commerce, but I found out to my surprise that it was made in Chicago. It had been outside for a couple of years, and looked much better than our flags do that are made in Canada. That started me working on this project which is coming to fruition today.

The rules concerning the Canadian flag are very meagre indeed. They are spelled out in the Proclamation of the National Flag of Canada. In heraldic terms it is referred to as "Gules on a Canadian pale Argent a maple leaf of the first". For laymen, a more comprehensible description is also provided as follows:

—a red flag of the proportions two by length and one by width, containing in its centre a white square the width of the flag bearing a single maple leaf.

Strangely enough it does not spell out what colour the maple leaf must be. It is a red flag with a white square, so we automatically assume that a maple leaf is red, and we have become accustomed to that over the last 20 years.

This proclamation is the only official statement relating to the flag. There is neither legislation nor regulations governing the design, manufacture, or use of the Canadian flag. The only effort toward improving the quality of the flag has been made by the Canadian General Standards Board, the CGSB. It has established a committee on the flag made up of scientists, manufacturers, and other individuals, to devise technical standards for the fabric, dyes and processes to be used in manufacturing the flag. These standards are voluntary, and there is no effective means of establishing which flags meet the standards and which do not, that is, up to the present time.

It has been a considerable surprise to me why material manufacturers in the country seem to be able to find dyes that

are colourfast, except when it comes to the material of the Canadian flag. If there is one thing you can say about it, it fades to various shades of pink, orange, and brown, and tends to unravel very quickly at the fly end of it.

At the present time only price and size distinguish one new flag from any other. Consumers have no way of judging the quality of a flag or of knowing whether it meets the current CGSB standards. This Bill will create a legal obligation on the part of the CGSB to establish standards for flags intended for various uses, and will permit the identification of manufactures which meet the standard. The standard will continue to be voluntary in that flags may still be produced with cheaper material and methods. But purchasers will now be able to compare the quality of flags, knowing that those which meet the standard are of consistent and superior quality.

This Bill will ensure that flags which do meet the standards carry a trademark. I expect we will discuss this a little more in committee when we hear the government amendment, which I understand is to delete Clause 5 of the Bill.

Clause 4 reads:

All flags, whether manufactured in Canada or imported into Canada, which are manufactured in compliance with the standards for manufacture referred to in Section 2 shall bear a mark identifying that flag as having met the standards for manufacture established by the Canadian General Standards Board.

We will know when we are getting one that meets the standards that all others may or may not meet. I hope this will enable people to shop for flags with a great deal more certainty of what they are getting than they do at the present time.

I might also point out that this Bill will ensure and direct that the Canadian Government, which must be by far the largest purchaser of Canadian flags in Canada, to buy only those flags which meet the standards set by the Standards Board.

In view of the number of stages we will go through this afternoon, that is all I have to say by way of introduction, Mr. Speaker. I trust we will be able to run on schedule for the rest of the day, and I look forward to hearing the remarks of my good friend from Saint Jean.

• (1710)

Mr. Evans: Mr. Speaker, I realize that we have an agreement to pass the Hon. Member's Private Bill with some modification, as has been discussed. That could happen earlier than the normal hour for the adjournment of Private Members' Business at six o'clock. So that the Opposition knows precisely what will happen at that time, I would like to seek the unanimous consent of the House to revert automatically to Orders of the Day and the debate on Bill C-9, should we complete consideration of this Bill before six o'clock.

Mr. Thacker: Mr. Speaker, that is our understanding of the arrangement as well.

Mr. de Jong: Mr. Speaker, I believe we will concur with that arrangement as well.

Mr. Deputy Speaker: Is it agreed that at the conclusion of Private Members' Hour, the House will revert to the consideration of Bill C-9?

Some Hon. Members: Agreed.

Mr. Maurice A. Dionne (Northumberland-Miramichi): Mr. Speaker, I am happy that this Bill is before the House. We are being asked to consider an Act to establish standards for the manufacture of the national flag of Canada. I think it is about time. Also I think it is a good occasion to put a few thoughts on the record with regard to our national symbols, particularly our pre-eminent symbol, the flag. I often see occasions when the flag is not treated with the respect it deserves. Since we have agreement and we know that by order of the House the Bill will pass, I should like to take this opportunity to express a few thoughts.

Every nation has its symbols. They serve to identify a people, to unite members of a group by appealing to their emotions, their sense of history, their deep human need to feel linked to previous generations and rooted in the land. Among Canadian national symbols are our arms and emblems, our flags and our national anthem. These symbols express, in striking imagery, the history, beliefs and aspirations of a people who inhabit a precise territory. They reflect its geographic characteristics, its flora and fauna.

The flag is a very early symbol for humankind. Reference to flags was made as early as 1122 BC when it was recorded that the Emperor of China had a white flag or banner carried before him. The word "flag" seems to have come into use in the 16th century and derives from an old Saxon or German word meaning to fly or float in the wind.

Flags have formed the focus of much action and attention. Carried into battle, they often served as a rallying point as troops tried to turn the tide to victory. Flags have draped coffins to honour the heroic war dead. Flags float over state buildings including, in Canada, our Parliament. Indeed they are an important visible symbol of national pride and unity.

Symbols are the manifestation of tradition. They are linked with historical or legendary events as a reminder of past and present forces which hold society together. The Government of Canada has always been aware of the importance of our national symbols and their proper and effective use. Since 1868 the Secretary of State of Canada has held responsibility for promoting understanding and awareness of Canada's national symbols and for organizing state ceremonies, with their attendant protocol and regulated use of our national symbols.

Symbols and other trappings of state form an extensive subject for study and control. Many of our symbols, even a number that precede Confederation in their origin, are original to this continent, for example, the flags and coats of arms of the provinces. Ontario, Quebec, and the Atlantic provinces all had their symbols before the fateful accord which saw the foundation of Canada. The Secretary of State (Mr. Joyal) is concerned with all these matters. When the provinces wished to make changes or additions to their coats of arms or their

flags, the Department of the Secretary of State provided advice and access to royal approval.

It was also deeply involved in an important development in national pride—the final adoption of "O Canada" as our national anthem. This was not nearly as inventive as our creation and adoption of a new flag, for it had already been sung for 100 years, and there had long been little doubt as to what song would be chosen as the national anthem.

As the Guardian of State Ceremonial, the Department of the Secretary of State plans and directs state ceremonies such as the proclamation of the Constitution Act, the installation of a new Governor General, and state funerals, ensuring that proper protocal is followed.

Another important responsibility of the Secretary of State, which will be discharged very soon this year, is to plan, with the help of volunteer committees, a national celebration marking July 1. Of course it is on Canada Day that we see the most flags flying across the nation. Much of our symbolism descends from past events, sometimes even from semi-legendary sources shrouded in antiquity. Our own precious flag, while it is founded on precedents, is of relatively recent creation. There is no doubt that the Union Jack and the Red Ensign were held in great respect. They had flown proudly in Canada, and many Canadians had followed those flags to war, to fall, or to see their comrades fall in defence of their country. Yet there were Canadians who expressed the wish for a flag uniquely their own, and I was one of them.

Although the Union Jack was the official flag, an Order in Council passed on January 26, 1924, granted authority for displaying the Red Ensign with the Canadian Arms in the fly on suitable occasions from all buildings owned or occupied by the Canadian Government and situated within Canada. This extended the use of the Red Ensign, which was formerly used properly only on vessels registered in the Canadian Mercantile Marine. The Blue Ensign was, of course, used on government vessels.

It might be of interest to read the following excerpt from the June 10, 1925, edition of the Ottawa morning *Citizen:*

> Following in line with Australia and New Zealand, Canada is to have a new flag which will be recognized as the flag of the Dominion. The Government has passed an Order in Council appointing a committee to consider and report on the most suitable design for a Canadian national flag for use ashore.

This news was not greeted kindly by the Loyal Opposition of the day, and further action did not take place, to my knowledge, until the time of the Right Hon. Lester B. Pearson. Having promised the electorate a new flag, Mr. Pearson took upon himself the responsibility for carrying out this pledge. In the fall of 1963 he indicated that a maple leaf design would likely be chosen. He said that the crying need in Canada was for a patriotism which put Canada ahead of its parts, with national symbols which encouraged national unity and reflected Canada's status as an independent sovereign nation.

He declared his belief that a flag designed around the maple leaf would symbolize and would be a true reflection of the new Canada. Such a flag, he added, would not mean any disrespect for the United Kingdom or for the Union Jack and Red Ensign. These Flags would continue to be flown as a symbol of our membership in the Commonwealth of Nations and of our loyalty to the Crown.

Mr. Pearson made the proposal for a new flag to Parliament in 1964. As occasionally occurs in a free Parliament, his proposal did not meet with unanimous consent. A very lengthy debate ensued. In supporting his concept of a new flag, Mr. Pearson said:

> I believe we should have a national flag that stands for Canada alone, that flies as a symbol of Canada alone, that neither dishonours nor betrays the past but looks to the future; a flag that will say one word and that word is "Canada".

A parliamentary committee representing all Parties was established to study the question and make recommendations. The committee welcomed suggestions, and there was a very considerable response as briefs and design proposals poured in. After due consideration the committee finally proposed the design now in use.

It was a time of passionate debate and dispute throughout the nation, for symbols become dear and many Canadians experienced a sense of bereavement over the passing from official use of familiar flags and emblems. Yet the committee chose well.

● (1720)

This was evident for more than a single reason. As I would like to explain, it drew on a number of honoured precedents and so perpetuates established symbols. Our flag is described as a red flag of the proportions two by length and one by width, containing in its centre a white square the width of the flag bearing a single red maple leaf. The first flags to fly over Canada were the white standards of England and France. The English flag planted by Cabot in 1497 carried the red cross of St. George. The French flag placed by Cartier in 1534 bore the gold *fleur de lis*. Thus, the white in our flag.

It is much more official than that. The tremendous effort and sacrifice of Canadians in World War I earned Canada the right to sign the treaty that ended hostilities, as a free and independent nation. To mark this historic event in our development, King George V granted Canada a new coat of arms on November 21, 1921, and declared our national colours would be red and white, The crest of the coat of arms depicts a lion holding aloft a red maple leaf, a symbol of the sacrifice through which Canada obtained her independence. It is appropriate, therefore, that our flag bear the colours red and white and it is appropriate that it be made proper, red for valour, white for truth. The red is precisely the same shade as that used on the union jack and the red ensign. The presence of a red maple leaf in Canada's coat of arms is added validity to the choice of a maple leaf for the flag.

Mr. Thacker: Especially on the Prairies.

Mr. Dionne (Northumberland-Miramichi): I did not think we would have anybody heckling the flag today. The maple leaf has long been emblematic of Canada. Research by a former President of the Royal Society of Canada led him to conclude that the maple leaf was already looked upon as a fit

emblem for Canadians as early as 1700, if not before. Maple leaves were widely used for decorating purposes when the Prince of Wales visited in Canada in 1860. In 1868 they appeared in the first coat of arms granted by Queen Victoria to Ontario and Quebec.

The new flag was approved by the House of Commons and the Senate. The effective date of the Royal Proclamation of the flag was February 15, 1965. At 12 noon local time across the nation the red ensign was carefully lowered and a new flag raised. The scene was particularly colourful on Parliament Hill as the new flags unfurled in bright sunshine before a large crowd. I am sure—

Mr. Deputy Speaker: Order. In terms of relevance, I should draw to the attention of the Hon. Member that the explanatory note contained on page 1A of the Bill states:

The purpose of this Bill is to ensure the quality of material, design and colour used in the Canadian flag for use within Canada in order to reduce fading and other signs of wear.

I appreciate that the Hon. Member has been establishing an historical basis for what, I presume, he will eventually come to, namely, the object of the Bill under discussion. I invite him to indicate to the Chair if he intends to do that soon.

Mr. Dionne (Northumberland-Miramichi); Mr. Speaker, I thought it was important on this occasion, when we are discussing the materials and colours of the flag, that we have some understanding of why it is important. That is what I was trying to establish. We are not debating a frivolous Bill, but something that is of extreme significance to the nation. I respect Your Honour's remarks, but I believe the history and significance of the flag are something that should necessarily be brought to the nation from time to time.

Mr. Deputy Speaker: The Chair has no dispute with the quality of the Hon. Member's oratory or his historical knowledge of the basis and foundation for the establishment of a Canadian national flag. The title of the Bill is: "An Act to establish standards for the manufacture of the national flag of Canada". Interesting as his remarks are, and respectfully as the Chair may be listening to them, nevertheless under our Standing Orders the Chair has an obligation to invite the Hon. Member to be a little more relevant to the motion now before the House.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, on your injunction I will dispense with the remainder of the history and protocol that I was going to speak about, and get directly to my remarks concerning this important Bill. It can be seen from my remarks, and I know you have been listening, that it may well be concluded that the Government of Canada holds its national symbols in great esteem, including the flag.

The one important remaining action with regard to the flag is, I believe, the proposed standards in this Bill, which set out the requirements to ensure that our flag is produced in the correct colour shade, and of fabric of suitable weight and durability. It proposes that the Canadian General Standards Board establish standards for manufacture of the national flag of Canada corresponding to its intended use, under varying conditions, including use indoors and outdoors, one-event use, and such other uses to which the Board may determine that the national flag of Canada may reasonably be subjected.

The Act states that, upon establishment of approved standards, no Crown corporation, Department, branch, agency or office of the Government of Canada shall purchase or use other than a national flag of Canada manufactured in compliance with the standards for its manufacture and use as set out in such standards as may be established by the Canadian General Standards Board from time to time. Flags manufactured in compliance with the national standards shall bear a mark identifying them as having met those standards.

I submit that the Act meets an important requirement, that of ensuring the quality of that important symbol of national pride, our flag. The very nature of this national symbol demands that consistency and quality be beyond question, an absolute certainty.

Parliament expended much thought and energy on producing the design of a flag that would be accepted by the people of Canada as a national symbol. The final legislative step, as I mentioned earlier, seems to be the current proposal to ensure that our flag is correct and of good quality, a fit object of affection and inspiration for all Canadians. I hope Canadians will learn the protocol on how a flag is to be flown. That may be irrelevant to this Bill, so I will not go into it. In closing, I congratulate the Hon. Member for Victoria on bringing this important Bill before the House.

Mr. Simon de Jong (Regina East): Mr. Speaker, on behalf of the New Democratic Party I rise in support of Bill C-234. I join the former speaker in commending the Hon. Member for Victoria (Mr. McKinnon) on bringing this Bill before the House. Some people might say this is not all that important an item, but it is. It is small, but it is important. It deals with a national symbol, the flag.

Surely the flag is one of the most important of our national symbols. It is a symbol that all members of Canadian society, regardless of where we live and what our backgrounds are, can look up to as one of those common elements that remind us of the grandeur and the history of our land. It gives us something about which we may feel united. The sight of that flag, that symbol, faded and ragged, flying limp on some mast, with pieces of it torn away, conveys to me a disrespect for the symbol as well as a disrespect for the country. We are a young and vibrant country. When I see the flag in a ragged and faded condition, I feel that it conveys something that we are not.

• (1730)

I am generally not much of a sentimentalist. I think that symbols can at times be overused. I would say, quite honestly and openly, that something stirs within me when I leave my office late at night and look up to the Peace Tower and see our flag flying in the wind lit up by a spotlight. Something stirs within me because symbols do have the power to evoke certain emotions. I think our flag is an honourable flag, because the

history of our country is an honourable history. We have done no malice to people in other parts of this world. Therefore, we can be proud of our symbol.

I cannot help but take the odd dig at the political Parties in this House. It is a bit ironic that a member of the Conservative Party is asking for a bit of government regulation to govern the standards of our flag. Perhaps it is a slight indication that the free enterprise system and the market system have not produced a quality item, and that we do need an Act of Parliament to make sure that we do have a quality item in our flag.

Mr. Crosby: We call it consumer protection.

Mr. de Jong: It is called consumer protection. So be it, Mr. Speaker. Of course I agree with this proposition and feel that we do need the standards called for in Bill C-234.

I also wish to take a dig at my friends and colleagues across the way. It seems to me that government Members sometimes overuse the symbol of our flag. When they begin to do that, they begin to degrade the potency that a symbol can have. If they begin to use the symbol on every letterhead, for every commercial enterprise and for every political enterprise, the symbol will be over used in the end and it will become degraded. People would then begin to associate the flag with only a Liberal symbol. In the process, something would be lost. I think even the Government and the Liberal Party would lose something because Canadians would begin to feel that the Canadian symbol, our flag, is being used in inappropriate circumstances and that that misuse degrades our flag.

I was in my early twenties when the flag debate occurred, so I remember certain aspects of it and I remember the strong and very legitimate emotions that it evoked in the people. It was a stage in our growing up as a country. Not at that time being active in electoral politics, I sort of chuckled to myself. There was a part of me that said: "How truly Canadian this is that we, in a country which is nearly 100 years old, are still debating whether or not we should have a flag, still debating what type of symbol we should have." In some ways I think that was typical of our history, of our evolution as a country and of our growth to maturity.

We were not born in a revolutionary fervour. We came to exist in a way which some people would call very Canadian, which is to say very gradual. Our traditions and institutions evolved to become more and more responsible. We became more and more independent. It was a slow evolution. The passage of the Act that established the maple leaf as our flag was just one more stage in our growth toward greater maturity.

The Bill that is now before us is one more step in that same direction. It seems to me that at the time the legislation that established the maple leaf as our national flag was passed, the Government of the day should perhaps have thought in terms of establishing some standards. It has taken some 18 or 19 years for a member of the Conservative Party to introduce a Bill that corrects that oversight which occurred so many years ago.

I do not wish to speak I think that there is an agreement among all Members of all Parties of the House that this Bill be passed. I simply wanted to rise to indicate the support of our Party for this Bill and to indicate some of my own personal feelings about the Bill and about our great national symbol, the flag.

[*Translation*]

Mr. Paul-André Massé (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, first I would like to congratulate the Hon. Member for Victoria (Mr. McKinnon) for bringing this matter to the attention of the House.

I also wish to take this opportunity to thank my hon. friend from Regina East (Mr. de Jong) and to inform him that it is quite normal for a Government and for Canadians who are proud of their country to display the symbol of that country. I do not think this could be qualified as "over-use".

I also wish to thank the Hon. Member for Northumberland-Miramichi (Mr. Dionne) for talking to us about the history and symbolism of our flag, to explain why, today, the Hon. Member for Victoria is presenting Bill C-234.

I am sure that I am speaking for all Members of this House and for all Canadians when I say that the sight of a ragged national flag flying from buildings does not fill me with patriotic pride. If it is to be a symbol of national unity, displayed throughout the country, I think we should all make an effort to ensure that our flag and the brilliance of its colours reflect the respect of all Canadians for that symbol. I am of course aware that in the case of flags flown from federal buildings, these are quickly replaced as soon as they start showing signs of wear.

If we can do anything at all to extend the wear of these flags, I am sure all Members of this House will agree that it is worth the effort.

The purpose of the Bill is to establish national standards for flags manufactured in Canada or imported from abroad. Hon. Members are probably aware, Mr. Speaker, that in 1974, the Canadian General Standards Board published a national standard for the Canadian flag. Another version of this standard was published a little later, in May 1979, as the national standard. Since then, there have been two revisions, the last version being published in April 1983.

The standard applies to all materials, designs and colours used in manufacturing, and as such, seems to answer most of the questions regarding the Bill. It may, however, be necessary to have a majority of members of the Committee of the Canadian General Standards Board examine the contents of the standard and revise this document to bring it into line with the intent of our legislators.

That being said, I would like to refer to Clause 5 of the Bill, which requires that the Canadian General Standards Board certify manufacturers or importers of the flag.

At this point, I would like to make it clear that the Canadian General Standards Board is not a certifying body. In this respect, its role consists in keeping a set of lists of names of companies that have agreed to comply with certain standards.

As a general rule, the Government prefers private companies to be self-regulating in the matter of complying with national standards, and to do so by establishing their own certification procedures. Business and industry have been complaining for some time about Government interference in their affairs. After all, a company's survival depends on manufacturing goods that are acceptable to the buyer. Consequently, it should be enough to let the market play its role. A responsible company, knowing that its products will be evaluated according to a national standard, will use its judgment and business acumen without the Government breathing down its neck, which means that the company will ensure that its products at least meet if not exceed the standards published by the Canadian General Standards Board. If the CGSB were to act as a certifying body, a number of problems could result. Manufacturers or suppliers might be tempted to drop their own quality control programs or let the certifying body take over this kind of inspection. In case of any problems or complaints about a product, the manufacturer or supplier might try to blame the certifying body. There would also be a number of legal and political liabilities for a Government approving a private company's products, if the products do not meet the usual standards.

I suggested earlier that we let the industry regulate itself, and I think that is the answer. Some companies might ask the Canadian Textile Institute or the Canadian Manufacturers' Association, for instance, to set up a certification program. Manufacturers or suppliers could also retain the services of private certifying bodies such as Underwriters Laboratories of Canada, Warnock-Hersey or the Canadian Standards Association.

Mr. Speaker, all these organizations enjoy the trust of the public and exist for the purposes mentioned. There are equally reputable organizations such as the Ontario Research Foundation and the Retail Research Foundation of Canada, and I am sure there are others as well.

After discussing these matters with the Hon. Member for Victoria, who presented the Bill, I am now able to announce that he has agreed to the removal of Subsections 1 and 2 of Clause 5 which stipulates that the Canadian General Standards Board is to be responsible for certification.

Mr. Speaker, considering this spirit of co-operation, I have no hesitation in supporting Bill C-234, provided those subsections are removed.

● (1740)

[*English*]

Mr. Deputy Speaker: Order, please. Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: It is moved by Mr. McKinnon that Bill C-234, An Act to establish standards for the manufacture of the national flag of Canada, be read a second time and by unanimous consent referred to Committee of the Whole.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read a second time and, by unanimous consent, the House went into committee thereon, Mr. Corbin in the chair.

The Chairman: Order. House in Committee of the Whole on Bill C-234, an Act to establish standards for the manufacture of the national flag of Canada.

Clauses 2 to 4 inclusive agreed to.

[*Translation*]

On Clause 5—Certification of manufacture or import

Mr. Massé: Mr. Speaker, as agreed with the Member for Victoria and as I mentioned earlier in the House, I wish to move an amendment that consists in removing Clause 5 with Subsections 1 and 2, in other words, Clause 5 would be removed altogether from the Bill.

The Chairman: Normally, amendments are to be presented in writing. In any case, the Chair must inform the House that it cannot accept this kind of amendment.

[*English*]

I would draw to the attention of the House that the Chair would have to reject the amendment. I would like to quote in support of that ruling Citation 773(6) of Beauchesne's Fifth Edition, which reads as follows:

> An amendment to delete a clause is not in order, as the proper course is to vote against the clause standing part of the bill.

Therefore, if the objective of Hon. Members is to delete Clause 5 which is now before the House, the Chair would invite them to vote against that particular Clause when it is called. In other words, if everyone says, "no", the effect will be that Clause 5 will disappear from the Bill.

Shall Clause 5 carry?

Some Hon. Members: No.

The Chairman: I declare Clause 5 defeated.

Clause 1 agreed to.

Title agreed to.

Bill reported, read the third time and passed.

Security Intelligence Service

GOVERNMENT ORDERS

[*English*]

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Kaplan that Bill C-9, and Act to establish the Canadian Security Intelligence Service to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, be read a third time and do pass.

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I think it is interesting to be returning to Bill C-9, the Bill which will establish a civilian security service, after the House has debated standards for the manufacture of the Canadian flag. That debate evoked a great deal of patriotism. I certainly enjoyed that debate. I do not express any shame in being a Canadian patriot. I remember being very pleased when I saw the Canadian flag unveiled for the first time. I think that it is very much as a patriot that I express shame at what is before us today in Bill C-9.

Yes, we do need a civilian security service. Canada is a middle power, not a major power in the world. Our security needs are not as great as some other countries, nevertheless they do exist and we require an appropriate service to deal with them. Our requirements for national security are not as great as those of the United States. Some of the remarks which I will make this afternoon will deal with our safeguards. The safeguards which are in this legislation are not as good as the American safeguards, even though our own security needs are not as important as those of a major power such as the United States.

I think it would be useful in addressing this issue to examine a bit of the history in order to realize how we came to be in the state which we are with regard to Bill C-9. It does bear some relevance to what is wrong with the Bill as it currently stands. We will all remember that it was in a criminal trial in 1976 that members of the Royal Canadian Mounted Police security service were discovered to have been involved in criminal wrongdoings. In 1977 the McDonald Commission was established. It sat until 1980, and it reported in 1981. At that time it was extremely critical of the practices of the current RCMP Security Service. It reported evidence of criminal wrongdoing in four provinces, but there were prosecutions only in the province of Quebec. The Minister of Justice (Mr. MacGuigan) has said that there will not be further prosecutions, and the Solicitor General (Mr. Kaplan) has referred to disciplinary action to be taken against the culprits in question. But in fact we have not been advised of any specific disciplinary action which has been taken against any of them.

• (1750)

I do not want to agree with all of the provisions and recommendations of the McDonald Commission. In some places I would consider them too lax. Nevertheless, it did come up with a number of safeguards which should be built into the legislation for a civilian security service, and most of these recommended safeguards have been ignored. We saw them ignored in Bill C-157, and they are still left out of the current legislation. It was in May, 1983, that Bill C-157, the predecessor to Bill C-9, was tabled. It was met with denunciations from provincial attorneys general, civil liberties organizations, church groups, and from all kinds of private citizens all across the country. My own Party strenuously opposed this legislation. I regret to say that the Conservatives were not quite as vigorous in their opposition. Some of those Hon. Members, indeed, thought that the safeguards in Bill C-157 were quite adequate and, indeed, it was a rather civil libertarian kind of Bill.

I am very pleased to see the Conservatives have come along and are now joining in very concerted opposition to this very drastic and draconian legislation.

A Senate committee was established to hold public hearings on the old Bill, C-157, last summer. I cannot say anything too good about Senate committees. My own Party would like to see the Senate abolished. Certainly most of us feel very strongly that there should not be an appointed Senate, that elected people should be the people to do this. Our own Members, of course, were not involved in the Senate committee hearings because we do not have members in the Senate. Nevertheless, even with this rather senatorial committee looking at this Bill and holding these hearings, it did come up with some recommendation for additional safeguards. You might say it is a body not known for vigorous stands on civil liberties, but nevertheless it did see the need for additional safeguards. I regret to say that the Government did not even act on the advice of the Senate which is, by and large, appointed by the current Liberal Government.

Bill C-9 which is before us today is only very slightly changed from Bill C-157, and this whole process of consulting the public and holding hearings has really been a charade. In effect what Bill C-9 does is to make legal many of the activities which were condemned by the initial McDonald Commission and by the Canadian public. We had an example of wrongdoing, and what was done about it? Was it stopped? No, it is made legal. That is how we deal with wrongdoing on the part of the security service. We have 800,000 files opened against Canadian citizens. There is no way, Mr. Speaker, you can persuade anyone in this House that there are 800,000 terrorists or spies operating in Canada. We have a Government which has overreacted in how it has dealt with security matters in the past, and it has overreacted in trying to deal with security matters in the future by legislating a civilian security service with inadequate safeguards and far too many powers.

We are faced with the prospect of the opening of first class mail, wiretaps, doctors' and lawyers' records being invaded, people being bugged in their homes and offices, and all of this in the name of national security. Many of these activities certainly went on previously even though they were against the

law and we now have this very shameful approach, instead of stopping it, that it would be made lawful.

I want to argue this afternoon basically three things which I believe are wrong with the Bill before us. First of all, the threats to security have been ill defined. They are far too broad. Second, the powers which have been given to the civilian security service are far too great. There is no proportion. It is given excessive powers even for dealing with quite trivial matters. Its excessive powers are not confined to major instances of threats to national security but can even be used for information gathering. Third, the accountability procedures are far too weak. They are thoroughly inadequate.

I would like to refer to a brief which has been submitted by a physician, Doctor Philip Berger, on the definition of "threats to security of Canada" from his experience. While this is an individual brief it does represent a considerable amount of opinion from a professional community. Doctor Berger reports that many physicians in Canada have examined and documented the cases of persons seeking refugee status in Canada who were tortured in their own home countries. The results of these investigations have been used to substantiate claims of torture for the classification of refugee status under the Immigration Act. They have also been used to expose human rights violations by foreign Governments.

This kind of activity can lead to a perfectly normal law-abiding physician being targeted, and the groups which are using the information obtained in these physical examinations could be targeted for intrusive surveillance. These physical examinations, medical examinations, have been used by groups within Canada who are opposed to totalitarian regimes. But some of these groups are perceived to advocate threats or use of acts of violence for the purpose of achieving a political objective within a foreign state. That brings it within the definition of a threat to security.

Some physicians are members of organizations which donate money to opposition groups in foreign states, who defend themselves in violent confrontations with their Governments. Clearly, these physicians are engaged in activities directed toward helping opposition groups trying to achieve a political objective within a foreign state. That makes them come under the definition of "threats to the security of Canada", preposterous as this may seem.

The Canadian Civil Liberties Association has noted a number of instances in which groups could be targeted for activities which, I believe, any normal person would consider quite appropriate, quite lawful and, indeed, quite laudable. There is within the Act a definition of activities directed towards certain types of security related misconduct. To what extent could this invite speculation about security threats which might happen at some indefinite point in the future? Consider, for example, the power the Bill would create for intrusive snooping into activities within Canada, directed toward or in support of acts of violence for the purpose of achieving a political objective within Canada or foreign state?

This Section could mandate the use of bugging procedures, for example, or mail opening against a Canadian citizen, who, without any foreign direction whatsoever, took up a collection for the State of Israel or the Palestinian Liberation Organization. Suppose such citizens got involved with rebels in El Salvador or even in Afghanistan and raised money for them? That certainly makes them liable to intrusive investigation.

Another Subsection would make intrusive surveillance available for activities intended ultimately to lead to the destruction or overthrow by violence of the constitutionally established system of government in Canada. What does "ultimate" mean? "Ultimate" is certainly a very long way away. It may have no immediate connection with any kind of violence or any kind of serious activity whatsoever. It is highly speculative that some activity carried on by what could be a perfectly lawful dissenting group could bring it under surveillance.

The Canadian Civil Liberties Association may draw inspiration, or may be seen to draw inspiration, from the American Civil Liberties Union. Does this mean that that organization is foreign influenced? What are the limits of detrimentals? Supposing a Canadian citizen were employed by a foreign corporation involved in commercial negotiations with the Canadian Government—obviously an activity which happens all the time—this would permit targeting of such an individual. Bill C-9 is a threat to law-abiding people and legitimate dissent.

• (1800)

In the opinion of the Canadian Civil Liberties Association, this threat will continue so long as intrusive surveillance is permitted on the basis of such shadowy, ethereal and overbroad concepts as "activities directed toward", "ultimate" intentions, and "detrimental" interests. There is supposedly an exemption for activities such as lawful advocacy, protest or dissent. But this is not an adequate definition. It is not clear that activities such as fund raising or commercial negotiations would be included. But some of the activities I just mentioned could be kept out of the exemption section and the group concerned could then come under surveillance by the security service.

There is good reason to question how much additional security is obtained through this level of preventive intelligence gathering. There have been plenty of instances in the United States, and the American Government has moved away from this kind of vague fishing expedition to try and get intelligence from groups engaged in quite lawful dissent. It has simply not come about that any additional security has been obtained from this. Generally, the FBI did not report advance knowledge of planned violence. We really cannot have any hope that by having these Draconian measures we will actually achieve any national security objectives.

Between Bill C-157 and Bill C-9 a few amendments were made but they did not in any significant way increase the protections given, so that the kind of criticism we have been raising still largely holds. These very modest wording changes have not been at all adequate to the task. The NDP has proposed much more substantial amendments. We have passed the stage where we can get them through, but to give you an idea of the kind of constructive alternative we see as appropri-

ate—yes, we do need a civilian security service and it does need to have powers to do things but it must have adequate safeguards. We do have some constructive proposals and we would like to see the Government abandon the Bill as it is now, hold some public hearings and listen to the citizens it has been elected to serve. It can then come back with legislation which would provide adequate protection for the civil liberties we want to have in Canada.

This would mean changes in the definition of threats to the security of Canada. We want to be sure that so-called domestic subversion is not included in this section. The RCMP should continue to have a mandate to deal with domestic subversion according to criminal standards, a procedure which has been used and a distinction which is accepted in the United States. We do not know how serious this threat of domestic subversion is, but we think, in so far as we are going to need it, the ordinary criminal operations of the RCMP with the ordinary standards and safeguards would be the most appropriate way of dealing with these threats.

The criteria for security assessments is another point on which the Bill goes much too far. Too many public servants are subjected to security clearance procedures. In 1982 over 75,000 people were security cleared. It is just very hard to imagine that the threat of spies in the Public Service of Canada is so serious that we need this large number of clearances. The criteria should be spelled out in the Statute or, at the very least, provision made for criteria established by regulation to be made public and subject to review by an oversight committee. The civilian security service should not have responsibility for conducting the security assessments. Their role should be restricted to threats to the security of Canada. Either the RCMP or a branch of the Public Service Commission, as recommended by the McDonald Commission, should have the job.

As to the foreign intelligence function, the Bill would confer new and unprecedented powers on the civilian security service to target individuals who pose no threat to the security of Canada. This could include political refugees, visiting professors and business or labour leaders. This power does not currently exist and there is absolutely no justification for it being included in the legislation.

On the exchange of security information, the Solicitor General has stated that the RCMP security service presently shares information on Canadians with foreign security agencies, including those which do not have proper recognition in their own country. This is a rather dicey procedure at the best of times, but this Bill would codify this practice.

We need a much more adequate review process. The McDonald Commission and many witnesses recommended that there be a Parliamentary oversight committee. Other countries have them. They need full access to Cabinet documents and the information the security service itself has so that it can ensure there have not been violations of civil liberties.

Apart from powers of electronic surveillance and surreptitious entry, as well as the power to make copies of records, there is no justification whatsoever for the expanded powers sought by the new agency. Even the McDonald Commission recommended that intrusive techniques not be used against domestic subversives. Where we use these intrusive measures, there has to be good reason for it. The threat has to be a serious one. They should not be used on fishing expeditions or for security clearance and things of that sort. The RCMP Commissioner stated that if he were denied access to these intrusive powers, his ability to perform his duties would be impaired only to a "very, very marginal extent". Yet the potential invasion of privacy is incredibly broad. Here we have this threat of far too expensive powers being used even where there are not serious matters of national security.

This Bill would arbitrarily deny collective bargaining rights to virtually all employees of a new service. That is simply inappropriate and unfair. When we compare the safeguards in the U.S. with those here, we see that the Americans and the FBI have far more adequate safeguards. They have to show standards that are similar to ours for criminal investigation, and it gives a far better understanding to the people in this system of what they are legally entitled to do and what they are not.

Our Bill, however, has one merit that the Americans do not have. These safeguards, if we had them, would be legislated. Here we have before us a Bill which would do a desirable thing. It would institute a civilian security service and legislate its powers clearly for all to see, as well as the safeguards. The problem is that what is legislated by way of safeguards is fairly inadequate.

The options before us are quite simple; either to pass the legislation as it is and bring in a new era of substantial abuse of Canadian civil liberties, or we can go slower, the Government can not proceed with the Bill. We have a security service in place. The RCMP are performing that function right now. There is no risk of harm by taking another look to see that we have adequate safeguards.

I see my time is just about up. I want to say that I am very distressed at what we have before us today. It is an interesting point that we see this at the end of the Trudeau period in Government, a piece of legislation that would violate Canadians' civil liberties. We see a former civil libertarian at the end of his parliamentary career bringing in a despicable piece of legislation. It is a sad way for someone to go, and I am sad to see this legislation before us. Last night we had the example—

Mr. Deputy Speaker: Order. The Chair has been very considerate to the Hon. Member. She has been extended extra time. I have to inform the House that her time has expired. A 10 minute question and comment period is now provided for. Are there any questions or comments. For debate, the Hon. Member for Halifax West (Mr. Crosby).

● (1810)

Mr. Howard Crosby (Halifax West): Mr. Speaker, we are now proceeding to the final stage of the deliberations in the House of Commons on Bill C-9 which enacts the Canadian Security Intelligence Service Act. It has been a tedious pro-

cess, but it has not provided sufficient time in terms of the close examination which ought to be applied to the legislative provisions contained in Bill C-9. The debate is under the strictures and duress of time allocation or closure. Members of the House of Commons are restricted in the amount of time they can devote to the debate on this legislative measure and the provisions of Bill C-9.

It becomes necessary in the final hours of this debate to explain in clear and careful terms what one's position is with respect to this legislation which deals with the security of the citizens of Canada and Canadian institutions. I will explain very carefully my own position. I recognize that there is a potential for threats to security in Canada. I recognize that our democratic society allows a large measure of freedom for its citizens and all residents of Canada, regardless of whether they enjoy the status of citizenship. Within that conglomorate of people there could be those who would harm our society and institutions. The principle of freedom and liberty ought to prevail over all threats, including threats to the security of the nation. That is why this nation was created in the first place. Democracy was established and survives because we believe in freedom. The risk of that belief is that we must recognize that there is the potential in our society for the destruction of our own democratic institutions.

When the predecessor of Bill C-9, Bill C-157, was before the special committee of the Senate, the Senators who dealt with the legislative provisions contained therein recognized the need for that balance between the handling of threats to our society and liberty. They said as a committee that that balance must be maintained. That was the test which governed security legislation. I do not think the members of the Senate committee directed the balance in the right way. That is to say, the members of that committee were prepared to err on the side of protection of society, in the way in which they envisioned that protection, rather than to err on the side of liberty of the subject. The real protection of Canadian society is the liberty of the subject. It is not the laws that are designed by legislators that protect the society. It is the principle of liberty of the subject that protects society.

That principle was established long ago in the mother country of Great Britain. It continues there today, notwithstanding parades to Trafalgar Square and mass movements of labour supporters and ban the bombers which my colleague from Dartmouth-Halifax East has seen on many occasions in the streets of London. Notwithstanding that apparent almost revolutionary attitude, liberty survives in the United Kingdom as it survives nowhere else in the world. If we allow that tradition of liberty to be eroded because of real or alleged threats to Canadian institutions arising from subversion or breaches of security, we may endanger the very society that we are trying to protect.

It is in that context that I want to examine the provisions of Bill C-9 for the last time. We must recognize the need for a balance between the protection of society and the absolute need for civil liberties to be maintained throughout Canada. It is interesting to note that the sponsor of this Bill in the House, the Solicitor General (Mr. Kaplan) who now sits in his seat, would in most respects be the advocate of civil liberties. In the debate which involves Mr. Sakharov and Mr. Shcharansky I am sure the Solicitor General would be the first to endorse the right of peaceful dissent as a principle of democratic society. I am sure the Solicitor General would be willing to write to the ambassador from the Soviet Union and ask why Mr. Sakharov and Mr. Shcharansky have been treated in the way in which they have been. I am sure he would ask why their liberties are restricted simply because they disagree with the duly constituted, if not elected, government of the Soviet Union.

If we are going to apply the principle of peaceful dissent to citizens of other nations, particularly those which we do not regard as democratic, then we had better be darn sure that we allow for that same kind of peaceful dissent in our own country. Does that make me, or any other Member of the House of Commons who endorses that principle, an advocate of peaceful dissent? Does that colour me as a revolutionary? Does that make me a foe of the system and an enemy of the country? Of course not. I am here to protect the citizens of this country. That is why I examined Bill C-9. I say that it is tipping the balance in the wrong direction and does not recognize, to the extent that it should, the liberty of the subject.

At this stage of the deliberations on Bill C-9 we cannot examine the provisions of the Bill in detail. That was done under the constraint of limited time provided by the closure order imposed by the Government majority. We in the Opposition cannot fight that. All we can do is to explain once again what our position is and what the concern of Canadians ought to be.

I will mention another incident in the House of Commons which dealt with the civil liberties of Canadians. It was passed under the guise of urgency and the need for immediate action. On October 25, 1983 the House of Commons passed Bill C-169 which amended the Canada Elections Act. It made some very useful changes to that Act.

Mr. Kaplan: You voted for it.

Mr. Crosby: One of the changes which was made related to advertising during election campaigns. Members of the House who were interested in improving the Canada Elections Act wanted those changes instituted because some of them would be very helpful to the electorate in the important task of choosing its representatives in the Parliament of Canada. We wanted those reforms to take place. However, not all Members were aware that an amendment to Section 70.1 might have the effect of outlawing legitimate protests in the form of election period advertising. No one was aware of that. The haste with which Bill C-169 was passed by the House of Commons caused difficulty and concern among a great many Canadians about this intrusion on their liberty by the elimination of their right of free expression. The haste was responsible for that.

Let me make it clear that all Members of the House of Commons have to bear the responsibility for that. We created

the haste and allowed it to exist. We allowed it to be carried out and did not fight it. We went along with it because we wanted those reforms. Now we have the result. We cannot now get the co-operation of the Government to make changes to rectify the error that may have been made by the House of Commons in passing Bill C-169. We are not able to say that we made a mistake in not realizing that the provision had that effect. Had we realized that, we would not have participated in a unanimous endorsement of Bill C-169. The Government says no, it is sorry, we made a mistake but the provision is there and it will be applied. The Government says, "We will tell the people of Canada that they cannot advertise during an election campaign in the way that it is now alleged to be prohibited by the statutory provision". It says that we made the mistake and the people of Canada will pay for it.

• (1820)

That is what will happen with Bill C-9. If there are any mistakes made by the House of Commons, the people of Canada will pay for them. That is why we must stand here and protest the provisions of the Bill. That is why we must stand up and tell the Government to give us more time because there may be provisions in the Bill that will cause grave concern to the people of Canada.

Remember Revenue Canada. Whoever looked at legislation governing Revenue Canada to find out that it could have secret forces examining the habits of people in Canada in order to determine whether it might affect the manner in which they pay their income tax? Who would have thought that when an institution like Statistics Canada was created, a legitimate institution to compile statistics, that they would be out running around asking people about their income and demanding that they fill out forms that make inquiries ranging from their sex life to their financial demands?

Mr. Forrestall: Like calling Richardsons to ask for files.

Mr. Crosby: Anything in the name of statistics. That is not what the Parliament of Canada intended for Statistics Canada. It was not creating a snoop service to create statistics that nobody needs or finds useful. Yet there are employees of Statistics Canada this very day throughout the country who are knocking on doors and demanding that people fill out forms that those citizens quite sincerely believe this action is an instrusion on their privacy and their right as Canadians citizens to live the way they want without violation of any law. Those government employees are invoking a law against those citizens which was never intended to be invoked and applied in that way.

It is the fault of Members of Parliament for not building a mechanism into the system which would prevent that kind of action. Who ever thought in the House of Commons, when the concept of social insurance numbers was introduced, that they would be used as an intelligence gathering technique? Who ever thought that one's SIN number was going to be used to find our whether one paid one's Visa bill or the Royal Bank of Canada. Who ever thought these things would happen?

Not only should we be on guard for these kinds of changes, we have an absolute duty to be on guard and make sure that any such changes or anything that involves the liberty of the subject in Canada has to be carefully scrutinized or we will end up with Sakharovs and Shcharanskys in Canada, and it will be the Russians asking how we are treating our citizens and why are we snooping around asking where their bank accounts are and how much is in them. I wonder if they do that in the Soviet Union? I wonder if they knock on doors and ask those questions.

We can be ashamed of some of the things going on in Canada because they do not need to take place. We do not need that kind of activity because this is a democratic country. Perhaps there is an element of subversion and threat to our security. We do not deny that. However, it is not necessary to use an elephant gun to kill an ant and that is what the Solicitor General is doing.

Incidentally, what does he know about these situations? He has been harboured away in the middle of the City of Toronto all of his life. What does he know about threats to our society? What information has he received and what information is he relying on?

I have lived in this country. I have served in the administration of justice for a number of years. I never saw any great threats to our society that required the urgent passage of legislation in the Parliament of Canada creating the Canadian Security Intelligence Service. It is not required on an urgent basis so that the rules must be stopped and the process must be stopped in order to get it passed. That is nonsense and the Solicitor General should know that.

If he thinks that the people of Canada agree with him and not with what I am saying he is wrong, because there are very ordinary people in Canada who write very ordinary letters to Members of Parliament to say things such as, "I have just finished reading an article in the paper stating that the Conservative caucus proposes to maintain the RCMP security service as is. I wholeheartedly support this idea". This person happens to be a member of the Canadian Armed Forces. He goes on to give some very cogent reasons for maintaining the RCMP as an intelligence service.

A woman who is in business in my constituency wrote me asking to maintain the RCMP and not to establish a civilian security agency. She knows what government agencies are like and what their track record is. She knows what will happen. She has dealt with Statistics Canada. She runs a business and knows what Revenue Canada is like when it comes to forms, details and records. Are we to believe that the Canadian Security Intelligence Service will be any different? Are we to believe it will be any better than Revenue Canada or more considerable than Statistics Canada in getting reports? Not on your life.

I'll bet that within six months the Inspector General of the Canadian Security Intelligence Service will have a uniform with more gold braid on it than any admiral ever thought of having. I will bet that it will have everyone institutionalized and militarilized in a matter of months. The Solicitor General

had better not laugh. Has he not seen his correctional officers prancing around the country with their gold braided hats. Is not the Canadian Correctional Service a civilian service? What are they doing in uniforms and why are they marching? Its a potential disease. It is called fascism.

Mr. Forrestall: You know it.

Mr. Crosby: The Solicitor General should certainly know what the results of that disease can be if it is not stopped.

Mr. Forrestall: If you don't, 15 years down the road you will wake up one morning and wonder why it happened.

Mr. Deputy Speaker: Order.

Mr. Crosby: We want to balance rights and we want to balance it in all types of legislation. But we want to do it particularly with legislation that deals with civil rights and the liberty of the subject in Canada.

Let me talk about the Royal Canadian Mounted Police in that situation. The Royal Mounted Police is a national institution that was created in 1873. It has 110 years of history in Canada. What has happened? This is the report of the Royal Canadian Mounted Police included in the Solicitor General's own report. According to that report, its mandate is to enforce Canadian laws, prevent crime, maintain peace, order and security.

When we examined this report we found with respect to airports that the RCMP ticketed 250,000 cars. That is to say, they issued 250,000 tickets to Canadians at airports. The RCMP has been allowed to degenerate as a police service in Canada. They are not the same as they were in 1873, there is no doubt about that.

This will just be another blow to the RCMP. I do not care what Commissioner Simmonds says about that. He is not on the streets. He is not in Sackville, Nova Scotia, or out in British Columbia. He does not chase after Olson and those kinds of people. He does not know how the ability of the RCMP to perform normal police tasks has been destroyed.

I would like to hear from the Solicitor General on the subject of drugs. They talked about drugs and drug activity. They estimate the value of drugs with which they were involved in 1981 at $8 billion. They say that is the value of the drug market in Canada and that it may be exaggerated. It is in this report. Eight billion dollars is total nonsense. In 1981, that was more than 15 per cent of the total revenues of the Government of Canada, yet they say that is what is out on the streets of Canada. What streets of Canada? I have travelled all over Canada and while there is a serious drug problem which must be attacked, do not tell me that there is $8 billion floating around Canada in the drug market.

It is those kinds of activities in which the RCMP are involved. They are not providing the basic police service that they ought to provide. The Canadian Security Intelligence Service will be taking that much more away from the RCMP and leaving them in parking lots at airports ticketing cars and leaving them out on the streets chasing impaired drivers or speeders, when they should be chasing rapists, murderers and people who break and enter private dwellings.

It is not the history or the employees that is hurting the RCMP, it is the direction it is getting from the top. Members of the RCMP who endorse a transferring of security services to a so-called civilian from the RCMP are not contributing to the future welfare and well-being of the RCMP. That force has been in existence for a long time. It does not belong to the officers at the top of that organization. It does not belong to the Solicitor General. It belongs to all Canadians. It is a Canadian force created by Canadians. It is an institution in Canada.

• (1830)

The RCMP is now responsible to the government—to the Solicitor General. He does not have the right to take any act that is going to hurt that force as a Canadian institution, but that is what the Government is doing with Bill C-9. It is taking action that will be harmful to the Royal Canadian Mounted Police, a Canadian institution, and harmful to Canadians, mark my words, Mr. Speaker.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions and comments.

Mr. Kaplan: Question.

The Acting Speaker (Mr. Herbert): For debate, the Hon. Member for Okanagan North (Mr. Dantzer).

Mr. Vince Dantzer (Okanagan North): I have spoken several times on this important bit of legislation, Mr. Speaker, and I make no apologies for that. I think every Member of this House should be on his or her feet opposing this legislation. I think they should be on their feet as often as is necessary to get this Government to change this very flawed legislation. Certainly I do not think I have seen a more important Bill come before this House of Commons. It directly affects the rights, the privacy, and the freedoms of every individual Canadian in this country. I think the Opposition has an obligation to effect changes in this legislation.

We in the Opposition recognize the need for a security force in Canada, but we are not prepared to approve of or respond to legislation which makes that force or gives it the right seriously to hamper the freedoms of Canadians and seriously intrude on their private lives. Unfortunately, the Government has seen fit to exercise closure on this Bill. It has used the guillotine of time allocation to ensure that the Government gets the Bill through the House before the end of the session. I cannot understand why the Government is doing that, Mr. Speaker. Certainly there does not seem to be any reason for this unseemly haste. I can assure you, Sir, that what this Government does in haste with respect to this legislation, the people of Canada will repent at leisure. As sure as I am standing here, this Bill will lead to great injustice to Canadians over the next few years.

The Canadian Catholic Conference has called upon the Government to have a sober second look at the legislation. Many organizations, in fact every organization that appeared before the committee asked for changes in the legislation and told the Government to slow down and take a good look at it.

Let us see who made appearances before the committee. Here are just a few: The Canadian Medical Association, the Attorneys General of Canada, the Voice of Women, the Civil Liberties Associations from most provinces, trade unions, from across Canada both large and small, the Association of University Professors, ethnic groups who are really concerned about what this legislation will do to their organizations and the Canadian Council of Churches. There were many, many others, not the least of which was the Canadian Bar Association. All these groups had valid complaints in areas of concern to them.

I think one of the most penetrating comments I have heard in relation to this legislation was that made by Bishop De Roo of Victoria, the President of the Canadian Conference of Catholic Bishops. Bishop De Roo wrote a letter to the Solicitor General (Mr. Kaplan) with a copy sent to the Prime Minister (Mr. Trudeau). In part, this is what Bishop De Roo wrote:

> The content of the Bill worries us considerably. Its adoption without major amendments could very well indicate that Canada is not afraid when it comes to introducing repressive measures aimed at attacking civil and political liberties in order to control social unrest provoked by the application of restraint policies.

Bishop De Roo has got to the heart of one of the problems in this legislation, and certainly this Government cannot claim a good record in that regard. We have only to look at the imposition of the War Measures Act to see how quickly this Government would respond to a farce, and how quickly it would depress civil liberties on some bogey men appearing. That is exactly what this legislation is in great danger of doing.

I am worried, members of my Party are worried and the Canadian people are very worried about this legislation.

Mr. Robinson (Burnaby): Hear, hear!

Mr. Dantzer: The record will show that the changes proposed by the Progressive Conservative Party to this legislation are generally supported by the groups I have mentioned, indeed generally supported by all Canadians. I think the changes in the legislation that we have put forward have been prompted in the main by the response of Canadians to the establishment through this legislation of a security force.

I want to put on the record tonight, although I have mentioned it before, as have other people, the main changes we have requested. I think this Bill will get Canadians into a lot of trouble and we should be able to look back historically and find out where the trouble started.

First, we have proposed three main areas of change. When I say three main areas, I am not including all of the amendments that were put forward, some of them very important, but I do not have the time tonight to go through them all. I would like to go through the ones I consider most important.

First, we propose that the new security force stay within the RCMP. You might well wonder why, Mr. Speaker. I think it is very clear. This is new legislation. It creates a distinctive secret service security force of which Canadians instinctively are suspicious. I say that particular about western Canadians. They are very worried about the establishment of this kind of thing. Frankly, in western Canada we have not had too much good come out of Ottawa. We look with a jaundiced eye on any kind of legislation, and we look at a fearful eye on any establishment of more security forces. Therefore, it is most important to overcome that fear; some of which may be justified, parts of it not. Why not keep the force within the RCMP which is a highly respected and successful force? All over Canada and all over the world the RCMP has earned recognition and respect. Its members are trained to respect the law in Canada. That is why they have had the confidence of the people.

We have had a security force in this country for a long time. And the Attorney General, in response to questions at the committee, admitted that the RCMP had done a very good job, that there are no complaints, that the RCMP has successfully used all the methods necessary and it has developed a highly successful security force.

The question is, if you have a successful operation, why change it? We have pushed very hard to have the Government accept the idea of the security force remaining with the RCMP.

Let me be the first to point out that that was not essential to our position. I am sure we would not have had this long debate if the Government had made some other changes and said that it would keep the force or make a new force. I think we could live with that, reluctantly, but we could live with it. Certainly most of the Attorneys General of Canada support the force being within the RCMP as did the Civil Liberties Association of British Columbia who are not inclined to put the RCMP on a pedestal. That association indicated that if we must have this legislation, it should be left with the RCMP. However, that is not the main issue. The main issue is the definitions contained in Clause 2. I think most Hon. Members have spoken to that particular clause and its horrendous definitions.

● (1840)

We in the Progressive Conservative Party have taken the position throughout this whole matter that if we are to have legislation creating a security force, it is absolutely essential to define the limits of its activities. Without that, a legislative sanction is given to a large group of people without any restraints whatsoever. Clause 2 has been badly drafted and provides no protection at all. In fact, it allows the security force to conduct activities which the Government did not intend.

In the time remaining I should like to point out the dangers. In part, Clause 2 reads:

> "threats to the security of Canada" means

(a) espionage or sabotage that is against Canada or is detrimental to the interests of Canada or activities directed toward or in support of such espionage or sabotage,

However, the word "sabotage" is not defined. The dictionary defines that word as wanton destruction of equipment. That kind of thing happens frequently in Canada. I could point to industrial and labour disputes where machinery gets damaged. Surely it is not the intention of the Government to have the secret police investigate industrial and labour disputes, yet that definition allows them to do so. It is just one example of many loose and poor definitions.

The clause continues:

(b) foreign influenced activities within or relating to Canada that are detrimental to the interests of Canada and are clandestine or deceptive or involve a threat to any person,

Let us examine that closely. It could mean that the director of this super-snooper force could begin an intrusive investigation of Japanese automobile dealers in Canada meeting in secret to determine their pricing policy. That is exactly what it could mean, but surely that is not what the Government intended. It has admitted that it did not intend that, yet it is allowing the secret service force to have the ability to participate in wide-ranging activities. Any time any force is given limits to their activities they tend to use them to the limit, and we are lucky if they do not exceed them. I have yet to see this proven otherwise.

If a citizen met discreetly and quietly with Chilean exiles opposed to the Pinochet regime with which Canada has domestic industrial relations, he or she could be in trouble. I could continue listing a number of examples. I think this situation is very dangerous and that it should be looked at carefully. Before this evening is over perhaps the Government will change its mind. If it does not, it should be warned that the people of Canada will not change their minds and they will have their retribution at election time.

I should like to continue referring to Clause 2. I have not reached the worst part as yet. It continues:

(c) activities within or relating to Canada directed toward or in support of the threat or use of acts of serious violence against person or property for the purpose of achieving a political objective within Canada or a foreign state,—

This means that the security force might investigate, and probably would investigate anyone who attended an Israel bond drive dinner or anyone who supported the PLO organization in Canada or the rebels in Afghanistan. Who knows? They could be under investigation by the force. Surely the Government did not mean to have the activities of such people investigated. Perhaps it did, but I cannot believe that. What possible excuse could the Government have for including such a wide definition?

Now I should like to turn to what is probably the worst definition of all. It should not even be in the Act. It reads:

(d) activities directed toward undermining by covert unlawful acts, or directed toward or intended ultimately to lead to the destruction or overthrow by violence of, the constitutionally established system of government in Canada,

This goes to the fundamental right of Canadians to protest or dissent. It goes to the heart of the democratic system. It is a very delicate subject, I am quite aware of that. However, I should like to read into the record what John Starnes said, as reported in the June 18 edition of the *Weekend Observer*. I think he dealt with the point very well when he said:

The definition of politically motivated violence has been widened so that those engaging in relatively unimportant acts of political violence can become targets of the service.

The Bill defines subversion as "activities . . . directed toward or intended ultimately to lead to the destruction or overthrow of the constitutionally established system of government in Canada." The McDonald Commission proposed the phrase, "the democratic system of government in Canada." A small but important distinction.

Presumably the definition in the Bill means the service, using all the means at its disposal, could investigate activities aimed at the separation of a province.

He went on to say that if the Government intended to resort to this kind of thing, it should make it very well known. That is exactly what this definition allows the service to do. Is it any wonder that the Government of Quebec is so upset by this piece of legislation?

Mr. Berger: Mr. Speaker, I rise on a point of order. Is the Hon. Member referring to the amended Bill which contains the word "by violence"? I am not sure whether his quotation made reference to those two words.

The Acting Speaker (Mr. Herbert): That is not a point of order.

Mr. Dantzer: Mr. Speaker, I agree that that is not a point of order. However, I am not referring to the old legislation. I am referring to the new one. I am well aware of the differences.

Be that as it may, this clause will be opposed. There are many separatist organizations out west. They are sincere in what they mean. They are running around rose-bushes and things of that nature. I do not agree with them, but I certainly agree with their right to exist. Just because of their political philosophy, they should not be investigated by a security service. In that regard this is the worst legislation we have ever had in the country. Our citizens certainly do not need political dissent triggering intrusive investigations. That is the one thing we do not need.

The definitions are far too broad. If anything in the Act is bad, it is Clause 2. The entire Bill could be cleaned up in a few areas. The Government could readily do this. I know the Government will say in reply that it has done so, but if we look at the last paragraph in Clause 2, it reads:

but does not include lawful advocacy, protest or dissent,—

Then it continues:

—unless carried on in conjunction with any of the activities referred to in paragraphs (a) to paragraph (d).

In other words, the Government does not want to exclude anything. That is the meanest bit of doubletake in draftsmanship I have ever seen.

I understand that I have a minute remaining. I plead once more with the Government to withdraw the Bill or to accept some changes so that it could at least be more acceptable to Canadians.

● (1850)

[*Translation*]

Mr. Gourde: Mr. Speaker, I should like to ask a few questions to my colleague. First of all, I sincerely hope that, after the intervention of my colleague from Laurier (Mr. Berger), he did not mean to imply that the Canadian Security Intelligence Service would be unable to investigate, should any kind of organization seek to undermine Canada's constitutional regime through violent means. I do hope that is not what he meant, because that would pave the way for anarchists in Canada. I wish he would comment on that first part.

The other thing which has me worried is that it is somewhat difficult to find out just where the Progressive Conservative Party stands with respect to the creation of a civilian intelligence agency. The House knows the position of the Canadian Government: in light of the Mackenzie, McDonald and Pitfield reports, it proposes the creation of a civilian security intelligence service independent from the Royal Canadian Mounted Police.

Then we have the New Democratic Party which is openly against the RCMP and its alleged activities and which, in the same breath, wants the RCMP to continue to work in the field of intelligence security. And then, the Progressive Conservative Party, which brings me to this question: can anyone tell us in clear, unequivocal and specific terms just what the position of the Progressive Conservative Party is?

In committee, it sounded as if they were against the creation of a civilian security intelligence agency, and yet four Progressive Conservative senators sat on the Pitfield committee and only one was against the creation of a civilian security intelligence agency.

What I would like to know is, what is the exact position of the Progressive Conservative Party, and what is the position of the Members of the Progressive Conservative caucus? Does their position differ from that of the caucus of senators, if indeed there is such a thing? And how can we reconcile the position expressed by the Progressive Conservative Party critic of the Solicitor General with the statements made by the Hon. Member for Edmonton West (Mr. Lambert) who tends to favour the creation of a civilian security intelligence agency?

[*English*]

Mr. Dantzer: Mr. Speaker, I of course cannot speak for the Senate, the other place. I can say that the position that our Party has put forward has been consistent and clear. First, we recognize that there is a need for a service of the kind proposed in this Bill. We say ideally that service should be located as it is now, within the ranks of the RCMP. I think that answers the question. Is that what the Hon. Member wanted clarified?

Mr. Robinson (Burnaby): Mr. Speaker, I will preface my question with a comment. I find it rather interesting that there is not a single member of the Liberal Party who is prepared to stand and defend this Bill other than the Minister and his Parliamentary Secretary. I find that a most revealing indication of the nature of the real support and commitment to that legislation, the fact that during the entire period—

The Acting Speaker (Mr. Herbert): Order, please. I allowed the first phrase, but I am afraid the Hon. Member cannot continue. He must direct his remarks to the speech made by the Hon. Member for Okanagan North (Mr. Dantzer).

Mr. Robinson (Burnaby): Mr. Speaker, I appreciate the remarks of the Hon. Member for Okanagan North (Mr. Dantzer). Having sat with him in committee, I know that his personal views are very strongly in opposition to this legislation. Perhaps the Hon. Member might enlighten the House and, through the House, Canadians. I know that the Hon. Member has very strong views, but if his Party feels so strongly about this legislation, why did it not make any effort whatsoever to join with me as the representative of my Party in committee in attempting to block passage of this Bill? It was obvious that the Government was not prepared to accept any serious amendments. His Party was, unfortunately, silent on the predecessor Bill C-157. I wonder if the Hon. Member could enlighten the House as to why it was that at that crucial time, when perhaps the Conservative Party could have joined with the New Democratic Party in really going all out to block this attack on civil liberties, they stood by.

Mr. Dantzer: Mr. Speaker, I am quite aware that one's perceptions of events are coloured by the position in which one is standing. The Hon. Member who asked the question sees a far different role for my Party than I see. We have opposed this legislation at every opportunity, including the long, long hours in committee. In this House we had speaker after speaking opposing this legislation. In fact, we put up more speakers than the NDP. We will continue to oppose it.

I fail to see how the Hon. Member can take the position he has unless it is purely for political capital. I would think that his interest in opposing this Bill is such that he would not attempt to make political capital out of it. This Bill is too important for that sort of thing. The Conservative Party recognizes that and opposes it most strenuously.

Mr. Robinson (Burnaby): Mr. Speaker, certainly the record of that Party in committee will speak for itself. I take it from what the Hon. Member for Okanagan North is saying that, given the fact that the Conservative Party in the Senate has the ability to prevent this legislation, which we know is not amended as the Government refused to accept any amendments of substance, and there is only one week left on the parliamentary timetable before we rise on June 29, his Party will in fact match its tough rhetoric in this place. Is he prepared to indicate that Conservative Senators will take the action that they must take in order to block this Bill from proceeding? It is now up to them.

The only way that this attack on civil liberties of Canadians can be stopped is if Conservative Senators in the other place wake up to their responsibilities and block the Bill. Unless they co-operate with the Government in the Senate, that is exactly

what they can do. Perhaps the Hon. Member for Okanagan North can indicate whether his Party is going to stick to its principles and to its guns and do what it can in the Senate to block this Bill, or is it going to let it slide through in the Senate?

Mr. Dantzer: Mr. Speaker, my response must be the same as it was to the Hon. Member on the Government side. I do not speak for the other place. I know that in this House our Party has demonstrated its opposition to this Bill and we will continue to do so.

[*Translation*]

The Acting Speaker (Mr. Herbert): The Hon. Parliamentary Secretary to the Solicitor General of Canada for one more very short question.

Mr. Gourde: Mr. Speaker, the Hon. Member for Burnaby (Mr. Robinson) said earlier that there had not been any major change. Is the Hon. Member who has just spoken willing to admit that Bill C-9 represents a greatly improved Bill C-157, considering that something like 40 amendments were tabled in January, 1984, that even before the Committee began its clause by clause discussion, seven amendments had been tabled by the Minister, and that further amendments were moved afterwards even though these amendments certainly might not be as important? Is the Hon. Member willing to admit that we now have before us a greatly improved Bill C-157 and that a great majority of witnesses have said so?

[*English*]

Mr. Dantzer: Mr. Speaker, of course I am prepared to admit that Bill C-9 is better than the first one the Minister brought forward, which was an insult to the intelligence of Canadians. The Minister continues to point to that fact and I admit that. I also admit that there are a few minor improvements to the Bill from when it was first presented; but no substantial amendments were made to this Bill in the House of Commons committee.

The Acting Speaker (Mr. Herbert): The period for questions and comments has expired.

• (1900)

Mr. Simon de Jong (Regina East): Mr. Speaker, as we debate the last stage of Bill C-9 I cannot escape the sense of sadness and melancholy that I feel. After sitting and voting until five o'clock this morning, I think the nerves of all of us are frayed and we feel physically and emotionally exhausted. I believe that is true for all Members of the House.

Despite all of the efforts displayed by the combined Opposition, the Government has refused to budge. We have used almost every instrument that is available to an Opposition to impress upon the Government our fears and uncertainties about the security legislation. The Government has refused to consider seriously any and all of our representations.

Members of the two opposition Parties do not oppose this legislation because we wish to score some political points or play some political games. We have a very genuine fear that the secret service agency to be established by this Bill will pose serious threats to the civil liberties of Canadians and hamper genuine and legitimate dissent. We are not alone in our fears. Church groups, the Canadian Medical Association, the Canadian Civil Liberties Association, and all of the provincial Attorneys General share our fears. Yet the Government continues to ignore these very real fears. It abuses it majority by blocking amendments, by imposing closure and by ramming this Bill through the House.

I am still genuinely puzzled why the Government insists it needs such wide powers over the lives of individual Canadians. Government Members, and particularly the Solicitor General (Mr. Kaplan), have not proven that a state of anarchy or insurrection exists in Canada. They have not shown that a threat exists with which the Government does not already have the means to deal. Why when does it need a secret police service with more powers than any other police force that exists in any democratic country? Are there greater threats being made by terrorists or subversives in Canada than in the United States, Italy, Germany or Great Britain? Certainly the Government has not even attempted to prove that this is so. Why then is the Government so insistent on getting this legislation through the House without any amendments?

Some Liberal Members have stated that Bill C-9 is what the McDonald Commission recommended. However, that is entirely false. Government Members have claimed that this Bill will rectify the injustices and illegal acts that were committed during the Quebec crisis. Sadly, I find this argument to be an example of Orwellian doublespeak. It was this Liberal Government that imposed the War Measures Act and that determined the manner in which it would deal with the FLQ threat. History has now shown that the Liberal Government overreacted. To absolve themselves of their collective guilt, Liberal Members have attempted to make the RCMP the scapegoat, and they have used the McDonald Commission report as an excuse to make legal all of the illegal acts that occurred. It is cynical, it is Orwellian, and it is repugnant to reasonable men and women.

I am still at a very genuine loss to understand why the Government wants this legislation so badly now. Perhaps some time in the future we will discover the real reason why this is so. We cannot accept the half-baked arguments that government Members have proposed as justification for this legislation. There is another reason for this, which we do not know. Another reason exists in the background of which Canadians are not aware. Hopefully, at some point in history, the complete truth will be known why the Government wanted this legislation so desperately at this time.

Why have we been so adamant in our opposition to this Bill? First, as many Members on this side of the House have indicated, and as others who have brought forward briefs and presentations have also indicated, the definitions in the Bill are much too loose. For example, the definition of what constitutes

a threat to the security of Canada is so loosely worded that all sorts of very legitimate political organizations and activities can be considered a threat to Canadian security. On the domestic front it could mean that unemployed workers who are involved in demonstrations, farmers who are going into bankruptcy and using tractors in demonstrations, and peace groups and activists involved in peace marches and in collecting petitions, could all be defined as a threat to the security of Canada.

We are not saying that those groups will be defined in such a way, but we are saying that there are enough holes in this proposed legislation that one individual person obsessed with his notion of the nature of Canadian society could decide that these farm groups, work groups, and peace groups constitute a threat to Canadian society. As such, the people involved in those organizations can have their telephones tapped, their medical records and taxation records looked into, their homes broken into at any time of the night, and they can essentially lose their basic civil liberties as Canadian citizens.

The second reason why we are so afraid of this piece of legislation is the nature of the powers it gives to this agency. The powers are much too wide. They are frightening. They are repugnant to Canadian traditions and to the Canadian way of life. For the Government even to dare to enter Parliament with a type of legislation that gives these powers to a group of men and women should be an unthinkable act. Yet this Government has, in the dying days of this Parliament, done just that.

The third area with which we are concerned is the area of accountability. If we need a secret service agency with wide powers, then at least we must do everything possible to make certain that that agency has some accountability. If we are at all concerned that this agency does not get away with itself, then we must put in place a method of checks and balances so that this agency can be accountable and so that the men and women who are in charge of this agency are accountable to people outside the agency. The accountability provided for by this legislation is much too weak, and in fact, hardly exists at all.

Government Members will, of course, say that this agency cannot get away with itself. We cannot accept that argument. There are too many examples of bureaucracies under this Liberal régime running away with themselves. The most recent and glaring example of this is, of course, the recent controversy surrounding Revenue Canada. It is a Department which has no real policing powers or policing mandate, yet it created an entire internal police network that rode roughshod over individual civil liberties of the Canadian people.

We are very much afraid that this security agency can run away with itself in the same fashion. We are very much concerned that a secret police bureaucracy can be created that will no longer be held accountable to its political masters. The history of the Liberal Government in this country should be a fair warning to all of us that this indeed can happen.

• (1910)

Administratively the Liberals have shown themselves to be quite incompetent. They cannot even hold their own bureaucracy in check. How well can the present Solicitor General, with his great brilliance, be able to hold in check the monster he is creating? I have a personal admiration and respect for the Solicitor General as a human being, but I have no confidence in the Solicitor General having the smarts to be able to control the secret service agency which he is creating. In fact I would suggest that he is the very opposite—relatively incompetent on that matter.

We have challenged the Government to hold an election on this issue. We have told the Government that if this is such an important item it should come out of the closet, go public and tell the Canadian people exactly why we need this agency and why these policing powers are necessary. What threats exist to the security and well-being of the people of Canada? Of course government Members react to that suggestion by laughing at us.

Going through the process of the debate on this legislation at second reading, and now third reading, the one area which I find particularly saddening is the lack of media attention and concern about this Bill. Surely it is the duty of the media to inform Canadians on all matters which directly affect them. Surely the legislation with which we are dealing today has tremendous impact on the fundamental freedoms of Canadians.

The debate on this Bill should have been front-page news. All of the arguments should have been reported, pro and con. Had we had more attentive media and had the media insisted that the debate on this Bill be a high item on the social agenda that Canadians would read and talk about, the Government would have accepted more amendments. Had the media played their role, the Government would never have been allowed to get away with introducing closure. In fact, had there been an attentive media, more Liberal Members of Parliament would have stood to justify the legislation. Unfortunately, the media have not played their true and important role in this matter.

In a very few days this Bill will receive Royal Assent and it will be law. We can only hope and pray that the men and women who will have unprecedented powers over their fellow Canadians will use those powers judiciously and wisely. I hope that they will not cynically dismiss the fears and concerns of the churches, the provincial Attorneys General, and the civil liberties unions, as just the outpouring of a bunch of touchies and feelies. I hope these men and women will not ignore what members of the Opposition in the House of Commons have been saying. After all, we are the representatives of the people. I fervently hope that these men and women do not become consumed by their own visions of what Canadian society should be, and that will not be allowed to harass and intrude into the private lives of Canadians whose visions are different from theirs.

We face a very uncertain future. It is a future of tremendous technological changes. Many of these technological changes will endanger the private rights and security of Canadians.

The computerization of medical and legal files, electronic banking, border transfer of data, and some of the most sophisticated electronic devices to listen to conversations, are readily available on the market today. All these new devices and all these new social institutions will restrict individual privacy. We expected legislation which would protect individual Canadians rather than legislation which will help to facilitate the invasion of the privacy of individual Canadians.

As Canadian society moves into the future, it will encounter different social and economic changes and upheavals. Some individuals will be displaced. Today we see hundreds and thousands of men and women who are not able to find work. In today's *Globe and Mail* there was an article about the slave trade in Calgary. Men gather in a block area, and people drive by in trucks and vans to pick up unemployed men and hire them as labourers for a day. Those men do not have any protection in terms of working conditions or minimum wage standards.

Every day in the City of Vancouver there are four or five block-long line-ups of young Canadian men and women who are waiting to get a sandwich because that is their only source of food. Indeed, these are difficult times for many Canadians. These are times in which it is inevitable that some will get angry at the conditions in which they have to live their lives. For these people to have a secret service agency on top of that, will drive some of them underground. I predict that the existence of a secret service agency will create the opposite effect than what was intended by this Bill. It will create more subversives. It is like a mirror image—the one creates the other. When Canadians fear that they can no longer advocate the changing of the conditions in which they and their fellow citizens must live, and that they are afraid that a secret service agency will spy on them because they are advocating some change in the power and in the economic structure of this country, then they will feel that they must go underground. The one does create the other.

As we move into a very insecure future, this piece of legislation will not help us to find a new and just future for Canadian men and women. It will have the opposite effect. It is a sad day for this Parliament. This great democratic institution will pass into law a Bill which limits and restricts democracy. Democracy is the most fragile of flowers. The experience of men and women in the history of our democratic race is a very recent experience. It is a very fragile flower indeed, which is being attacked by changing conditions as we move into the future. I am afraid that what the Government has proposed and what it is asking us to pass in this session is a Bill which will help destroy that flower. In the name of attempting to protect it, the very mechanism which it is creating to protect democracy becomes a threat to democracy. The Government has been unwilling to listen to us and to take seriously our fears and representations. It has been adamant in pushing this Bill through the House. I must return to the question—Why?

• (1920)

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions or comments.

[*Translation*]

Mr. Gourde: Questions or comments, Mr. Speaker. Earlier, the Hon. Member referred to the fact that he had challenged us to call an election on the basis of Bill C-9, to establish a Canadian Security Intelligence Agency. I have now been sitting in this place for a little over three years. If we had acted on the recommendations of the New Democratic Party, we would have had, if I am not mistaken, at least three general elections. I came here during the debate on the constitutional review when we were challenged to call a general election. Last year, I followed very closely the Crow rates review process. Once more, we were challenged to call a general election. We are now debating the establishment of the Canadian Security Intelligence Service and, once more, we are challenged to call a general election.

Well, I will reply to the Hon. Members that we shall certainly be calling a general election within the next few weeks and I challenge them to have a fraction of the results that the Liberal Party will get since it will form the next Government.

Mr. Laniel: I think that half of them will no longer be here!

Mr. Gourde: Mr. Speaker, after my trip to Regina and Vancouver in Western Canada last year, I was able to see how isolated the NDP Members are in their ivory towers and how far they are from the people, because last year, mayors in the Vancouver area criticized them for having made a great many more representations on behalf of some of their own Members than on behalf of the people in their constituencies. At that time, the Hon. Member for Burnaby—

[*English*]

Mr. Robinson (Burnaby): On a point of order—

The Acting Speaker (Mr. Herbert): The Hon. Member for Burnaby (Mr. Robinson) on a point of order.

Mr. Robinson (Burnaby): Mr. Speaker, the Hon. Member is grossly misrepresenting the facts. In fact the "mayors" in question were one Liberal mayor who suggested that a local New Democratic Party Member of Parliament was not sticking to liberal line but instead was defending the interests of his constituents. We make no apologies, Mr. Speaker, for standing up for the people we represent.

The Acting Speaker (Mr. Herbert): That, of course, is not a point of order. It is a point of debate.

[*Translation*]

I also suggest to the Parliamentary Secretary he should put questions to the Member who spoke.

Mr. Gourde: Mr. Speaker, I thought this was a period of comments and questions. This is why I had a few comments.

Mr. Crosbie: What is the question?

Mr. Gourde: I very well remember the mayor who was there. He represented a community of mayors, somewhat like municipal regions we have in our Quebec constituencies.

I would like to know, from the Hon. Member who spoke of the problems that might stem from the establishment of a new Security Information agency, whether he is fully aware of the review and control process in the Canadian Security Intelligence Agency. Did he inform the people correctly, referring to the review by the judicial process, by the Minister, by the Inspector General, by the Review Committee, whose Members are appointed in consultation with the Leader of the Official Opposition and the leader of any party holding at least 12 seats in this House? Did the Hon. Member have the decency to tell the people in his constituency and Canada what impact is at stake in the legislation?

[*English*]

Mr. de Jong: Mr. Speaker, I have informed my constituents that the Government is afraid to have this agency reviewed by their representatives.

The Acting Speaker (Mr. Herbert): Are there any other Members wishing to put questions or make comments?

Continuing debate.

Hon. John C. Crosbie (St. John's West): Mr. Speaker, this is the first opportunity I have had to speak on this particular piece of legislation. I am glad I am going to have the opportunity tonight before the Government carries this to a vote and uses its majority to pass it through the House. By the way, Mr. Speaker, I was away last night on a mission. I was attempting to overthrow the Government. I have been engaged in many missions in recent days attempting to overthrow the Government. I consider it to be a patriotic duty of anyone in this country who has a grain of common sense, to attempt to overthrow this Government. I am constantly at it. That is why I am not in sympathy with the purpose of the Bill, to tell you the truth. I feel that anyone who attempts to overthrow this Government is doing a public service.

I just mention that I was away last night, Mr. Speaker, because I missed the performance which went on here last night when this institution sat through hour after hour of voting on amendments until 5 a.m. in the morning, as I understand it.

Mr. Lambert: Senseless.

Mr. Crosbie: Not only senseless but useless, and a shame to the institution. If we cannot find a better way, Mr. Speaker, to operate this House, or a better way to record votes in this House, then the House may as well pass on, because anyone in Canada who pays any attention to it will lose any respect they have for it. As a matter of fact, as one can observe from the Question Period, Mr. Speaker, and how it has degenerated in the last couple of months, the institution is just about on its last legs, in any event. You can no longer expect an answer from the Ministers on any subject of any sense whatsoever. In the economic area, of course, it is worse than in any other. That is epitomized in the kind of answers to questions which we heard here this afternoon.

This country is staggering toward another recession, Mr. Speaker, with interest rates about to go up, the bank rate up, the Canadian dollar, with no underpinning to it at all, in a tremendously vulnerable state, and one asks a question of the Minister, who is almost like a automaton in the response he gives—

The Acting Speaker (Mr. Herbert): Order, please. It has been drawn to the attention of the Chair that the subject for debate is Bill C-9.

Mr. Crosbie: Mr. Speaker, what I am addressing now is the intelligence of members of the Government. This is a Bill called "The Canadian Security Intelligence Service", and I am pointing out there is no one on the government side who has any intelligence, much less any security. So I feel, Mr. Speaker, I am quite relevant. But I will, of course, be guided by your wisdom. You have been a Member of this House far longer than you deserve to be, and you have a lot of experience and I will, naturally, be guided—

Mr. Lumley: Have some respect for the Chair.

Mr. Crosbie: Well, Mr. Speaker, I will move on to another subject. I have not had the chance to speak to this Bill before. I do not pretend to have any expertise.

Mr. Blaikie: It shows.

Mr. Crosbie: I think I heard a mumble from the Hon. Member from bird's nest, Winnipeg-bird's nest, who sits there behind his beard, Mr. Speaker. He has a lot of security. He has a security blanket plastered all over his face. He has the audacity to interrupt me when I am trying to speak on this subject for the first time in this House.

One of the regrets of being a Member of the House of Commons is that you do not have the time, Mr. Speaker, to get involved in all of the areas in which you would like to be involved. This is an area in which I would like to have some expertise but have not because I am busy in other areas and, therefore, have not been able to follow it with the close attention I otherwise would have devoted to it. However, I hope I have a few observations to make that will not be too repetitious.

I was listening to the previous speaker, the Hon. Member for Regina East (Mr. de Jong), who made an eloquent speech here tonight, and I heard him bewailing the fact that this legislation had been presented to the House and that the Liberal Government was using its majority to impose closure and push this through the House. I thought to myself what poetic justice this is. There are two ways of voting for a

Liberal Government, as you know, Mr. Speaker. One way is you vote for the Liberal candidate, and the other way is you vote for the NDP candidate. A vote for the NDP is a vote to have a Liberal Government in Canada, as we saw in December—

Mr. Robinson (Burnaby): Point of order, Mr. Speaker.

The Acting Speaker (Mr. Herbert): The Hon. Member for Burnaby (Mr. Robinson) on a point of order.

Mr. Robinson (Burnaby): Mr. Speaker, first of all there are certain questions about the relevance of this misstatement of fact with respect to the Bill before the House. More important, Mr. Speaker, I believe the people of Canada know that it is the Tories who vote twice as often with the Liberals than the NDP do. So the record should be put straight.

The Acting Speaker (Mr. Herbert): That, of course, is not a point of order. It is a point of debate. However, the Hon. Member for St. John's West may try to get back to Bill C-9.

Mr. Crosbie: Yes, Mr. Speaker. What I am saying is that the New Democratic Party is responsible for this Bill. Those Hon. Members made it possible for the Liberals to form a Government in Canada and they have to bear equal responsibility with the Government for the legislation which comes before this House. The NDP are here in a hypocritical pose, bewailing the fact that their partners whom they put in power have brought in this legislation that they do not like. If these gentlemen stop interrupting me I will get from point to point and you will follow my reasoning and you will be fascinated with the tenuous connections that follow between all the points.

• (1930)

Mr. Kaplan: We already are.

Mr. Crosbie: Mr. Speaker, as I say, I have no great knowledge about this Bill. It is enough for me to know that the present Solicitor General introduced it to make me shudder at the effect it might have if it goes through the House. One thing that particularly annoys me is that the Government will not agree to a parliamentary oversight committee. We are to have a review committee which, as I understand it, is to be composed of persons who have been Privy Councillors. That was bad enough. We have had some persons sworn into the Privy Council of Canada who I would not want reviewing anything. Once we successfully got them out of power, I certainly would not want them back reviewing anything else. The fact that you have been a Privy Councillor does not mean that you are going to be attentive to your duties or that you have the capacity or interest to properly oversee the security service, or look at the rights of the public and make sure that abuses do not occur.

It is bad enough that this House will not have a parliamentary oversight committee, I am further advised that the Government has stated that if it wishes to appoint someone to the review committee who is not a Privy Councillor, it will simply swear him into the Privy Council and then appoint him to this review committee. If anyone thought there was some particular value to having been a Cabinet Minister and sworn into the Privy Council, that is all gone. It was a thin hope in any event, but the fact that someone could just be taken off the street—

Mr. Crosby: Michael Pitfield.

Mr. Crosbie: Yes, he is one possibility. Or Trotters McCarthy. It could be Tommy Toe. It could be anyone brought in off the street, sworn into the Privy Council and appointed to the review committee. That is not my idea of assurance to the people of Canada that they are going to have an oversight committee with the courage, independence and resourcefulness to see that this really works.

Just compare us with the United States of America. Compare the miserable state this House of Commons is in, this legislative body, with the United States. It has been emasculated and Members are without power. The only people in this House who have any power at all are Members of the Cabinet. Today they do not have any power; they are all sitting around stewing and wondering if Pierre Elliott Turner is going to take them into his Cabinet or not. They have had their safe berth with the present Prime Minister (Mr. Trudeau) who is very lackadaisical about performance. He does not care whether they perform or do not perform.

But now there is a new Liberal Leader so even the present Cabinet Ministers do not have power at the moment, except for the Deputy Prime Minister (Mr. MacEachen). He slithered across the convention floor on Saturday to make sure—now, I am addressing the Bill, Mr. Speaker, because I am talking about security. The Deputy Prime Minister wanted some security last Saturday and he saw his security blanket sitting in the Turner box and he slithered over, as I said the other day, just like a worried crab that spots a dead herring in the moonlight. He went right for the old rotten herring. Once again he illustrated the fact that he is the most security conscious Member of the Government.

The Minister of Justice (Mr. MacGuigan) was not far behind, of course. He could hardly wait for the first ballot to be counted before he made his break for security. He showed his intelligence. There were several other Members not so security conscious. They are more intelligent. They went with the Minister of Energy, Mines and Resources (Mr. Chrétien). God knows where they are going to end up. They may end up as members of this review committee or some other big job like that.

In any event, here we have a situation which epitomizes the low estate of the Canadian House of Commons, the legislature in Canada, if we compare it with the U.S. Their parliamentary system has survived to the present day with the legislators having some real power. When President Reagan and the executive branch wish to encourage an invasion of Nicaragua or finance some irregular troops or former Nicaraguans, or whoever they might be, to invade and interfere with the internal security of Nicaragua, they have an oversight committee in the U.S. Congress which has some powers. It is com-

posed of Members of the Senate and the House of Representatives. The Senator from New York, the big Irishman—

Mr. Darling: Patrick Moynihan.

Mr. Crosbie: —Senator Moynihan, just by his threat to leave the vice-chairmanship of that committee, was able to bring about a change of policy in the U.S. and have the Government state that it was no longer going to use subversive techniques to try and overthrow the Government of Nicaragua. That is something meaningful. The members of that legislative body have some meaningful power and influence. That is what we should have in this legislation. This should apply not only with respect to the security intelligence review committee, it should happen with all committees.

Why does the Government not want help in controlling the bureaucracy? It is not just that we need to control the security intelligence service. We have to have special techniques for that because a lot of their work must be secret. But the Government generally needs assistance in controlling the bureaucracy as a whole. Why not use the 282 Members we have elected to this House for that purpose? Why should the Government carry on, satisfied, with the Members of the Opposition having no real authority or power? Yes, when Question Period comes along we can question the Government and show our anger, dismay and all the rest of it. But that is not real power.

The back-benchers on the Government side have no real power either. Some of them are fairly decent people. I often say that I know many Liberals, and some of them are very good friends of mine, but would you have one married to your sister? No, not if you could avoid it. Nevertheless, there are some very good people in the Government backbenches who should be utilized.

Mr. Bloomfield: What about your brother?

Mr. Crosbie: I know I will always be looked after by the Government opposite. They put me brother in charge of Fisheries Products International Limited. I know if he needs an executive assistant, they will fire me in there too. I hope I never have to do that, however.

The point I am trying to make is a serious one. There are many good Members on the Government side and on this side who would be more than happy and delighted to serve on committees such as this, and who have the talent and the ability. They would make the time to do it. Those are the people who should be doing it, the people who represent the public. The public knows, for example, that the Hon. Member for Edmonton West (Mr. Lambert), if they approach him on a security intelligence problem or something like that, will be interested. He has been in public life for many years and is identifiable as a public figure. He is still active. If there was some irregularity, he would be bound to see that it was followed up. If he was a member of this review committee, he would get to the bottom of it. If he could not get satisfaction behind the scenes, he would get it publicly by simply asking questions in the House, or wherever it might be. That is the kind of person we need on the review committee.

I am not quite sure how many members it is supposed to have. But supposing there are five, then of course three should be from the Opposition and two from the Government. There should always be a majority from the Opposition who are not going to be embarrassed if the Government has to be embarrassed to rectify some injustice which has occurred.

• (1940)

That is one of the reasons I am very happy to support the position of our Party with respect to this Bill. There is a major defect in the review of these operations alone. We all know we have to have a security service, but why does the Government not know that in addition to a security service we need to be in a position to defend ourselves effectively? It makes one a bit sick to see the pressure put on to put this Bill through the House when we know the Government does not care about the defence effectiveness of Canada whatsoever. It has ignored our NATO obligations and responsibilities for donkey's years, for 16 years at least, since the present Prime Minister (Mr. Trudeau), who told me today that he is going, took office. That is the first time I really believed he was going. I asked him this afternoon and he said that yes, he was going to resign. He confirmed it. I do not think that he would disappoint me by saying one thing in the House and doing something different. For the first time, Mr. Speaker, I really got the impression that the Prime Minister is going to go. More is the pity that he did not wait till we had defeated him before he went. Nevertheless, we wish him well in his retirement. He would be a dandy to have on this committee, by the way.

An Hon. Member: You were taking too long. He could not wait any more. He gave up on you guys.

Mr. Crosbie: He gave up on us having the chance to defeat him. We wish him well anyway. Pass that on to him, please; you never know when you might need his goodwill. He might not mean what he said today.

The Member for Regina East (Mr. de Jong) mentioned a more attentive media. One thing we cannot count on is for the media to be the protector of the civil liberties and rights of the Canadian citizen in this day and age. The media are the froth and the foam on the river of life. That is all they are. They are only skin deep. They are only on the surface. The media no longer dig deeply into anything. They are just prepared to get their *bons mots* or their 30-second quote. Then they run off to the newsroom and get it on the air and go and have a beer at the press club. If we are going to depend on the media to defend us against the transgressions of the security service, God help us! We will be in pretty slack shape. They are just a liver spot on the escutcheon of mankind. We cannot depend on the media to defend us.

The kind of people we could depend on are cantankerous Members of this House, Members who are crusty, independent, saucy, impatient, fed up, nasty and obnoxious. You would

not want to bump into them in the dark. That is the type of person that we need.

Mr. Lumley: That sounds like the Tory caucus!

Mr. Crosbie: Have I described anybody over there?

Mr. Lumley: You have been in the Tory caucus too long, John.

Mr. Crosbie: These are the kinds of persons we want on an effective committee to protect us.

How many more points have I, Mr. Speaker?

Mr. Blaikie: You have not made any so far.

Mr. Crosbie: Winnipeg-Birds Nest pipes up. Is there a birdbrain to match that bird's nest I wonder?

In my final couple of minutes I will say that the Government has not made any pretence of making a real effort even to put Canada in a position where we can defend our own shores or control our own coastal waters. That is one of the things that really offends me. I am from an island, Mr. Speaker, the island of Newfoundland. If we need to be defended we need a navy and an air force. As I have said here before, the people in Newfoundland cannot sleep at night because they do not know the day or the moment that St. Pierre et Miquelon is going to invade. Who can prevent St. Pierre et Miquelon from invading Newfoundland? We may wake up one day French. In a way that would solve my problem, Mr. Speaker. I would be a French citizen. Nobody could say that I was not. I might even learn the language more rapidly than I am now.

Nevertheless, Mr. Speaker, it well behooves a government that is not prepared to devote sufficient resources to provide adequate defence forces to control and patrol our own territory to ask us to pass a Bill with the imperfections of this one and to rush it through in the last moments of this Parliament.

The NDP Member for Regina East suggested that an election be held. There are many reasons for having an election today, Mr. Speaker. This is a Government that has not governed this country—and I am going to be generous about it—certainly since January.

I have to wind up my remarks. I am delighted, Mr. Speaker, that I had a chance to give you some of my views on security and intelligence. I vote against this Bill confident in the fact that I am right in doing so for some of the reasons that I have outlined tonight.

The Acting Speaker (Mr. Herbert): There follows a 10-minute period for questions and comments. The Hon. Member for Burnaby (Mr. Robinson).

Mr. Robinson (Burnaby): Mr. Speaker, I would like to ask the honourable and distinguished Member for St. John's West (Mr. Crosbie) a question. I note that he talked of subversion. He was recently on a subversive mission to my constituency attempting to undermine the foundations of democracy in my constituency in support of one of his political cronies.

The Member for St. John's West has waxed eloquent about the fact that he does not believe that the Conservative Party should be assisting the Government in any way in rushing this Bill through the House. I am very pleased that at the last minute of the debates in this House the Tory Party has finally joined with us in opposing the Bill.

I would like to ask the Member for St. John's West a specific question. There is an opportunity for the Conservative Party to make its apparent opposition to this dangerous legislation a reality. That opportunity will come next week when the Hon. Member's colleagues in the Senate are asked to co-operate and play a little game of footsy with the Government to rush this Bill through in a week. If the Party of the Member for St. John's West is serious about stopping this legislation which is such a threat to civil liberties, are the Conservative Senators going to play footsy with their Liberal colleagues and ram this Bill through? Or are they going to stick to their principles, such as they are, and do what they can to prevent this Bill from passing the Senate next week?

Mr. Crosbie: Mr. Speaker, I am glad that the Member for Burnaby asked that question. By the way, I was to the hon. gentleman's district last week. We had to turn away thousands.

Mr. Robinson (Burnaby): They did not want to come; that is why you turned them away.

Mr. Blaikie: Did you say thousands were turning away?

Mr. Crosbie: Everywhere I went there they asked with some mystification where their MP was. I said: "I do not know where he was but I know where he is not; he is not here today and I have come in his place to deliver a message". The message, Mr. Speaker, you may imagine, is not one which would warm the cockles of the heart of the Member for Burnaby. While I was there I met the new Member for Burnaby after the next election. The hon. gentleman will be languishing before the next election is over.

On your question, the way it is with Conservative Senators is this. There are not too many of them. They are very infrequent.

Mr. Blaikie: They are old.

Mr. Crosbie: Some of them are well up in years. They are independent thinkers. They are civil libertarians and we cannot taken any liberties with them. We cannot impose any rigid discipline on them. They were appointed to the Senate to speak and think for themselves. They were not appointed as Liberals to do what they are told. A Liberal is never appointed to speak and think for himself. He is appointed to speak and think as his Whip tells him. You can see that here in the House, Mr. Speaker. When the Whip is here you can see him sending communications by way of "photovaletic" brain cells to the Liberals here when they speak and vote in the House. We do

not have the same arrangement with our Senators so I cannot tell the hon. gentleman what they are going to do. They are not going to force a vote in the Senate until 5 a.m. It would clean the place out. There would not be one survivor. They are not going to commit mass murder by forcing votes on 175 amendments. But you can be sure that they will strike a vote for liberty when this Bill goes before the Senate.

• (1950)

Mr. Berger: Mr. Speaker, as always, the Hon. Member for St. John's West (Mr. Crosbie) is extremely entertaining. This must be one of the best and most fun-filled shows in the country when he speaks.

I wish to ask him a question about the operations of the CIA in the United States, since he was referring to its operations in Nicaragua and other countries. Did he mean by his references that he was happy with the operations of the CIA? Further, does he know what the mandate of the CIA is and how it compares to the mandate of the security service that we are considering this evening?

It is my understanding that the mandate of the CIA is established by each incoming President, often by secret directive. For example, President Carter, wanting to limit the mandate of the CIA to a certain extent, passed a directive stating that the CIA should not engage in political assassinations in carrying out its mandate. Is he happy with the controls on the CIA? How does he compare them to the controls that we have established here for the Canadian Intelligence Security Service?

Mr. Crosbie: Mr. Speaker, by no means am I an expert on the CIA. Of course I read the popular magazines and try to keep up on events.

The only political assassination that I have seen in recent years was the political assassination that occurred last Saturday when the Minister of Energy, Mines and Resources (Mr. Chrétien) was assassinated politically by his colleagues in the Liberal Party who loved him so much and felt that his honesty and emotions were the greatest of any member of the Party. They felt that he had all of the virtues that a good Liberal could possibly have, and then turned around and assassinated him, led by the Deputy Prime Minister (Mr. MacEachen) who sunk the dirk in most decisively at the dirty last moment that he could do it, by walking across to the box of the incoming Prime Minister. All I know about political assassinations is what I saw last Saturday. I happened to be down at the very scene of the crime.

With respect to the CIA, I do not know what their instructions are. I just know that the CIA is a body that needs to be carefully watched. I know that the Congress of the United States of America has two committees of members of that Congress who oversee the CIA. I know that, even so, members of those committees are very loath to embarrass the CIA or the Government publicly, and are very careful not to do so.

However, if the committees that were overseeing the CIA were all appointed by the executive and not by members of the legislative branch of their governmental structure there, there would be no checks and balances on the CIA at all. That is why I made the comparison because I do not consider the committee that will be set up and appointed by the Government of Canada, the executive branch of which is the Cabinet, and not by a committee of the House, to be any check or balance on the security service whatsoever. It could quickly get out of hand again, just as it got out of hand in the early 1970s.

It was the Member for Regina East (Mr. Ogle) who mentioned that we can see in this country how easily we can panic, and how easily people panicked when the Pierre Laporte murder took place in Quebec a few years ago.

I have only had 20 minutes to speak. If the House would grant me some more time I would advance further arguments why I do not favour the Bill. However, that is my reference to the CIA. I happen to think that the CIA has too much power as well, but at least in the United States they have some checks and balances through committees of the Congress.

The Acting Speaker (Mr. Herbert): If there are no further questions or comments, continuing debate.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, earlier today I had some rather testy remarks to address to the House about the charade it went through with regard to voting clause by clause on the amendments. Never in my life have I seen such a base demonstration of an abuse of the rules by people who should have known better and who had lost total contact with one another.

There was a way to conduct that vote. It seems to me that having had to do much the same thing on legislation that was as complex as this and on which many amendments were put, three negotiators on behalf of the respective parties in the House were soon able to sift the wheat from the chaff and insist that there should be recorded votes on only those points of importance.

Frankly, last night we were being asked to vote on a lot of drivel, although relative drivel as far as the importance of the particular clauses were concerned.

Having said that, I can only say that, on reflection, I was amazed at the moderation of my words. The point is that many Members on both sides of the House have commended me for those remarks.

This is likely my last opportunity to address the House because I am going on a five-day mission to the Atlantic Provinces to receive parliamentarians from one of our European friends. I am to return next Thursday, when there may not be an opportunity to address the House. We will then be adjourning.

It is quite conceivable that we might resume on September 12. I see Hon. Members shaking their heads. I want to point out to them that their idea of getting attractive candidates quickly in western Canada is just a myth in the minds of those in central Canada. No matter what the importance may be of an individual or the fact that he may have been given a high profile in the newspapers, it will not be possible for that person

to give an immediate yes or no answer to a Liberal candidacy in western Canada. Therefore, I may have an opportunity in September to address the House.

However, I pray for your indulgence, Mr. Speaker, to avail myself as others have who are retiring from the House of Commons, to say thank you to my colleagues and express appreciation for being able to work with many of them. At times I have been known to be a little testy—

Mr. Evans: Never!

Mr. Lumley: Don't get soft now.

Mr. Lambert: —with a short fuse. But may I say that while I violently disagree with ideas as expressed at times, over the 27 years there are very few people who have come to the House of Commons about whom I could say I disliked them personally. Some I liked a great deal more than others. We all have those preferences. We have some contacts.

It has been my lot to be on this side of the House for 20 years. While we sometimes say harsh things about the actions or inactions of Ministers, we knew them when they were like ourselves, part of the foot soldiery of the House, fighting in the trenches of the committees, and we got to know them rather well. They were decent chaps.

• (2000)

I do not like to be patronizing and say the same thing about the lady Members who have been with us all through those years. To say they were "decent chaps" I do not think is accepted in that sense! It was an honour to serve with them and we enjoyed their influence in the House. My only regret is that we did not have many more. I am not going to pick anyone out except one, the former High Commissioner for Canada in Great Britain, who is now part of the Macdonald Commission. When she was here, her presence graced the House.

My colleague opposite me, the Hon. Member for Beauharnois-Salaberry (Mr. Laniel), came here in 1962. I recall many people who came here as freshmen in 1962 who were bright, perky young Members on the back row on this side as I sat in the Chair where you are now, Mr. Speaker, and I recognized that they were a pretty hardy breed.

Mr. Laniel: And much younger!

Mr. Lambert: Yes, much younger then. Twenty-two years have passed and it is remarkable how much 22 can add to a man's life when he starts out in his late 30s or early 40s.

There are many things in this House that one would want to see changed. My colleague, the Hon. Member for St. John's West (Mr. Crosbie), alluded to something that could happen in the United States Senate which has a singular effect on changing administration policy. It is very difficult to make those changes here, but it should be possible. The ordinary Member on the Government side of the House should be released from the overpowering albatross of Cabinet control, of everything that moves or breathes in the Chamber, and so have some independence of thought.

One has only to go back to the books of 1920 describing the lives of the people who were the first bureaucrats, the mandarins in the administration of the Public Service. The philosophy is still the same. Gracious me, I heard an analysis of Bill C-24 on the radio this afternoon. It just happens that I have been very active on the committee hearing that Bill. One can see the almost Machiavellian hand of bureaucratic control that is being imposed through the net of Crown Corporations, not only Crown Corporations of a business type, but the cultural ones in particular. The Government has now reneged on its position. We see now that directors general of the National Arts Centre and people in the Canada Council were intimidated by telephone calls not to object to Cabinet power to appoint. We hope we will get the Minister of Communications (Mr. Fox) before the committee if the Government majority will allow the motion to be put by my colleague the Hon. Member for Rosedale (Mr. Crombie) to the effect that the Minister and his deputy minister appear before the committee. That is as it should be.

I want to see more power and better services for individual Members. I want to thank the officers of the House who have served over the years. One also has to say goodbye to constituents, but one does not do it here because they are not present. As far as that goes, I think I have served them reasonably well as a parliamentarian. I did not have that opportunity, nor could I, nor would I, of being a Member of Parliament and conducting, shall we say, full practice of law at the same time, because I lived 46 hours away by train when I was first elected. Then it became 14 hours' flying time, and it is now three and a half to four hours.

Having said all that, Mr. Speaker, and having said some other things the other night on my motion with regard to the Commissioners of Internal Economy, I would like to say a few words about this Bill. I was torn really, I felt in a dilemma, over the proposal because I felt, and I still do, that ideally it would be better for a civilian intelligence agency to look after that side of the business and for the RCMP to concentrate upon being the federal police force and to carry out any of its duties that might involve the RCMP with the operation of civil intelligence and so forth. I said ideally. There I think I share the opinion of many of my colleagues. But having gone into this Bill rather more deeply in asking questions, particularly the one that was answered the other day by the Solicitor General (Mr. Kaplan) himself as to why does the Director of this agency, why does the Commissioner of the Royal Canadian Mounted Police, and why do three or four other directors who have the rank of deputy minister now, in the last 15 years and in this case with the implementation of this legislation, report through the Deputy Solicitor General? The answer given to me was fashioned by the bureaucrats. It was self-serving. The Minister shakes his head.

Mr. Kaplan: I shake my head because it was my own answer.

Mr. Lambert: The Minister has been under that influence so much that he cannot escape it. I want to tell him that I was a Member and knew the commissioners of the RCMP at the time the change was made. Hitherto the Commissioner reported directly to the Minister, but then the force suffered the indignity of having its Commissioner report to a deputy solicitor general. It is the same with this Bill.

The Minister may say that he prefers to read an additional set of condensed memos of a Solicitor General in addition to the files and the recommendations he will see from the heads of the services who report directly to him. I am one of those who asks why hire watchdogs and have someone else do the barking? Or another good lesson for a Cabinet Minister is why hire a watchdog and do your own barking? In other words, you do all the messing around down below and cannot keep your hands off the Department.

● (2010)

This is one of the fundamental reasons I do not like this particular Bill. I am awfully uncomfortable about the definition of "subversive". Of course, I share the total unease of my colleagues and of, I am sure, some Government Members with regard to the review committee.

Turning to Clause 6(3), it reads as follows:

Directions issued by the Minister under subsection (2) shall be deemed not to be satutory instruments for the purposes of the Statutory Instruments Act.

Why not? It is because they will escape review. It is unfortunate that the Senate of Canada does not have the same power as the Senate of Australia. The power of the Australian Senate with regard to the Statutory Instruments Act is that statutory instruments can be revoked if it is felt that they are improper. When the Statutory Instruments Act was passed, if I recall and subject to error, the future Prime Minister was Minister of Justice. It is the biggest mish-mash which exists. First, it allowed the mandarinate to determine what were statutory instruments and thereby remove as much as possible some of the directives from public examination by the Standing Joint Committee on Regulations and other Statutory Instruments.

Have Hon. Members seen—and I think it was the only time it was ever attempted—the review section in the Statutory Instruments Act wherein there are positive reviews and negative reviews, wherein are written rules of procedure for the House and for the other place which have never been incorporated into our rules and procedures? In fact, the last special committee looking into procedure totally ignored the review provisions in the Statutory Instruments Act.

My last point concerns the responsibilities of the Director. For the general operational policies of the service, he must consult with the Deputy Minister. If the Director or any of his designated employed persons seeks a warrant or the renewal of a warrant, it has to be done in consultation with the Deputy Minister.

Briefly, notwithstanding the charade on votes last night and this morning, notwithstanding a general sympathy which I have in separating the roles of the RCMP, and notwithstanding what I think is a more proper central intelligence service, I will vote against this Bill. The Bill as it stands before us is a thoroughly bad one in its main provisions.

Mr. Cullen: Mr. Speaker, I should like for the moment to set aside the partisan debate we are having in so far as this particular Bill is concerned. I have not put in the number of years which the Hon. Member for Edmonton West (Mr. Lambert) has put into this place, but I, too, will be leaving the House of Commons very shortly.

It might be of interest for him to know that the future Prime Minister, when I had the privilege of serving as his Parliamentary Secretary, said: "When Marcel Lambert gives you his word, you know that that is his bond". Quite often we considered tax legislation and as two young bucks received a lot of good advice from the Hon. Member who would say: "Don't be rushing it. Just give us time to play with it. You will get your Bill next week", and we always knew we would. That was a significant tribute from the then Minister of Finance.

I made a point of going back and looking over some of the debates. The Hon. Member for Edmonton West on more than one occasion was called upon on Budget night, when all the focus was on the Minister of Finance, the Budget and the lock-up of the press, and had what I always thought was a very difficult task. He had to respond immediately on the particular night to a Budget which he had only seen shortly before. The then Minister of Finance said: "Go back and read the Budget speeches which Marcel has made because they are classics in responses to Budgets". It is significant to indicate that they were all different. There were different emphases and different lengths. Sometimes, as he said, the Hon. Member even had a tendency to lose his temper.

I should like to say that it has been a privilege to be in the House while the Hon. Member was here. He has a long and distinguished career not only in the House but as a veteran who was taken prisoner at Dieppe. Those of us who have known you as a friend will forget some of the partisanship and say that we hope you will enjoy your retirement, if that is the proper word, although I cannot see a man as active as you actually retiring. I know I do not intend to; I am going to another job.

In terms of this particular Bill I, too, am convinced that it is necessary to go to a civilian service. I, too, feel that some of the definitions could be tightened up somewhat. However, the difficulty we have is that which the Hon. Member signified and indicated many times in the past. When someone does not get their way and brings in some 300 amendments at committee stage, there is no legitimate debate. Some of the amendments moved by the Hon. Member's colleague, the new critic of the Solicitor General, warrant more careful attention than they frankly received. However, when 300 amendments are being brought in by one Party and we are trying to debate a Bill which contains over 90 clauses, it is somewhat difficult to have a legitimate debate. One is almost bound to go with the Minister and with the Bill because it is significantly better than the *status quo*, with the Mounties there and no control.

Mr. Deputy Speaker: Order, please. The fact that both hon. gentlemen may not be with us much longer is not reason enough for them to talk to each other. Remarks must be directed to the Chair.

Mr. Lambert: Mr. Speaker, I suppose one could forgive-two old hands having a little sentimental discussion. In reply, the Hon. Member for Sarnia-Lambton (Mr. Cullen) has struck upon one of the salient points which characterizes this particular debate. Tactically I think it was disastrous to have dumped on the Order Paper this plethora of useless amendments. The points could have been made with a few well chosen amendments, the same as did the Hon. Member for Vancouver South (Mr. Fraser) who wanted to emphasize those points worth emphasizing. Then the House could have been engaged in meaningful debate. The Solicitor General might not have been moved in frustration, and I can understand his frustration, to bring in allocation of time. It might have resulted in a better Bill. The net result is that I find I am a loser. Since the Bill could not be changed in compliance with the desires of the House, not the bureaucracy, we are the losers.

• (2020)

Mr. Blaikie: Mr. Speaker, I wish to first say a few words of best wishes to the Hon. Member for Edmonton West (Mr. Lambert) on his retirement. He has been here a long time, since 1957 if I am not mistaken. As one who was five years old when the Hon. Member was first elected to this House, I wish him well in his retirement.

I want to comment also on some of the remarks he as an experienced parliamentarian made on what transpired last night. In the short time that I have been here, I have seen both Opposition Parties, because they felt strongly about a particular Bill and felt that no indication whatsoever had been given by the Government that there was an openness to amendments or change, demonstrate symbolically within the rules how strongly they felt about that.

That is what the Hon. Member's colleagues did on the Constitution when they came up with question of privilege after question of privilege, *ad infinitum*. That is what they did when they rang the bells for 16 days over the National Energy Program. We presented petitions *ad infinitum* because of the way we felt about changes in the Crow rate. Last night we felt that the final thing we could do to show the Canadian people that we really think that this is a watershed in the history of how we deal with security problems in this area was to make the House sit until five o'clock in the morning. That was not the end of the world. It is something Opposition Parties do from time to time to signal to the public, and indeed to the Government even if it does not bring about any change, how strongly they feel.

We should not get up and heap abuse on ourselves collectively by pretending that the only Parliament that is worth its salt is a Parliament that efficiently passes legislation put before it by the Government. Opposition Parties will feel strongly from time to time, that is how we felt last night. Plenty of people in my riding have had to work two shifts in a row. I do not think it was a biological disaster for people to have to stay up until five o'clock in the morning.

The Hon. Member for London West (Mr. Turner) knows that sometimes people work a shift on the railway and go right back out again, and they are in charge of millions of dollars of equipment for another eight hours. All we had to do was stand up and indicate where we stood on votes which the Hon. Member called trivia. But I notice he voted with us all the time. I just say to the Hon. Member that is the way that Parliament works. He ought to know that even better than I.

[*Translation*]

Mr. Kaplan: Mr. Speaker, I thank the Chair to allow me to say a few words, as a member who has been here since the Hon. Member for Sarnia-Lambton (Mr. Cullen) first came to the House and who has worked well with the Hon. Member for Edmonton-West (Mr. Lambert) first as a fellow member and also in another capacity as the chairman of the House of Commons Standing Committee on Finance, Trade and Economic Affairs, and I am very grateful to him for his expert contribution in establishing the rules governing the Chair. I want to wish him on my behalf and on behalf of those who worked with him on the Committee on Finance, Trade and Economic Affairs, all the best on his retirement from Parliament. I am very happy to know that I will have a lifelong friend in Western Canada. And for a Liberal, that is quite something.

[*English*]

Mr. Friesen: Mr. Speaker, I appreciate the fact that Hon. Members have taken the opportunity to pay tribute to my colleague for his many quality years of service in the House. I hope that sometime in the next five or six days the House will take some time to do the same for all Members who have decided not to return to this Chamber. That is not to take away from my good friend from Edmonton West who has taught us a lot. I came here ten years ago as a total greenhorn, not only to Parliament but also to politics. I have learned something every time the Hon. Member for Edmonton West (Mr. Lambert) has spoken. As I said, I hope that in paying tribute to him we do not at the same time in the next week overlook the fact that there are others who will not be returning. We owe to them all a debt of gratitude for the work they have done here. We will have an opportunity to honour them. These are the closing hours on this debate on Bill C-9—

Mr. Deputy Speaker: I hope there is no misunderstanding between the Hon. Member and the Chair. There is a minute left in the question and comment period. I had not yet called for debate. I had recognized the Hon. Member for a comment or question. We will now go back to debate.

• (2030)

[*Translation*]

Mr. Pierre Deniger (La Prairie): Mr. Speaker, I would like to use at least some of the time I am allowed, in concluding the

debate on Bill C-9, to pay tribute to the Member for Sarnia-Lambton (Mr. Cullen) and the Member for Edmonton West (Mr. Lambert).

When I was elected in 1979 and re-elected in 1980, the first committee on which I was privileged to sit was the Committee on Finance, Trade and Economic Affairs. At the time, the Committee had the honour or perhaps the misfortune to consider the Bank Act. Mr. Speaker, you will agree that the task was a difficult one and when I compare the debate on Bill C-9—I must say it is small beer, especially when we consider that the Bank Act is reviewed every ten years—with the eloquent and incisive comments of the Member for Edmonton West and the wisdom of the Chairman, the Member for Sarnia . . . Having known them both as friends, I am very sad to see them go, although I realize they will both still be able to do great things for this House and for our country.

Mr. Speaker, I have had the honour of speaking two or three times before in the debate on Bill C-9. The first time, I surprised a number of Hon. Members on a Friday morning by putting the previous question, which had the effect of referring the Bill to Committee. I did so to satisfy my own concern, as a Member of this House, that my colleagues in the House and on the Committee would have a chance to examine thoroughly this piece of legislation. Unfortunately, Mr. Speaker, and you understand I am referring to my hon. friend from Burnaby (Mr. Robinson) . . . The real problem with the Left in this country, which is strangely similar to that of the American Left, becomes obvious when they are faced with legislation like the Bill on the Canadian Security Intelligence Service. If they really want to improve a Bill they consider to be defective, obstruction is not the way to do it. The answer is not to prevent debate but to encourage it.

Mr. Speaker, there is a saying that you cannot have your cake and eat it too. However, my hon. friend from Burnaby not only wants to have his cake and eat it, he wants the icing and the candles, and he wants the candles lit the way he wants them to be lit, otherwise he does not want the cake at all. That is not our attitude. Mr. Speaker, if we consider that this debate on Bill C-9 is not something new . . . The debate on Bill C-9, on this particular service, has been going on for at least fifteen years. Fifteen years of intensive study and debate. Unfortunately, we have met with a complete lack of common sense and understanding for parliamentary procedures, especially on the part of Members of the New Democratic Party.

Mr. Gourde: A lack of common decency!

Mr. Deniger: A lack of common decency, says the Parliamentary Secretary, on the part of the Members opposite.

Mr. Speaker, the Government had a choice. It could have decided to do nothing. However, it decided to act responsibly and to do so while taking a number of precautions. What were those precautions, Mr. Speaker? That should be obvious. We had two Commissions of Inquiry: the Mackenzie Commission and the McDonald Commission. And as if that were not enough, we then decided to refer the matter to the Senate. And as if that were not sufficient, after the MacKenzie Commission, the McDonald Commission and the Special Senate Committee, we referred the matter to the Committee on Justice and Legal Affairs, under the able and talented chairmanship of the Hon. Member for Rosemont (Mr. Lachance), who, unfortunately, is leaving us as well. And throughout the process of dedicated hard work on this Bill, we did not get the co-operation we were entitled to expect from the Members opposite, considering the Bill is a reform Bill and should satisfy people who want to make a better world.

Mr. Speaker, people who see a glass with a little water in it will say either that it is half full or that it is half empty according to their own way of thinking. Unfortunately, the Hon. Members opposite always see the glass as being half empty. However, it is important to note that this Bill clearly identifies the mandate and the powers of the Security Intelligence Service. These powers are now subject to judicial control.

Mr. Speaker, to give as an example of how frustrating it is for us to discuss with the Members opposite in this House, I would like to recall the debate on Motion No. 61. This was an amendment moved by the Members opposite which we had rewritten, and the Hon. Member for Vancouver South (Mr. Fraser) told us that such an amendment made no sense, even though it was his own amendment which had simply been rewritten to comply with the criteria applicable to legal literature. As a Member of Parliament, I find this type of comment absolutely nonsensical, incredible and unsatisfactory because this judicial control does indeed constitute the insurance policy which should tell all of us that there cannot be any abuse of the system.

Beside, Mr. Speaker, there will not only be judicial control, especially under the Constitution which we have given ourselves and this country, and which should ensure this independence and guarantee that our most fundamental rights will be preserved just in case someone does not do his job as he should or fulfill his mandate as provided.

There will also be an independent review process which will be carried out by the Inspector General and the Security Intelligence Review Committee, which will both be accountable to Parliament, something which is not provided for at this time. Now what do we have exactly? Mr. Speaker, we have several controls to guard against the abuses about which we have been hearing so much from the Members opposite, especially the NDP Members, because they are altogether negative and pessimistic. Instead of trying to improve this Bill, they have tried to see to it that it is completely destroyed.

An Hon. Member: They do not trust anyone!

Mr. Deniger: First, Mr. Speaker, there is the judicial control, which should be the most sacred for lawyers! Second,

there is Parliament. Third, there is the service itself and the Solicitor General.

In other words, Mr. Speaker, the purpose of this Bill is to guarantee the security of Canada while providing better controls, better monitoring mechanisms, through which we can guarantee that the basic rights and freedoms of Canadians will also be protected.

Certain critics have asked about the very substance of this Bill and said: What is it that must be protected? Some have even denied that the security of the country is threatened. Some would want us to believe that, here in Canada, we are living in a completely serene and pure world where we shall never need such a security agency while the facts revealed by the Mackenzie and McDonald Commissions clearly show the opposite to be true.

Canada is a nice country! It is a great country. However, it is a country which needs to be protected. Past and recent events prove it. Let us look at past events. I had the misfortune to be more aware of one of these events than any other Member of this House. In 1945, Mr. Gouzenko's revelations shook Canada and the Western world and showed to what extent it was possible to have a wide-ranging spy network in a country as peaceful as ours. This spy network was present throughout our society. Even a Member of the House of Commons named Fred Rose was found guilty of espionage. Mr. Speaker, this threat did not disappear; it still existed in the seventies, for instance. We closed our doors to 44 Soviet diplomats. We expelled 111 between 1978 and 1983.

If I may, Mr. Speaker, I would like to speak about the events of the seventies. Because as Member for La Prairie—I was not a Member in 1970—I had a member who was still alive, he was called Pierre Laporte, he lived in Saint-Lambert on Robitaille Street, the street next to my in-law's, less than a quarter of a mile from my home, and perhaps I am the last constituent whom Pierre Laporte saw alive. Mr. Speaker, I am the last constituent whom Pierre Laporte saw alive. I was a law student then and we had a project on parliamentary procedure. So, quite naively, I called my MNA, who was a Minister at the time. I told him: Mr. Laporte, perhaps you do not know me, I am a student and I would like to see you because, as a law student, I have some work to do on parliamentary procedure. He asked me: Are you Médard's son? I said yes. He told me: Come and see me anytime. So I asked him: When, Mr. Laporte? He said Friday. I asked him at what time? He said 5 p.m. I saw him at 5 p.m. for a 15-minute appointment, but I stayed an hour and half. The day after he was kidnapped. He was kidnapped at noon the following day, was never again to be seen alive. That happened to me, it happened at home. It was done by Longueuil residents who lived on the street where I was born. They lived at 240 Gardenville Street and I was born at 186 Gardenville Street. And they kidnapped my MNA who was a Minister at the time. He was a friend of our family. He spent his last hours helping a student who had a law project. And he died. Perhaps he was even tortured, but nobody knows. And they tell me that we have no problems in Canada? They tell me that we do not need that in Canada? They tell me that it cannot happen in Canada? Well it did happen and we were there. And I was a lot closer to it than many people. I still see Mrs. Laporte and her children. If you think that they are not hurt, Mr. Speaker, and it you think that they would not have liked to have that kind of agency which might have prevented this odious crime, this murder ... I, for one, think that they would have felt more secure knowing that such an agency existed and could indeed have prevented that murder. And that did not happen in Afghanistan, it happened in Saint-Lambert. Those people who lived on my street, Gardenville Street in Longueuil, and who kept him prisoner at Saint-Hubert, on the south shore, my home. And they tell me we do not need it! They tell me that an agency such as we had in the past is adequate, but past events show clearly that it was not adequate.

Mr. Speaker, we are not talking only about local attempts because there are attempts which originate outside this country. Armenians do not agree with Turks and, unfortunately, they kill Turkish diplomats here in Canada. Those diplomats have families. Do they not deserve protection? Should we not protect as well those who might be injured in those attempts? Should we not make sure that the people whose sole responsibility and mandate is to look after the security of this country can do their job? That seems obvious to me. As we all know, Mr. Speaker, terrorism is not on the wane in 1984, it is increasing.

Let us think of what is going on in Lybia. Let us think of what is going on about everywhere in the Middle East. Let us think of the terrorist acts in France, Britain, even the United States, Mr. Speaker, and even Toronto! Let us think of the bombs that were put in certain plants, because someone might not agree with the type of products they were making. And Hon. Members suggest we might not need that! Our rights might be threatened! I submit to you, Mr. Speaker, that our rights are threatened in the absence of such an agency. They are threatened if we do not take the necessary steps to ensure there will be no recurrence of those crimes.

Mr. Speaker, Thomas Jefferson said, if you allow the quote, that God granted man liberty under the condition that he show eternal vigilance.

If we are to blame, it is not for putting forward this legislation but for having done nothing about it for 15 years. Finally the Solicitor General had the courage and ability to defend his convictions, to put the legislation forward. Some Hon. Members criticized the bill, but did they truly attempt to determine the true intention of the legislation? Not at all, Mr. Speaker, all they did was filibuster! With his competent Parliamentary Secretary, the Minister succeeded in giving countless marks of patience to ensure that the bill goes through. And some Members have the gall to state it is not perfect. The

real shortcoming would be in not having it. What would be wrong would be to be deprived of it.

Mr. Speaker, that system will be envied by all free nations, by all civilized people in our world. When I see such a security system administer a civilian agency, which will surely be staffed with former RCMP officers . . . I have 144 RCMP officers living in Brossard! And if you think they are against it, you are dead wrong. Quite the opposite, they want those people finally to know exactly what their mandate is, what their job is. This is something they did not have. A former Crown Attorney, the Hon. Member for Halifax must have been quite something of a Crown Attorney judging by his attitude, Mr. Speaker.

So, I want to suggest that this legislation was needed. It meets a requirement. Not an academic, hypothetical requirement, but a requirement we all experienced in this country. A requirement that is evident every evening on the newscast, when we look at what is happening in France, in Britain, in the United States, among certain groups. Hon. Members talk of freedom. My answer Mr. Speaker, is Jefferson's statement: Freedom is vigilance. Vigilance itself. Just as taxes are the price to be paid for democracy, police is a price to be paid for vigilance. And that agency, Mr. Speaker, does not infringe upon our basic rights, on the contrary.

It is this very agency, Mr. Speaker, which will preserve our fundamental rights. As for those who do not believe in this Parliamentary institution, who do not believe in the judiciary, who do not trust the morality of our present police officers, who do not believe that there are people in this country who are prepared to ensure that the country works, to see to it that their freedoms are maintained, well, what can I say, Mr. Speaker? They live within their own world . . . too bad for them! However, I am sure that if ever we face a threat such as we were unfortunate to face in the past, Liberal members of Parliament, who had the courage to stand behind this Bill which will be put to a vote in a few minutes will be praised by the Canadian public, Mr. Speaker. On the other hand, the opposition party will be scorned because it did not have the courage to improve this legislation! Canadians will say to members on the other side that they did not live up to they responsibilities, that they were remiss in their duty. And they will be the ones who will bear the brunt of such criticism, Mr. Speaker, because we on this side did not shirk our responsibilities. This legislation has been in the making for 15 years, we have been considering it for 15 years and we had to bear with the filibustering and the arrogance of members on the other side. The Hon. Member, the former Crown Attorney, does not know what he is talking about, Mr. Speaker; if only he had gone through what we had to go through . . . I can assure you that we intended to pass this particular bill without time limitation and with full opportunity for the opposition members . . . Since we had good participation—

• (2040)

[*English*]

BUSINESS OF THE HOUSE

Miss Carney: Mr. Speaker, I rise on a point of order to seek the unanimous consent of the House to waive the notice requirements for two amendments to the National Housing Act in order that they may be printed. I have discussed this with the House Leaders of both Parties and there has been no objection.

Mr. Pinard: Mr. Speaker, the Hon. Member has discussed the matter with myself, and we agree.

Mr. Deputy Speaker: Does the House agree to the request of the Hon. Member for Vancouver Centre (Miss Carney)?

Some Hon. Members: Agreed.

* * *

CANADIAN SECURITY INTELLIGENCE SERVICE ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Kaplan that Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, be read the third time and do pass.

Mr. Blaikie: Mr. Speaker, I rise on a point of order. The speech just made by the Hon. Member for La Prairie (Mr. Deniger) is the worst I have ever heard in my life.

Some Hon. Members: Hear, hear!

Mr. Deputy Speaker: Order. It being 8.45 p.m., pursuant to Order made Tuesday, June 19, 1984, it is my duty to put every question necessary to dispose of the third reading stage of the Bill now before the House.

Mr. Kaplan, seconded by Mr. Pinard, moved:

That Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting the enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto, be read the third time and do pass.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion, the yeas have it.

And more than five Members having risen:

Mr. Deputy Speaker: Call in the Members.

The House divided on the motion (Mr. Kaplan), which was agreed to on the following division:

(Division No. 136)

YEAS

Messrs.

Appolloni (Mrs.)	Dupont	Lumley
Bachand	Dupras	MacBain
Baker	Duquet	MacGuigan
Beauchamp-Niquet (Mrs.)	Erola (Mrs.)	Mackasey
Bégin (Miss)	Ethier	MacLaren
Berger	Evans	MacLellan
Blais	Ferguson	Malépart
Blaker	Fisher	Maltais
Bossy	Fleming	Marceau
Breau	Flis	Massé
Burghardt	Foster	Masters
Bussières	Fox	McRae
Campbell (Miss) (South West Nova)	Garant	Nicholson (Miss)
Campbell (LaSalle)	Gauthier	Olivier
Campbell (Cardigan)	Gendron	Ostiguy
Collenette	Gingras	Ouellet
Comtois	Gourde (Lévis)	Parent
Corbin	Gray	Penner
Cosgrove	Guilbault	Peterson
Côté (Mrs.)	Harquail	Pinard
Cousineau	Henderson	Portelance
Cullen	Herbert	Regan
Cyr	Hervieux-Payette (Mrs.)	Reid (Kenora-Rainy River)
Daudlin	Hopkins	Robinson (Etobicoke-Lakeshore)
De Bané	Hudecki	Rompkey
de Corneille	Isabelle	Rossi
Demers	Johnston	Savard
Deniger	Joyal	Schroder
Desmarais	Kaplan	Simmons
Dingwall	Kelly	Tardif
Dion	Killens (Mrs.)	Tessier
Dionne (Chicoutimi)	Lachance	Tobin
Dionne (Northumberland-Miramichi)	Lajoie	Tousignant
Dubois	Landers	Trudeau
Duclos	Laniel	Turner
	Lapierre	Veillette
	LeBlanc	Whelan
	Leduc	Yanakis—112.
	Lefebvre	

NAYS

Messrs.

Althouse	Fennell	McDonald (Ms.) (Broadview-Greenwood)
Andre	Forrestall	McKinnon
Benjamin	Fraser	McKnight
Blaikie	Friesen	McLean
Cardiff	Gamble	McMillan
Carney (Miss)	Gustafson	Mitges
Clarke (Vancouver Quadra)	Halliday	Murphy
Cooper	Hawkes	Neil
Cossitt (Mrs.)	Heap	Nielsen
Crosbie (St. John's West)	Hees	Oberle
Crosby (Halifax West)	Hnatyshyn	Orlikow
Crouse	Howie	Parker
Dantzer	Kempling	Patterson
Darling	Kilgour	Riis
Deans	King	Robinson (Burnaby)
de Jong	Knowles	Sargeant
Epp	Lambert	Schellenberger
	McCain	
	McDermid	

Security Intelligence Service

Messrs.

Scott (Hamilton-Wentworth)	Thacker	Wenman
Taylor	Towers	Young—60.
	Waddell	

● (2110)

Mr. Speaker: I declare the motion carried.

[*Translation*]

Mr. Pinard: Mr. Speaker, I wish to take this opportunity to thank my colleagues from all parties. I had consultations with the House Leaders and I think there is unanimous consent for the House not to sit on Monday of next week so that we can properly celebrate the Saint-Jean-Baptiste.

Therefore, I move, seconded by both Opposition House leaders:

That, when the House adjourns on Friday, June 22, 1984, it shall stand adjourned until Tuesday, June 26, 1984.

Mr. Hnatyshyn: Mr. Speaker—

Some Hon. Members: Say it in French.

Mr. Hnatyshyn: —c'est moi, Hnatyshyn, qui vous parle—

Some Hon. Members: Hear, hear!

An Hon. Member: "Ukrenski"!

Mr. Hnatyshyn: —in Ukranian!

[*English*]

I am very pleased to second this motion. It is an important celebration for Francophones across Canada. We in the Progressive Conservative Party are quite prepared—

Mr. Crosbie: It's St. John's day in Newfoundland.

Mr. Hnatyshyn: —to go along with the Government House Leader's proposals, and are happy to do so.

Mr. Deans: Mr. Speaker, we also agree.

Mr. Speaker: By unanimous consent, moved by the President of the Privy Council (Mr. Pinard)—

[*Translation*]

That, when the House adjourns on Friday, June 22, 1984, it shall stand adjourned until Tuesday, June 26, 1984.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion carried.

[*English*]

It being 9.20 p.m., this House stands adjourned until tomorrow at 11.00 a.m., pursuant to Standing Order 2(1).

The House adjourned at 9.20 p.m.

HOUSE OF COMMONS

Friday, June 22, 1984

The House met at 11 a.m.

● (1105)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

COMMUNICATIONS

OPPOSITION TO PROPOSED TELEPHONE RATES

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, many concerned citizens in my riding of Grey-Simcoe and surrounding area have brought to my attention the Bell Canada proposal which would change the billing procedure now in force to a system whereby the customer will be charged for individually made telephone calls. It has been correctly pointed out that this would create undue hardship for seniors, the handicapped, low-income families on fixed income, and those who rely heavily on the telephone as their main source of communication.

As well, seniors and handicapped persons often have to order medicines, groceries, et cetera, by telephone, when no transportation is available. They have to consult and report to their physicians more often than others, and the cost of individual calls would be astronomical.

This would cause extra monetary worries for those who can ill afford the extra cost, and would result in a loss of community involvement to seniors and others who have continued to keep involved in church groups, service clubs and so on, by telephone.

Therefore I call upon the Government to exercise every possible influence on Bell Canada not to proceed with such a proposal which would prove very detrimental to all Canadians.

* * *

NATIONAL REVENUE

TAX DEPARTMENT'S TREATMENT OF VANCOUVER SYMPHONY ORCHESTRA MUSICIANS

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, for years there have been discrepancies in the income tax treatment of musicians who are members of Canada's symphony orchestras. Some are treated as employees and are thus denied deduction of expenses and capital cost allowance, while others are considered to be self-employed and are allowed proper deductions in arriving at net income for tax purposes.

Even though the Subcommittee on the Taxation of Visual and Performing Artists and Writers was considering this very subject and has since recommended amendments to the Income Tax Act to allow deduction of expenses incurred by symphony musicians, the Minister, in the meantime, changed the treatment for Toronto Symphony members, leaving only the Vancouver Symphony members as employees denied deduction of expenses.

The Minister has received copies of the Vancouver Symphony Society telegram that was sent to the Chairman of the Subcommittee outlining the injustices and discrimination against western Canadians. I appeal to the Minister to implement the needed changes in treatment immediately, so that a measure of equity will be restored to the application of the Income Tax Act.

* * *

[*Translation*]

CANADA DAY

SALUTE TO CANADIAN FLAG AT GASPÉ

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, this year Canada Day will have a special significance since we are celebrating the 450th anniversary of Jacques Cartier's first voyage to Canada and his arrival in Gaspé.

As part of the Canada Day celebrations in Gaspé, the flag raising ceremony will take place at five o'clock in the morning, at sunrise.

I invite all Canadians to celebrate Canada Day with pride and joy and to recite the Salute to the Canadian Flag at the flag raising ceremony, as we do in our schools and especially in the Scout movement. These are the words of the Salute to the Flag:

SALUTE TO THE CANADIAN FLAG

To my Flag and to the country it represents, I pledge RESPECT and LOYALTY.

Wave with PRIDE from sea to sea and within your folds, keep us ever UNITED.

Be for all a symbol of LOVE FREEDOM and JUSTICE

God keep our FLAG
God protect our CANADA

S.O. 21

[*English*]

EXTERNAL AFFAIRS

DEBT BURDEN OF LATIN AMERICAN COUNTRIES

Mr. Dan Heap (Spadina): Mr. Speaker, last Saturday a joint statement issued by the presidents of Argentina, Brazil, Mexico, and Colombia warned that they cannot indefinitely accept the burden of existing loan repayment plans. The total foreign debt of 11 Latin American countries is estimated at $300 billion. The increase in the U.S. prime rate of half a percentage point added $4.5 billion to the Latin American debt.

• (1110)

Canada is no stranger to this fiscal strangulation of developing countries. Three of Canada's five major banks have a total of $14 billion in loans outstanding with Latin American countries. When the Canadian prime rate rose from 11.5 to 12 per cent, an additional burden of $5.8 million monthly was added to that debt.

While the International Monetary Fund, the enforcer for world capital, wants to impose austerity measures, such as withholding wage increases for an already overburdened population in Latin economies, and the American Federal Reserve Board would "cap" interest rates, postponing additional interest payments in fact, the OECD argues that only an easing of international interest rates can provide any lasting solutions.

I call upon the Minister of Finance (Mr. Lalonde) to protest to the U.S. that this deliberate impoverishment of struggling Latin economies must stop and there must be no further hikes in interest rates, that the developing nations—

Mr. Speaker: The Hon. Member's time has expired.

* * *

THE PRIME MINISTER

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, yesterday I took issue with the Prime Minister's (Mr. Trudeau) view of earlier this week that his Government has been without a serious scandal for 16 years. I mentioned many examples of the abuse of public office by Liberal Members of Parliament, Cabinet ministers, and political friends over that period.

The reality is that a Prime Minister sets the tone for conduct in this city. The reality is also that, as far as this Prime Minister is concerned, virtually anything has been tolerable. "Say anything, do anything, break any commitment, as long as it might help us cling to office" has been a major operating principle of successive Governments over 16 years.

In the 1980 election campaign, for example, the Prime Minister and his Liberal candidates campaigned on four promises: "The 18 cents a gallon gasoline tax of the Tories is too much, we will slow Government growth, we will reduce unemployment, and we will reduce interest rates." Since 1980, of course, the Liberals have done precisely the opposite in all four areas. Government tax on gasoline has tripled, the cost of gasoline and heating oil has at least doubled, federal government spending and growth have increased geometrically, 1.5 million Canadians, including 600,000 younger ones, have been out of work for at least the last two years, interest rates are high now and moving higher, as our dollar yesterday reached an all-time low.

The one reason, Mr. Speaker, that Canadians are going to elect a Brian Mulroney Government this summer is the general feeling that we can conduct the national business both more competently and more honourably.

* * *

HOUSE OF COMMONS

CHANGE IN VOTING PROCEDURES

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, in this day and age of advanced technology in information gathering and recording it is a regressive and backward practice to be a slave to a traditional voting procedure in this House which necessitates an individual personal response of standing and then bowing to the Chair in sequence to one's announced name.

As a medical doctor I feel that such a mode of voting, when numerous votes are scheduled on a given day, can be a type of psychological and physical torture to Members. Being confined to their seats for hours places considerable physical and emotional stress on Members, regardless of their baseline state of health. It is unwise to push Hon. Members to, or beyond, their physiological limits. These limits are marginal in those with underlying medical difficulties.

• (1115)

In other words, this traditional mode of voting in the House, carried out to the extreme as it was the night before last and through the early hours of the morning, can be a form of personal physical and mental assault on Members, and thus is no longer an acceptable procedure. I strongly recommend that the parliamentary committee which reviews the rules of procedure and the Standing Orders of the House should consider the introduction in the House of an electronically activated recording mechanism for voting, such as the one used by the United States House of Representatives.

* * *

DISASTERS

FATAL MINING ACCIDENT AT SUDBURY, ONT.

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, we are all shocked and saddened by the tragic events which occurred in one of Sudbury's mines on Wednesday morning. Four miners were trapped by a sandfill cave-in, and yesterday

the body of Sulo Korpela of Garson, Ontario, was found and removed from No. 5 shaft of the Falconbridge Mine.

Heroic rescue efforts were not enough to save the life of 22-year-old Wayne St. Michel who survived the ordeal for 27 hours, only to succumb to his injuries in hospital after his rescue. At this moment we are still anxiously awaiting the fate of two more miners whose presence is not yet accounted for.

As one who has lived in a mining town and has witnessed similar tragedies, I am painfully sensitive to the traumatic effects on the whole community, and the anxiety with which every bit of news about the situation underground and the fate of the miners and the rescue team is received. Our thoughts are with everyone who is touched by these tragic events in Sudbury.

I know the House would wish to join with me in expressing on behalf of all Canadians our deepest sympathies to the families of the deceased, as well as our hopes and prayers for those still missing. We also commend all those who, often at risk to their own lives and safety, are contributing in heroic fashion to the rescue efforts.

* * *

POLITICAL PARTIES

ECONOMIC POLICY OF PROGRESSIVE CONSERVATIVE AND LIBERAL PARTIES

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, we are seeing higher interest rates to protect the Canadian dollar, which is falling out of sight. The reason is that money is being sucked out of the country to the United States.

News reports this morning quoted the Leader of the Opposition (Mr. Mulroney) as saying that he approves of the economic policies being pursued in the United States. No one should be surprised that the Leader of the Opposition stands firmly behind Ronald Reagan, but everyone should be aware of what it means. One of the reasons for the growth of the American economy is a level of military spending which stands at the highest in the history of the world.

It is time to stop and look at what this massive military spending in the United States—and perhaps later in Canada—is doing. Helmut Schmidt, a former Chancellor of the Federal Republic of Germany and a defender of the Atlantic Alliance, made a statement recently in the New York "Review of Books". He said that because of this massive military spending:

> The high interest rate policy—the highest real interest rates in centuries—dictated by the Reagan deficits let the world's richest economy become the world's greatest importer of capital. This has been occurring at the expense of real investment . . . and therefore employment in the other industrialized countries and in all the developing countries that do not export oil.

The policy of the Leader of the Opposition and of the Turner Liberals applauds the fact that it has cost thousands of jobs in Canada and driven poorer nations to the verge of bankruptcy. That is the kind of policy which they both want to adopt in Canada, and it has to stop.

ORAL QUESTION PERIOD

[*English*]

FINANCE

EXCHANGE VALUE OF DOLLAR—INTEREST RATE LEVELS—GOVERNMENT POLICY

Mr. Tom McMillan (Hillsborough): Mr. Speaker, my question is directed to the Minister of State for Finance. As he will know, the Canadian dollar has dropped yet again, this time this morning to 76.52 cents, a new record low. In light of such a dire situation, would the Minister tell the House whether it is the policy of the Canadian Government and of the Bank of Canada to allow interest rates to continue to rise in order to maintain the value of the dollar at its current level? If so, how high does the Minister think the Government will have to push up interest rates to achieve that purpose?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member opposite will be aware, in drawing attention to the fact that the exchange rate with the U.S. dollar has indeed declined in past days, that at the same time the Canadian dollar has appreciated against every other major currency. Further, every major currency has depreciated against the U.S. dollar. Therefore the situation facing the Canadian dollar is not unlike that which faces every major currency at a time when interest rates in the United States are increasing.

• (1120)

Interest rates in the United States have increased as a result of high government deficit and high private sector borrowing. Such interest rates attract money into the United States, seeking a higher rate of return. Interest rates in Canada and in other countries then go up, and the exchange value of their currency *vis-à-vis* the United States dollar goes down.

What the Hon. Member opposite overlooks in drawing attention to the fact that in the last days we have seen a decline in all major currencies against the U.S. dollar is that the Canadian economy has been performing well. If he will wait until later this morning, Statistics Canada will release the first quarter national accounts. He will see from that that the growth in the first quarter has been very real. It has been at .8 per cent.

Mr. Andre: Hallelujah!

Mr. MacLaren: To the skeptics opposite, .8 per cent will give us an economic growth rate between 4 per cent and 5 per cent during 1984. The Hon. Member opposite scoffs at that. He thinks that a growth rate of 4 to 5 per cent during 1984 is something to laugh at. The OECD does not think it is something to laugh at. In fact it forecasts that our growth rate will be second only to Japan during the course of the current year.

Canada's economy is performing well. It performed well during the last quarter of 1983. With a revision upwards, to be released today, the growth rate in 1983 was 3.3 per cent, not 2.9 per cent as forecast in the Budget. The Canadian economy

has in fact performed better than forecast. In those circumstances it is evident that the Canadian economy is strong, is growing, but equally that we are faced with a situation *vis-à-vis* the U.S. dollar that we share with all other major trading companies, that is our vulnerability to increases in U.S. interest rates.

1980 ELECTION PROMISE

Mr. Tom McMillan (Hillsborough): Mr. Speaker, my supplementary question is directed to the same Minister who has just blamed Canada's devastated dollar on trends in the United States and on policies of the American administration. In the February, 1980, election the present Prime Minister promised "to manage the economy in such a way that interest rates would in fact come down because the economy would be administered in a sounder way". That is what the then leader of the Opposition, now Prime Minister, promised in the 1980 election. In other words, the Prime Minister made a direct link between interest rates and sound management of the economy by the Canadian Government, not by the American Government. Now that interest rates are soaring, why has the Liberal Party changed its position so fundamentally on the issue, blaming the mess on the United States rather than on the incompetence of the Government?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member opposite should know, if he does not already, that Canada to a substantial degree is dependent upon economic movements and trends in the United States. Having 70 per cent of our export trade with the United States we are vulnerable to exchange rate and interest rate movements there. Traditionally that vulnerability and the influence of U.S. interest rates in Canada have meant that Canadian interest rates have been a point or two or three above those in the United States as a means of attracting capital into Canada and retaining capital in Canada.

What has happened recently, thanks to the success of government policies and to the very real growth in the Canadian economy, including our success in beating inflation, is that the differential between Canadian and U.S. interest rates has largely closed. Today, for the first time in a long time, Canadian interest rates are only marginally above, and in some cases lower than, those in the United States. That is a measure of success of economic management in Canada.

The Hon. Member opposite speaks of some sort of regime in which Canada would be free of U.S. interest rate pressures. Throughout much of his question he quoted the Prime Minister. Let me quote back to him the words of his finance critic, the former Finance Minister in the Conservative Government. Back in 1979 he said:

● (1125)

We have a free market economy and the forces of competition will regulate rates.

That is what is happening today. We have a free market economy, and the forces of competition are regulating rates as much today as when the Hon. Member for St. John's West spoke in 1979.

If that quotation is not enough for the Hon. Member opposite, let me remind him that the former Finance Minister of the Conservative Government also said in October, 1979, "We see why interest rates have had to continue to go up, and why they have gone up in the United States". That's why they have gone up in Canada. The situation today is no different. We have a free market economy, including free transfers of capital between our two countries. The borders are open. Unless the Hon. Member opposite has some cloud cuckoo-land idea about closing the borders between our two countries for currencies exchanges, he must know that American interest rates will continue to have a significant impact on Canadian interest rates.

GOVERNMENT ACTIONS

Mr. Tom McMillan (Hillsborough): Mr. Speaker, my supplementary question is directed to the same Minister. In the 1980 election the then Leader of the Opposition, who is now the Prime Minister, said that high interest rates were a function of the sound management of the economy by the Canadian Government. Now members of the Liberal Party and of the present Government are saying that high interest rates in Canada, interest rates which are rising through the ceiling, are a function only of trends outside the country over which the Government has no control.

Would the Minister tell the House, and through the House the electorate of Canada, why it is that members of the Liberal Party promise one thing in an election campaign and do exactly the opposite when they get elected to government on the strength of those same promises? For instance, they campaigned against wage and price controls in 1974, and against high interest rates and high gasoline prices in 1980. Why is there such duplicity? Why the double standard? Why the hypocrisy for purely partisan purposes at the expense of the Canadian people who are now being punished by high interest rates and the incompetence of this administration?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, I would have thought that the word "hypocrisy" would stick in the craw of the Member opposite. After hearing his two previous questions, I am surprised to hear him speak of hypocrisy.

The fact is that interest rates in Canada have gone down substantially since the peak that occurred in the past few years. The Hon. Member opposite knows that there has been a substantial reduction in interest rates in Canada. Mortgage rates were over 20 per cent and bank rates well were over 16 per cent. We now see mortgage rates and the bank rate down from those peaks.

The point I would like to make to the Hon. Member opposite, which I will try once again to get through his head, is that Canadian interest rates are, to a substantial degree, affected by U.S. interest rates, as are interest rates in Ger-

many, Switzerland, France or any other major trading country. Further, in the past, thanks to the management of the economy by the Government, we have had the opportunity to bring Canadian interest rates down to a level equal to those of the United States. That is a substantial achievement. It is one that we have not often seen in the past. It is an achievement which has brought real benefit to Canadians. Although we have closed the gap between U.S. interest rates and Canadian interest rates, if the Hon. Member opposite believes that there is some nostrum by which we can release ourselves completely from the influence of U.S. interest rates when we are the major trading partner of the United States, and when provincial Governments, the federal Government, and the private sector are dependent on U.S. capital markets, he is very much mistaken.

* * *

THE ECONOMY

UNEMPLOYMENT LEVELS—COMPARISON WITH UNITED STATES

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, my supplementary question is directed to the same Minister. He must be the only one in the country who has any confidence left in the Government and the direction it is going.

If, in fact, things are so marvellous and if, in fact, we are growing at the rate the Minister indicates, how is it that the unemployment rate in Canada is 11.7 per cent compared to the unemployment rate of 7 per cent in the United States? How is it that the smart money of Canadian investors is leaving Canada as quickly as possible and heading for the United States, driving our dollar down? The dollar is falling like a stone, and interest rates are again reaching record levels.

In view of those circumstances, which can only be described as a crisis, could the Minister indicate when he expects the dollar to reach 70 cents U.S.? When does he expect interest rates to reach 15 per cent and 16 per cent? That is precisely what will happen unless there is some recognition by the Government that the country is in a crisis situation. The nonchalance and Pollyanna attitude of "I'm alright; everything is fine" is no satisfaction to the 1.5 million people who are unemployed and have no hope under the leadership of this Government.

● (1130)

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, I suppose that I would prefer to be a Pollyanna rather than a Dr. Pangloss or a Cassandra. Be that as it may, Mr. Speaker, the Member opposite raised about six points in one question. I should like to deal with the first point.

He raised the question of levels of unemployment in Canada. The Member opposite should know that the increase in our labour force has exceeded the rates in any other western industrialized country. For example, between 1968 and 1984 the growth in the Canadian labour force was 40 per cent. The growth rate of the labour force of the other five Summit countries averaged about 13 per cent. We have had a substantial growth in our labour force, a record growth which far exceeds the rate of growth in the labour force of any other industrialized country.

We have succeeded in creating jobs at record rates in an effort to provide employment for all those who seek employment in the workforce. Nevertheless, with the very high rate of growth in our labour force, there is, and there will continue to be, a level of unemployment which none of us are happy about and which we, as a Government, are continuing to combat through private sector policies and public sector policies.

CONFERENCE BOARD OF CANADA FORECAST

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, according to the economic overview of the Conference Board of Canada for 1984, Canada will have, under the policies of this Government—unless things change and there is an election—the worst growth rate in the coming year of the 14 nations which it surveyed. That is the confidence which the Conference Board and international investors have in the economic policies of the Government. That is the reason why the dollar is falling like a stone. That is the reason why interest rates are going up. That is the reason why 1.5 million unemployed Canadians have no hope for the future.

Has the Minister informed the new Leader of the seriousness of the situation? Can we expect some action from the new Leader? Obviously the current Prime Minister is not willing to take action. Can the Minister offer some hope to the 1.5 million unemployed Canadians? If he cannot, will he recommend to his Leader that we have a general election soon in order that the people of Canada can have the chance to judge on the question?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, we are ready for a general election any time. We shall take on the Tories, and we shall beat them. If the Member opposite wants to quote statistics from the Conference Board, I could quote some statistics from the Gallup polls in connection with elections. He would do well to read those numbers. It might give him a more sober attitude toward his prospects.

However, if he wants to trade statistics and wants to quote the Conference Board, I should like to quote an organization which is a good deal more prestigious internationally then the one to which the Hon. Member referred. The OECD stated in its recent report that Canada's growth rate in 1984 will be greater than that of any other industrialized country, except Japan. The OECD forecasts a growth rate in Canada for 1984 of 4.5 per cent. That is approximately the same growth rate which the Government forecast in the April Budget. The OECD forecast for Japan is slightly higher. It is 4.75 per cent. However, for every other industrialized country the forecast growth rate is substantially lower than for Canada this year. The growth rate which is forecast for Germany is 3 per cent. The growth rate which is forecast for the United States is 2.5 per cent.

The Member opposite is on the wrong track when he engages in his usual doom and gloom forecast about the Canadian economy. He should know that in almost every sector of the Canadian economy there was real growth in the last quarter of 1983. In the whole of 1983 there was a growth of 3.3 per cent. The continuation of that real growth during the first quarter of 1984 is spread over every section—

Mr. Speaker: The Chair has some concern with the length of the argument. The questions obviously invite long answers. Sometimes the answers are short, and sometimes they are longer, but is it fair to other Hon. Members who have been seeking day after day to be recognized? With regret, the Chair interrupts the Hon. Minister. The Hon. Member for Hamilton Mountain (Mr. Deans).

OECD REPORT—REQUEST FOR NEW POLICY TO DEAL WITH INTEREST RATES

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I will attempt to keep my question short, although I cannot guarantee that the answer will be similarly short. It is directed to the same Minister. The OECD also indicated, in taking into account such things as unemployment and the decrease in domestic output and demand, that Canada's record is the second worst among the nations which the OECD surveys. Canada is second worst only to Margaret Thatcher in Great Britain. The Government indicated in its budget documents this year it expected that by 1985 unemployment would be down to 10.1 per cent. The OECD has indicated that it anticipates that the current level of 11.7 per cent will be maintained through the next 18 months to at least the end of 1985. It identifies the primary cause of this problem as being high interest rates in Canada.

I would ask the Minister of State what new policy will the Government come forth with, which will tackle the interest rate difficulties that the country presently faces, and which result in unemployment, decreased domestic demand, and people who are forced to face lives of misery?

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, the Hon. Member opposite is wrong when he quotes the OECD, if he is referring to its report of recent days. In fact the OECD stated, while reviewing Canadian unemployment, that it expected it to be at a rate of 11 per cent this year; not 11.7 per cent as the Hon. Member said. It cited that number as a result of what it described when it said:

> Canada's economic performance last year was unexpectedly favourable—the recovery saw output rebound and unemployment ease, while inflation decelerated.

The fact is the OECD recognizes, as the Hon. Member does not seem to want to recognize, that as a result of bringing down inflation below 5 per cent—and it was 4.8 per cent in April—and as a result of our increases in productivity, we have succeeded in reaching record levels of export. We have also succeeded in improving our productivity and our international competitiveness to the point where we can have an interest rate policy which will allow us to maintain our rates at the level of, or in some instances below, those of the United States.

I would say to the Hon. Member opposite, as I said earlier, that this is a very real achievement in Canadian economic management. If he believes that there is some way in which the Canadian financial markets can be isolated from the impact of the U.S. financial markets, he is mistaken.

Some Hon. Members: Order.

Mr. Speaker: Hon. Members are crying "order" to the Chair. There have been six questions in a row which essentially put the same question. The format of a debate on interest rates, employment, projections, and forecasts, within Question Period does raise very serious problems for the Chair in terms of the length of answers and in terms of the nature of the questions which invite long answers. It is for Hon. Members to decide if there is to be an equitable sharing of Question Period time with back-benchers. I am inviting Hon. Members and Ministers to bear in mind that there are other Hon. Members who would like to be recognized.

REQUEST FOR GOVERNMENT ACTION

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I very much appreciate you lecturing those people beside me. It is time they shortened their questions.

However, I would like to ask the Minister a supplementary question. Recognizing that the OECD identified that the average level of unemployment among the member nations would be 8.5 per cent in the foreseeable future, at least until 1985, and recognizing that Canada's interest rate was identified to be at the level of approximately 11.7 per cent, as I said before—during the same period, and that Canada's record is the second worst in the world as it is monitored by OECD, and that interest rates are the primary reason, why does the Government not rethink its position with regard to tying itself so closely to the U.S. interest rate structure, strike out on its own, and attempt to establish some sense of fiscal responsibility, while at the same time recognizing that people in Canada must have jobs in order to eat?

● (1140)

Hon. Roy MacLaren (Minister of State (Finance)): Mr. Speaker, when the Hon. Member speaks about fiscal responsibility he should recognize that we have managed our economy and government spending in a way which stands comparison with any of the industrialized countries. The fact is, Mr. Speaker, that the Hon. Member overlooks a factor which the OECD does not, that is, that the Canadian labour force has been growing faster than any other industrialized country. It has grown faster for the past two decades.

We have had the challenge of producing proportionately jobs for many more people than other industrialized countries. The fact is, Mr. Speaker, that we have created three million more jobs since 1968, at a rate which stands comparison with and, indeed, exceeds that of other industrialized countries. The

root problem of unemployment in Canada is not economic management but the very large numbers of new workers coming into the workforce during the past two decades.

Mr. Deans: Mr. Speaker, that last answer is absolute nonsense. The 1.5 million people who are unemployed are primarily people who were in the workforce up until two years ago and who no longer can find employment.

EFFECT OF INTEREST RATES ON UNEMPLOYMENT

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, recognizing that the Government's answer to the falling dollar has apparently been higher interest rates in Canada, and recognizing that higher interest rates have in fact caused unemployment, have in fact reduced economic output in this country, have slowed down consumer demand, and have not resulted in a strengthening of the Canadian dollar, are there no alternative measures which can be proposed by the Government which will in any way ease the massive problems which unemployment creates? Is there no way the Government can bring forward new policies, rather than simply following lockstep the policy of the U.S.A. which is intended to solve its problems, not ours?

Hon. Roy MacLaren (Minister of State (Finance)): The Hon. Member opposite, Mr. Speaker, should be aware that Canada is a principal beneficiary of economic growth in the United States and, more important, a principal beneficiary of the high degree of trade with the United States. Does the Hon. Member opposite seriously want to jeopardize our trade with the United States which, as I mentioned earlier, represents some 70 per cent of our total export trade? Does he believe that there are practical ways in which Canada can somehow maintain an independent interest rate policy—

Mr. Deans: Yes!

Mr. MacLaren: —while at the same time benefiting from trade with the United States?

Mr. Deans: Yes!

Mr. MacLaren: Well, I shall tell the Member opposite that that is not so.

Mr. Deans: Other countries have done it.

Mr. MacLaren: You cannot. One cannot maintain a high level of trade with another trading partner and at the same time cut off capital flows between the two countries.

Mr. Deans: What did Japan do?

Mr. MacLaren: Does the Hon. Member opposite believe, in addition, that we are going to curtail the free flow of capital with regard to tourists and with regard to the purchase of seasonal produce? Are we going to tell the stock markets of Canada and the United States that they can no longer engage in a free market, and tell provincial Governments that they may no longer borrow on the U.S. capital markets?

Mr. Deans: Are you going to tell the unemployed that they can starve?

Mr. MacLaren: There would—

Mr. Speaker: The Chair again hesitates to interrupt, but in 25 minutes only three questioners have been recognized. The Chair will now recognize the Hon. Member for Prince George-Peace River.

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DISASTERS

FATAL MINING ACCIDENT AT SUDBURY, ONT.

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, my question is directed to the Minister of State for Mines. I know that the Minister is aware, as we all are, of the tragic events which occurred at the Falconbridge Mine in Sudbury. I know that the Minister is as concerned as we all are for the families of the two Miners who lost their lives. I wonder if he could take this opportunity to update us on the situation there, particularly with regard to the safety of the mine. What is the Minister's latest information?

Hon. William Rompkey (Minister of State (Mines)): Mr. Speaker, I want to thank the Hon. Member for his question. I am sure he joins me, along with all Hon. Members of the House, in expressing our deep sympathy to the families of the two miners who lost their lives, Mr. Wayne St. Michel and Mr. Sulo Korpela, and we would also like to express the hope that the other two miners will be found alive.

This is certainly a tragic accident, and I believe it shows that we have to redouble our efforts in health and safety in that respect. We on this side, certainly, through CanMet, intend to do just that. We are at the service of Falconbridge and the Ontario Government in helping to investigate. The Ontario Minister of Mines will be calling an investigation into the accident and we stand ready to help with our research branch.

However, Mr. Speaker, we must on the whole redouble our efforts to find out why these things happen so that we can try to prevent them in future. The mine is closed at the moment, and I have no indication of when it might open, but we are certainly working closely with the company and doing all we can.

FUTURE OF MINE

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I realize that it might be early for the Minister to make an assessment. I know his officials have worked with the provincial officials who are on the scene. A shock like this disaster is always more difficult to absorb for a community which is already hard hit by the uncongenial economic circumstances

which the mining industry faces at the moment. May I ask the Minister whether he would be prepared, perhaps next week, to make a statement in connection with this accident, particularly with reference to the future of the mine? Can the mine be repaired? Can the situation be improved so that working conditions will be safe? Can the Minister give us the assurance that everything possible will be done to save the jobs of those people who are, hopefully, out of work only on a temporary basis?

Hon. William Rompkey (Minister of State (Mines)): Mr. Speaker, it is also my hope that this is a temporary situation. We will be keeping in touch with the company and with the Ontario Department of Mines in order to make sure that everything possible is done. If it is possible to reopen the mine in the near future, I would hope that that will be done. Certainly next week I should have further information, as we keep in touch on a regular basis.

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[*Translation*]

NATIONAL REVENUE

DEPARTMENT'S TREATMENT OF VANCOUVER SYMPHONY ORCHESTRA MUSICIANS

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, my question was meant for the Minister of National Revenue, but since he is not in the House, perhaps I may direct it to the Right Hon. Prime Minister, if I may have his attention, in the hope that he will want to make a final decision for the arts community in Canada.

The Right Hon. Prime Minister is aware that the treatment received by musicians with the Vancouver Symphony Orchestra with respect to their income tax is less favourable than it is for members of the Toronto Symphony. Since working conditions in both orchestras are practically identical, could the Right Hon. Prime Minister inform the House when his Government is going to stop discriminating against Western Canadians and when it is going to change the rules for musicians with the Vancouver Symphony Orchestra?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am sorry, but I am not aware of the situation. If the Hon. Member had given me advance notice, I could have checked the facts.

Nevertheless, I object to the Hon. Member's insinuation, and this is typical of the Official Opposition, that we are discriminating against the West. Mr. Speaker, I do not know what the situation is in Vancouver compared to Toronto. If the situation is as the Hon. Member says, I would be surprised if similar circumstances did not exist in Halifax or Moncton, for instance.

So are we discriminating against the West or against the East? I would be surprised if there were not some orchestra in Quebec whose circumstances were a bit different from the one in Toronto. Why does the Official Opposition insist on spreading the myth of systematic bashing of Western Canada by the Government? This comes up in all their questions, and I am sick and tired of it!

[*English*]

TREATMENT OF TORONTO MUSICIANS

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I wonder if the Prime Minister could explain how his Government, his Minister of National Revenue, was able to make a decision to change the treatment given to the Toronto musicians while the sub-committee studying the matter was still studying the matter, and now he is unable to make a decision about Vancouver?

● (1150)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I did not say that we were unable to make a decision about Vancouver. I said the Hon. Member did not have the courtesy of giving me notice of the question; therefore I do not know the answer. I did object to his insinuation that we are discriminating against the West, which is a pure fabrication on his part, which is added on to the question and which has nothing to do with the difference between the orchestra in Vancouver and that in Toronto. But it will not be the first time that pettiness emerges from the other side.

Mr. Hnatyshyn: Just salute western Canada again.

* * *

ENERGY

PETROLEUM INCENTIVES PROGRAM—GRANT PAID TO EAST COAST ENERGY LIMITED

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, my question is for the Prime Minister. I have a report which says the Government of Canada paid $1,645,540 to a company called East Coast Energy Limited between January 1, 1981, and December 31, 1983. A Mr. Walter Wolf, in part of that period, owned 10 per cent of the shares of East Coast Energy. Mr. Wolf has declared he participated in the funding of the dump Clark campaign.

Has the Government investigated East Coast Energy to see if any directors were doing any political work at the same time the company got the grant, and were being paid, directly or indirectly, with Canadian Government money?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have no knowledge of the facts or of whether an investigation has taken place. I presume the Hon. Member is not making an allegation. If he is, we will investigate. If he is just stirring up dirt, then I will not investigate.

PERFORMANCE OF POLITICAL WORK

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I am concerned about this $1.6 million in PIP grants going to this company. Mr. Wolf's nominee on K.D. Marine (Maritime) Ltd., Michael Cogger, said he was paid a retainer of between $3,000 and $4,000 to do political work. A Mr. Alfred Doucet, in June, 1981, was a shareholder in East Coast Energy and he went on to do political work as chief of staff of the Leader of the Opposition. In light of that, what assurances does the Government have that no government money went to pay directors of this company to do political work? Wolf's nominees and directors were doing political work in other companies with which he was associated. If the Government does not have those assurances, is it not worth doing some sort of investigation, since this involves $1.6 million in government money?

Mr. Speaker: The Chair has a concern again about the nature of the question. It seems to the Chair that such a question should be on the Order Paper, the response to which can possibly be followed up. A presumption that knowledge in that level of detail about a specific situation could be expected of the Prime Minister or any member of the Cabinet seems to be unreasonable.

Mr. Waddell: Mr. Speaker, perhaps I can ask the Prime Minister a more general question. The Prime Minister must be concerned, as a lot of people are, that it is getting pretty expensive to pay for a political leadership campaign. One can easily end up in the hands of big business, big labour, or whatever it is. Would the Prime Minister be prepared to start an investigation into ways of funding and accountability, so it can be above board, to pay for leadership campaigns of any political Party in Canada on the federal level, in the future?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, now I understand the Member is making a representation. It may well be a valid one. If I do teach political science in the future, I will make it the subject of a thesis for one of my students.

* * *

AGRICULTURE

INTRODUCTION OF RED MEAT STABILIZATION LEGISLATION

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, my question is directed to the Minister of Agriculture. He kind of promised the whole field to the people of the agricultural community while he was campaigning in the Liberal leadership campaign. He has not been able to get much done in the last 12 years. Is he going to table the Bill today regarding red meat stabilization? If he is, does he have any House time from the House Leader to get that Bill through? The livestock industry is in serious trouble in Canada and is looking to this Bill as an opportunity to breathe some life into that community.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, if the Hon. Member wants to follow my track record he will find that there are very few federal Ministers of Agriculture who have as good a track record as I have in performance for the agricultural community.

Some Hon. Members: Hear, hear!

Mr. Hnatyshyn: That is just what John Turner was saying to me the other day.

Mr. Whelan: Any of the things I promised in the campaign are all reasonable and possible, if anyone wants to put them in place. I understand the Bill will be given first reading today. We have already had discussions about it. It is a reasonable Bill, and I am sure we can find reasonable time to have it passed so that whoever happens to be the federal Minister of Agriculture can deal with the provinces on July 20, I believe, on that Bill. They are the ones who want it. That is the kind of Bill they want, and I am sure it is not an unreasonable presentation. He will see it when it is presented to the House later today.

Mr. Schellenberger: Mr. Speaker, it sounds like the Minister is not too sure that he will remain the Minister of Agriculture. Perhaps he is making some announcement today.

PASSAGE OF LEGISLATION

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, why has the Minister waited so long to bring these bills forward? The Western Grain Stabilization Bill is here and it is needed by the agricultural community, as is this other Bill. Can he give any assurances that he will press for House time to get these Bills through next week?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, as I said, we have already had discussions. The Western Grain Stabilization Act is not a controversial piece of legislation. I am sure if the House wanted to take ten or fifteen minutes we could pass them all.

INTEREST RATE LEVELS—MINISTER'S POSITION

Mr. Gordon Towers (Red Deer): Mr. Speaker, my question is directed to the same Minister. Some weeks ago he stated that if he became Prime Minister he would establish 12 per cent interest rates for farmers. Now that he is not going to be Prime Minister, has he given up on the 12 per cent, or has he given up on the farmers?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I quoted a well-known Albertan, the head of the Nova Corporation, who said in August of 1982 that interest rates should not be over 12 per cent and there should be international monetary control. I am sure the Hon. Member is aware of that person. We know one another to speak to one another, and we certainly agree on that. It might be even better if you had that

farmers' bank that I talked about. We could call it a "gene" bank.

Some Hon. Members: Oh, oh!

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CANADA LABOUR CODE

PROTECTION OF WOMEN WORKING DURING PREGNANCIES

Mr. Jim Hawkes (Calgary West): Mr. Speaker, there are seven Cabinet Ministers here out of 37. We should either have an election, or someone should make them come here and do their job.

Mr. Rossi: Where is Mulroney?

Mr. Oberle: Out saving the country.

Mr. Speaker: The Hon. Member is aware that comments on the presence or absence of Hon. Members in the House are not in order. The Chair can only observe that it appears to be a general phenomenon.

Mr. Hawkes: Mr. Speaker, I do not know which of the seven Ministers is prepared to answer for government policy but I am very disturbed about this. Backbenchers in all three Parties in this House are concerned about safety in the workplace. We worked until 1.30 this morning trying to increase the degree of safety for workers. However, it is now clear that it is government policy that the rights we extend to workers to protect their safety are rights that the Government is not prepared to give to unborn children.

Pregnant women will not be able to refuse a task in the workplace simply to protect the life of an unborn child. When did the Government reach that policy decision, and is it willing to reconsider that policy decision? I am pleased to see that the Minister of Labour has just come back into the Chamber. Perhaps he can answer that for us.

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, I find it rather odd that discussions that took place in committee should be commented on in this way in the House. The question was debated and it was even voted on and settled in committee.

[*English*]

SAFETY OF UNBORN CHILDREN

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I am not commenting on a vote taken in committee. I am commenting on the fact that the spokesperson on behalf of the Government told Members of Parliament of the three Parties that it was government policy that unborn children would not have the same protection in the workplace as other people would have. I am wondering when that decision was reached and whether the Government is willing to reconsider that decision and give that protection to unborn children. That is all I am asking.

• (1200)

Hon. André Ouellet (Minister of Labour): Mr. Speaker, the Hon. Member is all wet. He does not reflect accurately the discussion which took place in committee. He cannot do that. He should know better. The rules of Parliament do not allow him to comment on discussions that took place in committee. The report of the committee is not even presented. I think it is grossly unfair of the Hon. Member to reflect on the discussion which took place in the committee, and more particularly to reflect in such a contrary way on the discussion which took place there.

GOVERNMENT POLICY

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, will the Minister of Labour tell us whether it is the policy of the Government that practices and regulations respecting the workplace will not extend protection to unborn children? If that is the policy of the Government, will the Minister tell us why that is, and whether the Government is prepared to change that policy?

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, the former Leader of the Official Opposition and former Prime Minister would certainly have been welcome last night in committee to express his position. The question was voted on when the Bill was being considered, and I think I have nothing to add to what was said yesterday.

* * *

[*English*]

MEDICAL CARE

ONTARIO CHARGES FOR ACUTE HOSPITAL CARE BEDS

Mr. Dan Heap (Spadina): Mr. Speaker, in the absence of the Minister of National Health and Welfare perhaps the Minister of State (Finance) may be able to comment on this. In Ontario some of the acute hospital care beds are being surcharged $100 a week over and above the cost of the bed. This charge is being made to patients who are forced to wait for a transfer to chronic care or nursing homes. What action has the Government taken to ensure that the Ontario Government will stop this outrageous use of the sick and elderly as hostages for extortion?

Mr. Speaker: The Parliamentary Secretary may answer if he wishes. However, it appears to be a question within provincial jurisdiction or policy.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, what you say is absolutely correct. It is a question primarily within the provincial sphere. As far as the federal Government is con-

cerned, the question is well looked after within the Canada Health Act. The sanctions are in place. If the provinces disagree with the position of the Canada Health Act they are within their rights to take whatever legal action they can. We feel the protection is there for the citizens of Canada. We only ask the provinces to do what we feel is equitable for those same people. If they do not, the provisions are there to deal with the inequitable actions of the provinces.

Mr. Speaker: A short supplementary. The Chair is concerned about the jurisdictional aspect of the question.

Mr. Heap: Mr. Speaker, the reason I raised the question in this jurisdiction is because of the Canada Health Act which the hon. Parliamentary Secretary has just mentioned.

ROLE OF FEDERAL GOVERNMENT

Mr. Dan Heap (Spadina): Is the Ministry of National Health and Welfare taking action with Ontario to ensure, inasmuch as the Government pays part of the cost of the health program in Ontario, that the health program in Ontario will be protected so that the patients in these cases will not be overcharged by this $100 a week? What action is the Government taking to ensure that Ontario honours the obligation which it undertakes by receiving the money from the federal Government?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I can appreciate the concern of the Hon. Member. That concern is shared by myself and many other Members as well. I am sure that he can appreciate that the federal Government has no way of intervening in provincial jurisdiction. Discussions are continually taking place between the Minister of National Health and Welfare on the one hand and the provincial Ministers of Health on the other. Dialogue is continuing. The Minister is presenting what she would like to and hopes to see in relation to this situation. However, what the provinces do within their own sphere of jurisdiction is entirely up to them. All we can do is follow the regulations and stipulations as set down under the Canada Health Act and deal with them as the Act provides.

* * *

PRIVILEGE

MR. CLARKE—ALLEGED UNPARLIAMENTARY LANGUAGE OF MR. TRUDEAU

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I rise on a question of privilege. My question of privilege arises out of the remarks made by the Prime Minister (Mr. Trudeau) in replying to my question during the past hour. I notice that the Prime Minister has left the Chamber. Perhaps I could reserve my right to raise this question when the Prime Minister is present and after I have had a chance to refer to the record in

Hansard. During his response I heard the Prime Minister say the words "complete fabrication".

Referring to Beauchesne's Fifth Edition I note in Section 320(2) that "Since 1958, it has been ruled unparliamentary to use the following expressions:" Included therein are several examples of the word "fabrication". With Your Honour's permission I would like to reserve my rights.

Mr. Speaker: Is the Hon. Member alleging unparliamentary language?

Mr. Clarke: Yes, Mr. Speaker.

Mr. Speaker: If the Hon. Member is alleging unparliamentary language, the Chair is concerned with the changing practices of the House. If the Chair attempted to enforce all the items on a list of 1958, the proceedings of the House would be substantially disrupted. The Chair will review the "blues" and will see if, in the judgment of the Chair, there is an element of unparliamentary language, if that is the allegation of the Hon. Member.

Right Hon. Joe Clark (Yellowhead): Mr. Speaker, I obviously have not had the time to consider at any length the implications of the statement you just made. However, I think that many of us in the House would be concerned if the Chair were going to use the occasion of this particular matter to render a judgment which would make obsolete a list that has been serving the House—

Mr. Pinard: That is not what he said.

Mr. Clark (Yellowhead): —of terms that were seen to be unparliamentary. If that is in the mind of the Speaker, I am sure he would be the first to admit that Members of Parliament would both want and have the right to have an opportunity to debate that question before a decision were entered.

Mr. Speaker: Since the present occupant of the chair has been in the chair, the term "fabrication" has been used so often I could not count it. If the suggestion is that the Chair should go back to the list of 1958 and literally try to enforce it, I can only say that, in the judgment of the present occupant of the chair, the usage has changed so substantially from that time that I do not think Hon. Members would accept it. The Chair is quite prepared to look at situations where unparliamentary language is used. If Hon. Members have a view that unparliamentary language is used, the Chair is quite prepared to look at situations.

However, the Chair must be expected to exercise consistency. The Chair has overlooked the term "fabrication" so often that to ask the Chair in this instance to judge it unparliamentary is to ask for a substantial break in recent practice of the House.

Mr. Clarke: Mr. Speaker, I am sure that the Chair will give due consideration to the record as it appears and to the list as it appears. I am sure that the Chair would not wish, by any decision which it would arrive at, to authorize the use of all of

the words that are in the list which the Speaker referred to as the 1958 list. It only says that "Since 1958, it has been ruled unparliamentary to use the following expressions:". If that list were to be liberated, we would find such expressions allowed as "sick animal, pompous ass, bullshit", and a few others all the way down to "treason" and "untrue".

Mr. Pinard: Order. That is unparliamentary.

Mr. Speaker: That is not fair. The Chair has tried to use discretion and good judgment. I can remember on one occasion the Chair ruled an expression about a chief reptile unparliamentary. The Hon. Member for Ottawa Centre (Mr. Evans) is laughing because he well recalls the occasion. Let me quote from the latest edition of Erskine May, the Twentieth Edition, page viii of the Preface:

● (1210)

Such a list can never be exhaustive and its value to the Chair appears increasingly doubtful. Those who wish to learn of expressions which have been held disorderly from time to time in this and other Parliaments may continue to have recourse to the annual volumes of 'The Table' (the Journal of the Society of Clerks-at-the-Table in Commonwealth Parliaments).

The Chair is trying to indicate the policy that the Chair will follow. An expression that appears to contribute to the disorder of the House will be very carefully examined. Use of unparliamentary language is something that the Chair feels does offend the decorum and dignity of the House. As such, the Chair will try to exercise its best judgment in the circumstances. However, the term "fabrication", I call to the attention of Hon. Members, has been used frequently in the House.

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, my only concern is that the term "a complete fabrication" is synonymous with calling a person a liar. While other words may be used, I know that the word "lying" has not been allowed. It is really synonymous.

Mr. Speaker: The Chair has accepted "fabrication" in place of "lying". When the Chair has asked a Member to withdraw that word, the Member has said: "I withdraw the accusation that so and so is lying; it is just a fabrication that he uttered".

Mr. Hnatyshyn: That is unacceptable.

Mr. Speaker: The Chair has accepted it. The Chair is simply calling to the attention of Hon. Members that they have to expect the Chair to be reasonably consistent. Do not ask the Chair to rule as unparliamentary expressions that have been used on a number of occasions by different members of the Hon. Member's Party.

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, I rise on one of these rare occasions to support the Chair wholeheartedly and to suggest to the House that, this being 1984 and the punk era, perhaps we could update our swear list in the fall.

Mr. Speaker: I am not sure that that is helpful.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I see that the Government House Leader also wants to gain the floor. I was going to suggest that perhaps the way to solve this problem is simple and straightforward. Let us call a lie a lie.

Mr. Speaker: I am not sure that that is helpful.

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, there are a number of Members in this House who think they know everything. They are behaving like real *aliborons*. I repeat: they are behaving like *aliborons*.

Words should be considered in the proper context. I think it is wrong to take a word out of context, interpret it subjectively, and thus give us an erroneous interpretation.

I think the Chair is right in saying that lists of words that go back to 1958, and I see here the word "ignoramus". Apparently, it is unparliamentary to call someone an ignoramus. To say that is to say somebody is ignorant. I think this is absurd and out-dated. I think we have all heard expressions that shock us a bit more than that one. In any case, people who are claiming today that the word "fabrication" is unparliamentary do not know what they are talking about.

[*English*]

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I do not want to use up too much time on this matter but there is an important element to it. I am concerned about the kind of advice that you are getting, not only from members of the New Democratic Party who are now suggesting that we accept the use of the word "lying" and "liar", but from the President of the Privy Council (Mr. Pinard) who is condoning the use of derisive references to Members of this Chamber.

I know that you, Mr. Speaker, as a Member of Parliament who has served for some years now, will fully understand that what we are talking about now is the integrity of this institution. We are not talking about whether individuals are worthy of serving in this particular institution but whether we are going to have a poisonous aspect to our debates and an element of unreasonable personal accusations in debate. We want to avoid that. We want to debate the issues.

There are strong feelings held with respect to the issues and with respect to the personalities in the House. I do not think that this is a flippant matter at all. I do not think that the way we address each other and address this Chamber is a laughing matter at all. I do not think these matters are cute or funny at all.

I suggest that we get the kind of legislature we deserve by virtue of our activities and the way in which Members of Parliament conduct themselves. There is a difference between levity and accusations against another Member. I think that should always be in the back of the minds of Members of Parliament, even as we come to the end of this Parliament.

The important consideration is that this is a great country and a great institution and we are only worthy of serving here

if we in fact respect each other despite our political differences.

Mr. Speaker: I cannot help but agree with everything that the Hon. Member has said. I will review the matter.

Mr. Clark (Yellowhead): Mr. Speaker, I do not at all want to prolong this. I believe there may well be a problem for Private Members of the House to which I want to draw your attention, although I am sure you are already seized of it.

The practice has been that when there is a suspicion of unparliamentary language, either the Chair intervenes or a Member raises a point of order based upon the list at hand. I quite understand that the passage of time may have ruled as acceptable language which might not have been acceptable at an earlier time and that the list may be in need of changes. However, if the Speaker needs a list for his interventions on these matters, so do Private Members need a list for our interventions on the matter.

My simple request would be that if there is to be a change in the list or in the principles determining language that will be parliamentary and unparliamentary, those of us who sit in the House and might be either guilty of using that language or accused of being guilty of using that language would like to know what the new standards are. That is the extent of my request.

Mr. Speaker: The Hon. Member's request is very reasonable. It is not easily answered. The Chair will certainly reflect on the matter.

ROUTINE PROCEEDINGS

[*Translation*]

LABOUR, MANPOWER AND IMMIGRATION

PRESENTATION OF FIRST REPORT OF STANDING COMMITTEE

Mr. Jean-Claude Malépart (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, I have the honour of tabling, for the Chairman of the Standing Committee on Labour, Manpower and Immigration, the First Report of the Standing Committee on Labour, Manpower and Immigration, in both official languages.

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

Order Paper Questions

[*English*]

AGRICULTURAL STABILIZATION ACT

MEASURE TO AMEND

Hon. E. F. Whelan (Minister of Agriculture) moved for leave to introduce Bill C-50, an Act to amend the Agricultural Stabilization Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

● (1220)

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 171, 533, 632 and 715.

[*Text*]

EXPERT ADVISORY COMMITTEE ON MANAGEMENT OF SEVERE PAIN

Question No. 171—**Mr. Mazankowski:**

1. Is there an Expert Advisory Committee on the Management of Severe Pain and, if so (a) who are the members (b) what is the (i) background or expertise (ii) term of appointment of each member (c) what remuneration, such as salary or travel expenses, do the members receive and, for the length of each appointment to date, what amount did each member receive (d) what other funding, if any, is provided by the Government?

2. (a) What are the terms of reference of the Committee (b) what matters did it consider in the fiscal year 1982-83 (c) how often did it meet and how often is it required to meet (d) what reports and/or recommendations did the Committee publish in the fiscal year 1982-83?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of National Health and Welfare): 1. Yes, there is an Expert Advisory Committee on the Management of Severe Pain. This was established by the Minister of National Health and Welfare, December 31, 1982, when the Minister wrote to each member confirming their participation on the Committee.

1. (a) and (b)(i) The members of the Expert Advisory Committee and their background or expertise are as follows:

Dr. Gordon W. Bethune,
Professor,
Department of Surgery,
Dalhousie University,
Halifax, Nova Scotia.

Dr. Louise M. Chevalier,
Associate Professor,
McGill University,
Director, Oncology Clinic,
Montreal Children's Hospital,
Montreal, Quebec.

Dr. John G. Edmeads,
Associate Professor,
University of Toronto,
Head, Division of Neurology,
Sunnybrook Medical Centre,
Toronto, Ontario.

Dr. Robert A. Macbeth,
Executive Vice-President,
Canadian Cancer Society and
National Cancer Institute
of Canada,
Toronto, Ontario.

Dr. J. William Meakin,
Executive Director,
Ontario Cancer Treatment and
Research Foundation,
Toronto, Ontario.

Dr. Paul A. Mitenko,
Associate Professor of Medicine
and Pharmacology,
University of Manitoba,
Winnipeg, Manitoba.

Dr. Balfour M. Mount,
Professor of Surgery,
McGill University,
Director, Palliative Care,
Royal Victoria Hospital,
Montreal, Quebec.

Dr. Ian H. Plenderleith,
Professor of Medicine,
University of British Columbia,
Clinical Head, Medical Oncology,
Cancer Control Agency of British Columbia,
Vancouver, British Columbia.

Dr. Yves Quenneville,
Associate Clinical Professor,
Department of Psychiatry,
University of Montreal,
Montreal, Quebec.

Dr. Edward M. Sellers (Chairman),
Professor of Medicine,
University of Toronto,
Director, Clinical Research,
Institute Addiction Research Foundation,
Toronto, Ontario.

(ii) Members of the Export Advisory Committee were appointed for the time required to accomplish the task of the Committee, namely producing a review document of therapeutic monograph on the medical management of severe pain.

(c) The members of the Committee receive no salary. As expert medical consultants, the members receive a per day fee of $250 for the time involved in committee meetings, in addition to travel and accommodation expenses for attending these meetings, in line with federal Government travel regulations.

The total amounts received to date by each member are: (Note: Travel and accommodation costs for March 9 meeting not yet available.)

	Remuneration	Travel and Accommodations
Dr. G. E. Bethune	$ 1,500	$ 2,170.39
Dr. L. M. Chevalier	2,250	1,593.40
Dr. J. G. Edmeads	2,250	363.15
Dr. R. A. Macbeth	2,250	955.25
Dr. J. W. Meakin	3,000	726.92
Dr. P. A. Mitenko	4,250	3,021.85
Dr. B. M. Mount	2,000	1,203.74
Dr. I. H. Plenderleith	2,250	4,796.71
Dr. Y. Quenneville	2,625	1,617.23
Dr. E. M. Sellers	4,375	1,090.56

(d) Additional funding: (i) Ad-hoc consultants to the Committee (non-public servants)

	Remuneration	Travel and Accommodations
Dr. D. Jasinski	$ Nil	$ Nil
Dr. R. Melzack	250	230.00
Dr. H. Mersky	250	297.75
Dr. R. Twycross	750	1,206.80

(ii) Public Servants Travel—$ 4,109.84.

(iii) Other administrative costs (i.e. rental of meeting rooms, hospitality, rental of flip charts, photocopies)—$1,616.17.

2. (a) The terms of reference of the Expert Advisory Committee on the Management of Severe Pain are as follows: (i) to provide a review document or therapeutic monograph for distribution in Canada on the medical management of severe pain; (ii) to discuss within this document the optimal clinical use of various analgestic drugs, including the medical need for heroin, for the treatment of pain associated with preterminal malignant disease.

(b) Not applicable. The Committee was established in 1982-83, with the first meeting scheduled for the fiscal year 1983-84.

(c) The Committee did not meet in 1982-83. There is no requirement as to how often the Committee is required to meet. However, it is expected that the Committee will meet at least seven times in 1983-84.

(d) No reports or recommendations were published in the fiscal year 1982-83. A report is expected sometime in 1984.

AECL—EXECUTIVE AND BOARD OF DIRECTORS

Question No. 533—**Mr. Howie:**

What are the (a) names (b) positions of the persons who occupy positions on the Executive and Board of Directors of Atomic Energy of Canada Limited and, in each case, what amount was he/she paid in respect of that position in the fiscal year ended March 31, 1983?

Mr. Leonard Hopkins (Parliamentary Secretary to Minister of Energy, Mines and Resources): Atomic Energy of Canada Limited reports as follows:

1. Executive Officers of AECL

(a) Name	(b) Position
Robert Després	Chairman of the Board
James Donnelly	President and Chief Executive Officer
L. Amyot	Vice-President, Quebec Operations
P. R. Côté	Corporate Vice-President and General Manager, Maritime Nuclear
H. T. Hughes	Vice-President, Personnel
D. D. Molnar	Vice-President, Finance
A. J. Mooradian	Senior Vice-President
W. P. O'Neill	Corporate Executive Vice-President and Chief Financial Officer
A. Scott	Secretary
R. Veilleux	Vice-President, Public and Governmental Affairs
T. A. Wardrop	General Counsel
E. Deslauriers	Treasurer

Board of Directors of AECL

(a) Name	(b) Position
Robert Després	Chairman of the Board
James Donnelly	President and Chief Executive Officer
B. A. Beneteau	Vice-Chairman, Northern Telecom Limited
L. J. Celeste	Vice-President, Planning, New Brunswick Telephone Company Limited
A. Charron	President, Levesque Beaubien Inc.
M. A. Cohen	Deputy Minister, Department of Finance
D. A. Golden	Chairman of the Board, Telesat Canada
P. M. Liba	Executive Vice-President, CanWest Broadcasting Limited
H. W. Macdonell, Q.C.	Partner, McCarthy and McCarthy
G. M. MacNabb	President, Natural Sciences and Engineering Research Council
D. J. Smith	President, Ellis-Don Limited
P. M. Tellier	Deputy Minister, Department of Energy, Mines and Resources

Information regarding individual salaries cannot be released to the public because AECL considers such information to be of a personal and confidential nature. However, total salaries paid to AECL's executive officers in respect of the above positions in the fiscal year ending March 31, 1983 were $999,699 and payments to the Board of Directors were $47,100.

Mr. A. Scott is not included in the salary total because he was not an executive officer during 1982-83.

ADVISORY COMMITTEE ON FEDERAL WATER STRATEGIES

Question No. 632—**Mr. Mazankowski:**

1. Is there an Advisory Committee on Federal Water Strategies and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Committee meet and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Hon. Chas. L. Caccia (Minister of the Environment): 1. Yes. (a) See below. (b) (i) Dr. Peter Pearse, Chairman, Ms. Françoise Bertrand, member, Mr. James MacLaren, member.

(ii) Dr. Pearse—Professor of Economics and Forestry at University of British Columbia and a specialist in resource management. He is member of the Economic Council of Canada and most recently served as Commissioner of Inquiry to examine the Pacific Coast fishing industry.

Ms. Bertrand—Associate Dean of Resource Management, University of Québec at Montreal.

Mr. MacLaren—Headed nationwide firm of consulting engineers in Toronto until recently.

(iii) Eighteen months for all three members, beginning January 27, 1984.

(c) (i) Salary—Chairman—$400 per diem to a maximum of $80,000 for full term. Members—$300 per diem to a maximum of $45,000 each for full term. Travel Expenses—Are to be covered in full as per Treasury Board directives.

(ii) None.

(d) A ceiling of $1.5 million has been set on the Committee work, which will cover remuneration to Committee members, salary of a full time secretariat (five employees), travel, work contracted out, expenses associated with public hearings, and publishing reports.

2. (a), (b), (c) and (d) No. Not applicable.

Terms of Reference
For Advisory Committee
on Federal Water Strategies

Given the distinctive geography of Canada and the character of water as a natural resource which has significant national and interjurisdictional dimensions, the Committee will report and make recommendations within 18 months on the following and, in particular, on specific strategies which the Government of Canada should adopt in support of such recommendations:

(1) identify and substantiate the nature of emerging water issues, including the interjurisdictional dimensions thereof;

(2) identify available supplies and future requirements for the conservation, development and utilization of water resources so as to ensure the enhancement of the health, well-being and prosperity of the people of Canada, including, continued regional economic growth and the quality of the Canadian environment, together with estimates of benefits and costs where possible;

(3) seek the views of governments and governmental bodies, private citizens, public groups, industry and the academic community with regard to such issues as future supplies and requirements;

(4) assess the needs for and nature of additional scientific and research expertise in water management in Canada.

CANADIAN DAIRY COMMISSION ADVISORY COMMITTEE

Question No. 715—**Mr. Mazankowski:**

1. Is there a Canadian Dairy Commission Advisory Committee and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Committee meet and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Mr. André Bachand (Parliamentary Secretary to Minister of Agriculture): 1. Yes, pursuant to Section 5 of the Canadian Dairy Commission Act. (a) The Advisory Committee advises the Canadian Dairy Commission with respect to matters arising under the Act and as are referred to it by the Minister or the Commission.

(b)

(i) Members	(ii) Expertise & Organization Affiliation	(iii) Term of Appointment From	To
Claude Chevalier (President of Committee)	Dairy product advertising Dairy Bureau of Canada	01/11/83	01/11/86
Ken McKinnon	Dairy Farmer Ontario Milk Marketing Board	01/11/81	01/11/84
Jacques Boucher	Dairy Farmer L'Office des producteurs de lait du Québec	01/11/83	01/11/86
Raynald Giroux	Dairy Processor Agropur	14/01/83	13/01/86
Neil Gray	Dairy Processor Fraser Valley Milk Producers Association	01/11/81	01/11/84
Raymond Lafrance	Dairy Processor St. Albert Co-Operative Cheese Manufacturing Association	06/10/83	01/11/86
Gilbert Vienneau	Food Retailer Retail Council of Canada	20/12/83	20/12/86
Eugène Vallée	Food Retailer Association des détaillants du Québec	14/01/83	14/01/86
Victoria Billingsley	Consumer Advocate Consumers' Association of Canada	14/01/83	13/01/86

(c) Remuneration and expenses are fixed by the Governor in Council pursuant to Section 6(2) of the Canadian Dairy Commission Act: The members all receive the same per diem rate of $200 per day for attendance at meetings of the Committee as well as $200 a day for the time spent to travel to attend meetings and return home, plus travel and accommodation expenses.

Members	
Claude Chevalier	$ 2,107.35
Ken McKinnon	$ 7,098.34
Jacques Boucher	$ 6,625.05
Raynald Giroux	$ 6,129.72
Neil Gray	$ 15,077.15
*Dwight Stacey	$ 4,141.81
*François Goulet	$ 2,034.30
Eugène Vallée	$ 5,434.55
Victoria Billingsley	$ 17,033.19
Gilbert Vinneau	None
Raymond Lafrance	None

*Former Members

(d) No other direct funding is provided. However, certain secretariat costs, such as office supplies, stationery, etc., are covered by the Canadian Dairy Commission budget.

2. (a) In 1982-83, the Committee met twice.

(b) No fixed number of meetings is required.

(c) The Committee has been considering subjects such as alternative domestic skim milk powder pricing systems, dairy product promotion and sales to the food service industry, the quality of dairy products, and monitoring programs, attitudes towards nutrition and health aspects of dairy products, co-ordination of industrial and fluid milk price increase announcements, new users for skim milk powder, and low fat dairy products, etc.

(d) The Committee's opinions and recommendations are not published but are recorded in the minutes of the proceedings.

[*Translation*]

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

Mr. Speaker: The questions enumerated by the Parliamentary Secretary have been answered. Shall the remaining questions stand?

Some Hon. Members: Agreed.

[*English*]

Mr. Schellenberger: Mr. Speaker, I rise on a point of order. The Parliamentary Secretary escaped quickly, but I want to bring to his attention that questions Nos. 302 to 317 inclusive were put on the Order Paper on December 20. The Government is now in the process of attempting to sell NTCL and these questions have not been answered. I have commitments that they shall be answered. Will the Parliamentary Secretary in fact be answering them next week?

Mr. Speaker: The Hon. Member has made his point. No doubt he will have an opportunity to make it again if necessary.

GOVERNMENT ORDERS

[*English*]

INDIAN ACT

AMENDMENTS RESPECTING BIRTH OF CHILDREN

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, I am sure you are aware that, as I indicated yesterday, there is unanimous consent to allow second reading of Bill C-47 to take place now without debate. After that, I would like to rise on a point of order to outline the business for Tuesday.

Mr. Pinard (for the Minister of Indian Affairs and Northern Development) moved that Bill C-47, an Act to amend the Indian Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

* * *

BUSINESS OF THE HOUSE

Mr. Pinard: Mr. Speaker, the business for Tuesday will be Bill C-5, which is a Bill that has been reported by the committee, it was in the committee for ten minutes or so; Bill C-7 which is at report stage; Bill C-8 which is at report stage; Bill C-49 which was introduced yesterday; and Bill C-43. We will proceed in that order.

* * *

OLD AGE SECURITY ACT

MEASURE TO AMEND

Mr. Russell MacLellan (for the Minister of National Health and Welfare) moved that Bill C-40, an Act to amend the Old Age Security Act, as reported (with an amendment) from the Standing Committee on Health, Welfare and Social Affairs, be concurred in.

Motion agreed to.

Mr. MacLellan (for the Minister of National Health and Welfare) moved that the Bill be read the third time and do pass.

Mr. Bruce Halliday (Oxford): Mr. Speaker, I thought the Parliamentary Secretary might like to have preceded me, and if he so wishes, I would be quite happy to accommodate him.

Mr. Speaker: It has just been brought to my attention that a Minister should have moved the motion for third reading of Bill C-40 rather than the Parliamentary Secretary. The Bill will, therefore, be moved by Mr. Pinard.

Mr. MacLellan: Mr. Speaker, I rise on a point of order. I just want to say that I am quite prepared to speak following the Hon. Member for Oxford (Mr. Halliday).

Mr. Halliday: Mr. Speaker, I am certainly pleased to lead off this third reading debate. I thought perhaps we might have heard from the Parliamentary Secretary initially. I am hoping that he will have something to say on this Bill that will be news for us. There are some areas that were raised in the committee stage which we had hoped the Minister or the Parliamentary Secretary might have addressed this morning.

Let me say first that I am a little disappointed that the Minister of National Health and Welfare (Miss Bégin) is not here today. It would seem to me that a Bill as important as this one on pensions, about which the Minister from time to time has shown such concern over the years, is not one she sees fit to bring into the House herself at third reading. She may very well have some important business to attend to today and I am in no way denigrating the presence today of her Parliamentary Secretary. In my ten years in the House and with the experience I have had with Ministers and Parliamentary Secretaries, there has never been a Parliamentary Secretary more co-operative with us in the Opposition and easy to get along with in a non-partisan way than the Parliamentary Secretary to the Minister of National Health and Welfare (Mr. MacLellan). We appreciate his co-operation because occasionally we are sometimes too partisan on certain important issues.

Be that as it may, it is disappointing to note that the Minister is not here. I thought she would have some rather

interesting announcements about some new thoughts or attitudes she might have toward addressing the income security problems of the disabled, particularly those who receive workmen's compensation benefits or compensation itself. However, we hope the Parliamentary Secretary will address that.

As we move into third reading, the purpose of this Bill is to make amendments to the Old Age Security Act, and in particular to change the maximum amounts payable under the guaranteed income supplement. None of us will dispute the need and we are glad the Government has seen its way clear to bring in something that will bring to a more reasonable level the payments made under the guaranteed income supplement Act for certain pensioners.

In addition the Bill does provide a number of technical amendments that are certainly non-controversial, such as amendments regarding residency requirements with respect to retroactivity for people who have, for one reason or another, not made their application at the usual time for benefits. I do not think we want to debate that or indicate any question about the wisdom of those technical amendments.

As for the general purpose of the Bill, Mr. Speaker, we in the Official Opposition support it completely and as a result we are willing to support this Bill. But I think it is incumbent upon us to point out to the Government and to the people that this Bill does not really address the whole problem of pension reform. When one considers the amount of talk we have had from the Government for years and years, going back at least five years, and the number of times we have heard the Minister herself speak about the need for pension reform, we would have thought that by this time, particularly with an election in the offing, we would have had something more definitive and substantive regarding the question of pensions.

Let us look at what Bill C-40 does address and at the very limited way it addresses the subject of appropriate increases to the guaranteed income supplement. The actual amount of the increase will be $25 effective in a few days, on July 1, and another $25 effective on December 1, for a total of $50. I will not become involved in giving statistics in this third reading debate. However, I remind the House, the Parliamentary Secretary and through him the Minister, that when the OAS and GIS were originally brought into effect in this country there was an existing relationship between the maximum combined payment available and the average industrial wage. The maximum payment available under OAS and GIS amounted to approximately 20 per cent of the average industrial wage. One might have argued that it should have been more, but nonetheless that was the figure accepted at that time. It is interesting to note that today even with a $50 increase, the level is only 14 per cent of the average industrial wage in Canada.

● (1230)

The Government could have avoided completely the necessity of this catch-up Bill if it had treated our senior citizens more properly from the beginning. Having given them an initial payment which amounted to 20 per cent of the average industrial wage, why did it not see fit in the interim—and it has been in government most of the time since then—to maintain that ratio? Rather, it let it slip down to 14 per cent, as is the case now, just because it refused to increase the payments sufficiently to maintain that ratio in light of the inflation we have suffered. It is disappointing that we have to deal with this Bill when it could have been completely avoided had the Government maintained its original promise of a payment sufficient to provide 20 per cent of the average industrial wage.

Let me look at the delays of the Government in most recent years, particularly this year, in bringing forth such a simple amendment to the Old Age Security Act. The Minister has repeatedly said over the years that pensions were one of her prime concerns. We took her word on that. It was mentioned in the Speech from the Throne in December, 1983 that it would be a priority of the Government to increase the benefits payable to pensioners, particularly those entitled to GIS benefits. Then we had the Budget on February 15 of this year. At that time, over four months ago, a commitment was made by the Government to bring in amendments to the Old Age Security Act which would boost inadequate payments with respect to GIS benefits. Having waited from February 15, we in the Official Opposition thought it was ridiculous to have to wait longer before bringing the subject before the House of Commons for debate.

Among the subjects which we as members of the Official Opposition thought had high priority was the subject of pension reform. Therefore we used one of our very precious Opposition days or allotted days on May 10, almost three months after the Government had promised in its Budget Speech that there would be amendments, to bring the whole subject matter before the House for debate as nothing had been brought forward by the Government. The Hon. Member for Kingston and the Islands (Miss MacDonald) and the Hon. Member for Provencher (Mr. Epp), among others, led off in a very effective debate drawing to the attention of the House and to the people of Canada the failure of the Government to deal adequately with Canadian pensioners. Despite our exhortations at that time, we had to wait until May 29 for first reading of a very simple Bill which effectively offered an extra $25 in July and another $25 in December as increases in the benefits to be paid under the GIS provisions of the Old Age Security Act.

There was a lesser delay with respect to the presentation of the Bill for second reading on June 4. Of course, at that point the Government realized that time was running out. If one looks at the time sequence and the delays which the Government built into the delivery of Bill C-40 just to provide an extra $50 in payments, one realizes that the Government had ulterior motives. It was more interested in something other than offering senior citizens $50. It was more interested in providing something which it thought would be of benefit come election time. Therefore, within a month or two of the probable dissolution of Parliament, we find a simple Bill before the House which could have been before us late in

February or early in March if the Government had been really serious and anxious to use it for other than ulterior motives.

We did not delay the Bill at second reading. We thought it was a very essential amendment to the Old Age Security Act with which we should deal as quickly as possible for the benefit of senior citizens. We were anxious to see the Bill reach committee stage, which followed fairly promptly after second reading because the Government had no alternative if it wanted the Bill passed before the end of this Parliament. If my memory is correct, the committee met on three different days to consider Bill C-40.

A few moments ago I took the trouble to total the number of hours which we were allowed to discuss the Bill at committee stage. According to my calculation, it came to slightly under three hours or very close to three hours during the course of three different days. Witnesses appeared before the committee, including the Minister herself, which we appreciated. It provided us with an opportunity to direct questions to her. She did a reasonably good job and made a good attempt at trying to answer our questions. There were some to which she could not reply, such as the question dealing with the relationship between workmen's compensation pension benefits that 25,000 Canadians receive and how they will suffer either a complete or partial reduction in their GIS payments. Of course, the Minister acknowledged the problem. It was one area on which she promised further review and discussion with her colleagues. I hope the Parliamentary Secretary will be able to elucidate today some of the thinking of his Cabinet colleagues who have expressed disappointment at what turned up regarding the earlier amendments to the Income Tax Act which worked to the disadvantage of these 25,000 Canadians.

While we had the Minister and her senior officials concerned with the welfare side of her Department and with the pension plan before us in committee—and I must say that they gave good testimony and answered our questions in a reasonable manner—I must say there was one item lacking in the evidence at that time. I am referring to the results of the studies which had taken place between the federal department and various provincial departments with respect to income security for disabled persons. The big disappointment was that on a subject matter as important to Canadians as pension reform, we had a Bill which dealt only with a slight increase in GIS payments. We did not have a chance when dealing with a subject as important as pension reform to have other witnesses before the committee, obviously because of lack of time. That was probably done deliberately because the Government held off first reading of this Bill until so late in the session that it was impossible for the committee to discuss at greater length some of the important issues which flow out of the whole subject of pension reform.

● (1240)

I know the Parliamentary Secretary will tell us that a task force dealt with this, and that is true. Unfortunately, the Minister has refused at this point in time to implement any of the recommendations coming out of the task force other than the matter of the increase in the guaranteed income supplement.

I have alluded to the fact that this Bill, good as it is for what it does, is completely inadequate as far as pension reform is concerned. I made reference to the fact that in the last five years the Minister has repeatedly said how important she feels pension reform is, that we had a national conference two or three years ago and a task force, as well as dealing with it in Parliament. Out of all those efforts in Parliament, in the private sector and at the national level by way of the national conference held in Ottawa, we still have no definitive or substantive legislation being brought forward by this Government that will bring meaningful reform to our pension system.

There is an increasing need and urgency for this. The Minister voices this and acknowledges that fact. We have to admit that we have seen what happens when we have a big bulge in our population at the elementary and secondary school levels, the pressure that places on society in general to accommodate that increase in population at that age group.

Today the Minister of State for Finance (Mr. MacLaren) alluded to the massive increases we have had in the labour force and the pressures that brings to bear upon our society. Here we have this Liberal Government refusing to look ahead to the days when we will have that same bulge in our senior citizen ranks of those over 65.

If we do not take cognizance of that now in a meaningful way and do something other than talk about it, we will be in great difficulty in a few years, the year 2000 for example, when we have this massive increase in the number of people who will be in that age group. It will require not only pension reform and support for them in their older days, but support will also be required for their health care.

This reminds me that not many months ago we debated Bill C-3, the Canada Health Act. We had there the same situation as we have now. That Bill was brought in by the Government allegedly to improve the health care of Canadians. When we got to studying that Bill, we found it was the same situation that we now have with amendments to the Old Age Security Act. It was nothing more than a very technical amendment to the provision of health care in Canada whereby the provinces would be penalized if they did not fulfil certain obligations that the federal Government thought they should fulfil.

The Canada Health Act, like Bill C-40 before us today, refused to address the future needs of the health care of Canadians. It ties in with this same bulge in our population. When this same bulge hits those aged 65 and onwards, we will have massive increases in cost *vis-à-vis* our senior citizens. The increase will be in the order of 50 per cent above what we have now in proportion to the general population. It is something we have to look at well in advance of being faced with the crisis.

This is the second time within six months that this Liberal Government is bringing in picayune legislation to address a very minimal problem in the health care situation or pension problem situation. It is not tackling the real problems that

exist, namely what we are going to do for health care and pensions when this big bulge in our population hits those aged 65 and onward.

On March 17 of last year, about 15 months ago, the Minister gave the "cold, hard facts" about our pension needs in Canada. She was saying at that time essentially what I am saying now. She recognized the fact. I do not deny that she realizes what I am saying. I am sure she would be the first to admit it. She acknowledged then that the cold hard facts demanded that there be some pension reform in Canada. Fifteen months later we do not have one substantive change to our pension system which recognizes these cold hard facts that she spoke about, other than this simple social assistance increase. All we get in this Bill is an increase of $50. There are no new ideas in it, no new approaches to the pension system of this country. It is a simple increase in a monetary sense prior to an election to try and convince Canadians that the Liberal Party is a good Party and that it will give them a little extra money. They have refused to tell Canadians that we need more than that kind of a change to our system. We need fundamental changes to our pension system that recognize the difficulties this country is getting into today.

This ties in very closely with the subject of pensions. I will not get into a lot of figures. As I said earlier, third reading is not the appropriate time for that. However, let me remind the Minister and her Parliamentary Secretary that there is a lot of talk about the poverty line. The Minister tries to pretend that what she is doing by way of this $50 increase will make some magic increase in the level of income for those unfortunate Canadians who live below the poverty line. It may be if you apply averages and take those from the rural areas and smaller municipalities and average them with those in the urban areas, she may be able to claim that Bill C-40 will bring Canadian pensioners up to the poverty line. The figures we have do not suggest that at all.

Even with this increase in the minimum that will be payable under the OA/GIS payments, if you take pensioners who are eligible for those payments living in cities of 20,000 or more, those people would be receiving something in the order of $1,900 under the poverty line. Therefore, it is not fair to say that Canadian pensioners will be brought up to the level of the so-called poverty line. Tens of thousands of Canadians will still be under the poverty line, particularly those who live in urban areas. I hope the Parliamentary Secretary will take note of that. If he has figures to disprove that fact, we would like to know about it.

The other major disappointment and inadequate component or feature of this Bill is that it has failed to address the severe problems of the old age pensioner in this country who is female. The Minister was one of the first in this House to deplore the inadequate pension that was and is being paid to women in so many facets of our society. There is no area that is neglected more, even by this Government, than pensions for women. My colleague from Kingston and the Islands probably more than any other person in this Chamber throughout the years has attempted to bring to the attention of the House and the Government the fact that this is one of the great deficiencies in our pension system in Canada. I refer to the fact that the women of this country are not adequately covered by appropriate pensions. That is true not only for women who are in the workforce, some of whom are obviously better covered than others, and women are more inadequately covered than men, but it is true as well for housewives.

• (1250)

The biggest deficiency in the pension system exists for the two million or three million Canadian women who are housewives and who do their day-to-day work on behalf of the country and on behalf of their families in the home. No provision has yet been made by the Government to supply any kind of pension for those women. That should be a real priority for any Government but this Government, after talking for years and years about the need for pension reform and after the Minister having been aware for the last 15 months of the cold hard facts, has still not been able to bring before the House any legislation to correct this problem.

I suppose the Canadian people realize that this is one of the deficiencies of the present Liberal Government. I daresay that the Canadian people are now making up their minds and in fact may have already made up their minds that the time has come for a change in government if they are to receive the kind of legislation they are looking for. I think the women of Canada have long since realized that the present Government is not interested in providing that kind of legislation. The Government has had years to do so. Nothing has come forward other than seminars, conferences and parliamentary debate. Nothing meaningful has been done for the women of Canada with regard to pensions.

Let me now turn to another subject to which I alluded briefly a few moments ago. This represents another of the gross deficiencies in this Bill and it is the need for pensions for the disabled and the handicapped. I had the privilege of serving for three years on the Special Committee of this House on the Disabled and the Handicapped. I thought it was one of the most enlightening, rewarding and satisfying experiences I have had in my ten years in the House of Commons. This committee was headed up by the Minister of State for Small Businesses and Tourism (Mr. Smith) who was an excellent chairman of that committee. He gave good leadership to the committee. I would also like to give him credit for the nature of the report that came out of that committee. That report has received what I would deem to be unjustified criticism from some Members of the House because of its alleged elaborateness.

I think the committee deserves credit for coming up with some 130 recommendations, some of which dealt with the subject of pensions and income security. Among those recommendations were something in the order of 11 recommendations that dealt significantly with income security for disabled people. I think with some chagrin that Members on both sides of the House have shown some disappointment in that report. As well, the administration of the House has made some

suggestions regarding reforms to approval of committee expenditures, suggestions which give me cause for alarm. The administration has made these suggestions because we spent some extra money to produce a very effective report, a report with an innovative layout and one which included a number of pictures of disabled people designed to show that a disabled person was not different, Mr. Speaker, from you or me. Because we included these pictures and because our format was innovative and probably used a few more pieces of paper and some coloured photographs which had not traditionally been used in parliamentary reports, attempts are now being made to cut back on expenditures on subsequent committee reports.

I believe that committee report was probably the most effective report that has ever been produced by a special parliamentary committee. It is a report which has received world-wide recognition from groups of disabled people. There have been three printings of that report, indicative of the fact that when it was first seen it brought to the attention of Canadians the need for some action in this area and the fact that it was so well received by the people who understood the need in that area that there was an increased demand for copies of the report. Parenthetically, as it were, I wanted to bring this up in debate today because it is germane to today's discussion that that special committee on the disabled and the handicapped spent a significant amount of time on the subject of income security for Canadians who are disabled. Among that group of disabled Canadians are many who are over the age of 65 and are eligible for the OAS and the GIS benefits.

One of the things that our committee tried to get across in its report—and if I can brag for a moment, perhaps no one pushed this point more than I did—was the need for the acceptance of the fact that disabled people have expenses over and above the expenses of those of us who are able-bodied. If we are to provide adequate income support for those people when they are in their senior years, we must provide them with more than the traditional OAS and GIS benefits. Those benefits are not sufficient. They need more benefits because they have added expenses. That is one of the recommendations that the Government has completely ignored up until now in its assessment of the report of the Committee on the Disabled and the Handicapped.

I would like to stress the fact that there is a real need for the Government to look into the matter of how we shall adequately reimburse the handicapped of the country, particularly with regard to income security and the acknowledgement of the fact that they have increased expenditures. Along those same lines my colleague, the Hon. Member for Bow River (Mr. Taylor), when he spoke at second reading, and several others including the colleague of the Parliamentary Secretary, the Hon. Member for Cape Breton-East Richmond (Mr. Dingwall), have spoken of the fact that senior citizens who now receive GIS as well as worker's compensation benefits because of disabilities suffered years ago will suffer a loss of income because they must now take those compensation benefits into account when calculating their GIS benefits.

In closing, let me touch upon two or three more points. First, the lack of adequate coverage in the pension system partly stems from the fact that the results of the Government's economic policies have been catastrophic. The Government has failed to introduce any kind of economic policy to make it possible to pay adequate pension incomes to our senior citizens. As acknowledged by Dr. Larkin Kerwin, the President of the National Research Council, the Liberal Government saw fit in its early years following the Second World War to set a policy of spending no money on research and development. In order to have a sound economy today, it would have been necessary to make such expenditures. That is why Japan's economy is so good today and why ours is so inadequate as compared to those of the United States and Japan.

Had the Government adopted different policies some years ago and spent some money developing the economy in the country, there would have been a more adequate pension system than the one that exists today. Instead of that, the money that was available to the Government was spent on bailouts for Maislin, bailouts for de Havilland and the purchasing of Petrofina gas stations when it could have been spent on pensions for senior citizens.

Let me conclude by saying that we in the Opposition feel that Bill C-40 needs to be passed. Indeed, pensioners are in desperate need of this $50 increase. That increase is perfectly fine, but let us not forget that the real purpose of this Bill, coming before the House as it does months and months after the Government recognized the problem, coming before the House one month before the House is to be prorogued, is political opportunism. The Bill was brought before the House for one reason only, and that is because it was a matter of political expediency for the Government to tell the senior citizens of Canada that the Liberal Government allegedly cares about them and will offer those who are entitled to receive GIS benefits another $50 per month. I do not think the people of Canada will be fooled by that kind of legislation when the election rolls around in the next few months.

• (1300)

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I am not sure if the Hon. Member for Oxford (Mr. Halliday) is right. It is entirely possible that the measures which are being introduced are being introduced for strictly political reasons. If that is the case, I am not satisfied with the measures. I would not be satisfied with those measures even if that was not the case. Quite frankly, any government which thinks it can buy the votes of the Canadian public with $600 a year is dreaming. Therefore, I do not much care what the motivation was, because the end result is inadequate.

First, I would like to congratulate the Hon. Member for Oxford. He covered a variety of different legitimate and related concerns. I was particularly interested in his comments with regard to the plight of elderly women who are single. Indeed, that is a legitimate concern and should be a major concern of the Government. As well, I concur with the suggestion that he made at the end of his speech concerning the

matter of financial support for those who fall into the category of being disabled. That matter has not been adequately addressed by the Government. We must find new and innovative ways to provide additional support. The majority of those individuals who fall into that unfortunate category will not receive benefits from this particular measure. I mention those two items because I found them interesting and worth listening to in terms of their substance.

The Bill which is before us is totally inadequate. It is another example of the piecemeal approach of the Government to matters of financial support. In many ways it is misleading inasmuch as it left the impression—one which was first brought forward when the suggestion was made—that there would be an increase in pension levels. The inference that Canadian pensioners would benefit in the over-all, rather than simply those who happen to be single and on GIS, was there. It is unfortunate.

No one in the House would deny that my hon. colleague from Winnipeg North Centre (Mr. Knowles) has been in the forefront of the debate on the inadequacies of pensions in Canada since the time before which many of us were born. Had it not been for his tenacity, his strength of character and his capacity to influence by the spoken word the direction which government should take, the inadequate levels of pensions which we now have would have been even more inadequate. I know that if my colleague from Winnipeg North Centre were here today, he would be the first on his feet trying to convince the House of Commons to do what I am proposing should be done—that is, to immediately increase the base level of the Old Age Security.

It must be recognized in Canada that this piecemeal approach to income maintenance will not satisfy today's recipients. Neither will it satisfy the large numbers of people who will ultimately become the recipients of Old Age Security. I say to the Parliamentary Secretary, in the absence of the Minister, I do not deny for one moment that the providing of adequate pensions to Canadians is costly. I am prepared to accept the fact that there will be some in society who will want to argue that the cost is too high. But I want to make it clear that I neither subscribe to nor support that view. I find it offensive. When people who have the means and find themselves quite comfortable in their existence can argue the point, as they frequently do, that the cost of guaranteeing others less fortunate than themselves an adequate level of income during their retirement years is too high and impossible to provide, we must rethink the ways in which we spend tax dollars. If it is true that the current treasury cannot find the money to provide levels of pension for those who retire and who have built this country, and if it is true that we have to do that, then there is no time more suitable for starting than now. The Government is charged with a responsibility and that responsibility goes beyond its terms of office. The Government and Members of Parliament must assume that the actions which they take on behalf of the public of Canada will be beneficial in the long term of office, and that successive Parliaments will be supportive of the new direction that should be proposed. We must build into our pension system, not only the adequate base of which I speak, but a means of ensuring that those who retire and those who must exist on pensions are able to keep pace with the ever-increasing cost of living. I am prepared to be in the forefront of those who say that, whatever the cost is, it must be borne. However we find the money, we must find it. Therefore, we must start that process.

There have been reports on this subject. My colleague and friend, the Hon. Member for Nanaimo-Alberni (Mr. Miller), sat on a committee which discussed the problems of pensions, which included the interrelationship between private and public pensions and the interrelationship between the Old Age Security system and the Canada Pension Plan, together with all of the assistance programs which flow from that—the guaranteed income supplement, all the way through to supplementary benefits which are given by certain of the provinces to the aged.

The question arises as to how to deal with the contribution which is made by housewives. What is that contribution to the over-all growth of society? How can it be measured when there is no clear income which flows to those women? I do not think that anyone has been able adequately to come to grips with that question. There have been a number of suggestions as to how it can be done, but the one thing which worries me is that there does not appear to be the parliamentary political will to proceed with those suggestions. We can find time in the House of Commons to do any number of things some of them valuable, some somewhat less valuable. But on a question as fundamental and as basic as guaranteeing a woman who has worked at home, raised a family and looked after the household an income at the time of retirement, due to age, loss of husband or partner, we should provide that woman with the opportunity to live in a society of which she has been so much a part. For some reason that question does not seem important enough for the House of Commons. For many women in this country, it is the single most important question that they face.

• (1310)

It worries me, Mr. Speaker, that we end up dealing with a $50 a month increase for a select few individuals in need. It is a $50 a month increase which, no doubt every single one of them will be delighted to receive, but it is a $50 increase which will in fact be totally inadequate at this time to meet their needs. We can find time to deal with that but we cannot find time to deal with the basic and fundamental question of how we can establish an income maintenance program. Perhaps it is time for us to look at how we can guarantee people an income. Perhaps the whole thought process must be changed. Perhaps the way pensions *per se* have been allocated in the past is not the right way. Perhaps we have to move towards the adoption of a guaranteed annual income program, which can be more easily funded, I say to my colleague, the Hon. Member for Ottawa Centre (Mr. Evans). These things are difficult, but I think he will agree that we can work them out.

I believe this House of Commons should be meeting in session and trying to find a solution to a guaranteed annual

income. I believe that is important. We would then begin to address a number of questions, not only the problems of pensioners, but the question of giving the disabled an income which would begin to meet their needs. We would begin to address the question of those who are single, who go through their lives without partners, who perhaps do not have an adequate private pension arrangement. We would speak to unemployment in many ways and to the question of early retirement. What happens to people when they get to an age when they are physically unable to do the work they have always done? Yet these same people continue to have obligations which demand an income sufficient to meet those obligations. What do you say to someone who has been a labourer in a field of work which is onerous and physically demanding when that person reaches the age of 50 or 60 and time has taken its toll? They can no longer continue to climb to the top of a high building to put the bolts in place which hold the girders. What do you say to that person when he gets laid off or he cannot climb up there any more on a daily basis and does not qualify for a pension or any kind of assistance? To tell him to go find another job is ridiculous.

I feel we are evading the real question. The real question before us today, surely, is how we can make sure through legislative action that people who live and work in Canada—and I include people who work at home—are able throughout their lives to have a base income level which will be sufficient to meet their basic needs. I am not talking about extravagance; I am talking about basic needs. That is never talked about and we must do so. The question is always, can we afford to give another small supplement to this group? Can we afford to subsidize this or that group? Can we extend UIC a little for another group? Can we in some way meet the peculiar needs of one group of individuals who happen to have peculiar needs which are different from the needs of the balance of society? Frankly, I believe in doing it that way, but we tend to approach the topic in a piecemeal fashion and, therefore, lose sight of what the real problem is.

The real problem for people basically is, how do they get enough income to meet their needs? That is why they work; that is why they need unemployment benefits when they cannot work; that is why they need workmen's compensation when they hurt; that is why they get a pension when they retire; that is why we provide an allowance when they are unable to work and do not qualify for any other assistance; and that is why Canada Pension Plan was brought in and extended to meet the needs of those who are ill for long periods of time. It was not done on a humanitarian basis—or perhaps it was partly. It was certainly not done primarily on a humanitarian basis. It was done because we recognized that people's financial needs are fundamental and, therefore, must be addressed.

What I am really saying today is that it is always disappointing to be handed a piece of legislation which—and I say this quite categorically—is no doubt being welcomed by those who will receive the benefit, but which does not address the real problem. Obviously, any little bit of help is going to be supported by everyone. It is certainly better than leaving things the way they are. But I would ask that we begin in this House to start talking about the real problems. We must begin a process of making sure that the committee of the House of Commons start to look seriously at what is involved in creating an income base program which will guarantee that Canadians, in whatever condition they find themselves at any point in time, will have an income at least sufficient to meet their daily requirements.

One might argue, and I can see the argument coming, how do we decide what are the basic daily requirements?

Mr. Gamble: Hear, hear!

Mr. Deans: I can appreciate that the Hon. Member who applauded, the Hon. Member for—what is the riding?

Mr. Gamble: That is all right; you just wander on.

Mr. Deans: I am not wandering on. I want to say that I can understand that someone as affluent as that Hon. Member from the Conservative Party would expect that his basic needs would be considerably higher than those, say, of the average New Democrat. I can understand, therefore, that the average Conservative would not want to share his ill-gotten gains with the balance of society.

Mr. Gamble: Why do you not make a contribution yourself?

Mr. Deans: I can appreciate that Conservatives would want to have income-tested programs to make sure that people at the lower end were subjected to the humiliation of having to provide information about their day-to-day lives.

Mr. Gamble: No one said that.

Mr. Deans: I can understand the Tory position.

Mr. Gamble: You are dreaming again in technicolor.

Mr. Deans: I have lived through the Tory years. I know what the philosophy of the Conservative Party is. The Hon. Member who is interjecting is reinforcing on a daily basis that those who have hang on to what they have, and those who are in need, to hell with them.

Mr. Gamble: That is your theory. That is what you practise.

Mr. Deans: That is the typical Tory attitude. I listened to the Hon. Member when he ran in the leadership contest of the Conservative Party. I saw through all of the smoke and mirrors—

Mr. Taylor: I rise on a point of order.

Mr. Deans: —as he tried to appear as if he was in some way—

The Acting Speaker (Mr. Guilbault): The Hon. Member for Bow River (Mr. Taylor) rises on a point of order.

Mr. Taylor: Mr. Speaker, let us use another day to discuss our political Parties. We are now talking about the disabled and the pensioners.

Mr. Deans: That was an interesting interjection. You are afraid to hear the truth, are you? However, as I was saying, I understand the Tory philosophy and I can appreciate that they do not want to see the kind of support base for the people I am talking about.

Mr. Taylor: That is completely untrue and you know it.

Mr. Deans: I can well appreciate that they want to hold on to what they have, no matter how they got it, and share it with no one.

Mr. Taylor: That is complete baloney!

Mr. Deans: It has always been the case. I do not deny for one moment, Mr. Speaker, right on that point, that if those Hon. Members came across a poor person on the street who should be benefiting from one program or another, they would be the first people to put their hands in their pockets and hand that individual a dollar. I do not deny that for a moment because they believe in the charity approach. They believe that if they give that poor person something, that person should be grateful forever.

Mr. Taylor: Baloney!

Mr. Deans: What they do not seem to understand is that that poor person they meet on the street is but one of thousands, if not one of tens of thousands, of people who are facing similar kinds of problems. It is to that larger group that we are speaking today. We all want individual generosity but what we want more is to have people with an income by right, and an adequate income at that. I know it is foreign to the Tory philosophy to propose something like that, or even to listen to it. If they want to get up and tell us that somehow they will bring forward these programs, why have they not done so? I just find it offensive to listen to them.

• (1320)

However, let me say in conclusion that this particular proposal will pass because it does begin to address one particular small problem. But the real and more fundamental problem is one of basic income maintenance. Until we address that problem in a satisfactory and adequate way, we will be forever faced with piecemeal legislation which will never satisfy the basic needs of the majority of retired or unfortunate Canadians.

The Acting Speaker (Mr. Guilbault): A ten-minute period is now provided for questions or comments related to the Hon. Member's speech.

Mr. Evans: Mr. Speaker, I was interested as always in the Hon. Member's speech. I listened to him very carefully. He was talking about a guaranteed annual income, which has a great deal of attractiveness and it is something we should be looking at very carefully. Later in his speech he said, in response to comments from the Conservative Party, that the Conservatives would like to see everything means-tested.

Mr. Fennell: No way.

Mr. Evans: I am just repeating what the Hon. Member said. He said that means testing was demeaning and it is not the way that we should be going. Is he not aware that a guaranteed annual income is the ultimate means-tested form of income security? It is given to people so that everyone has a minimum and it is phased out beyond that point on the basis of a means test. You cannot have a universal guaranteed annual income where everyone gets exactly the same amount regardless of their need. The purpose of a guaranteed annual income is to give it only to those who have the need, and it is phased out for income above that. There is a fundamental inconsistency in what the Hon. Member said. A guaranteed annual income is the antithesis of universality.

Mr. Deans: I disagree with the Hon. Member. We, of course, disagree on a number of technical points and on this one I disagree again.

Mr. Evans: You cannot disagree with that.

Mr. Deans: You can. If you had a universally applied guaranteed annual income, you establish a tax base that will allow you to tax back from those who are in excess—

Mr. Evans: So then it is not universal.

Mr. Deans: Of course it is universal.

Mr. Evans: Universal in the front row, selective in the back row.

Mr. Deans: No, it is absolutely universal. I think the Hon. Member would agree with me that, although he may not find it a satisfactory way of dealing with it, it is a practical approach to the problem he raises.

Mr. Evans: You are going to have a 100 per cent tax rate at some point.

The Acting Speaker (Mr. Guilbault): Debate.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I am not going to delay the debate. There are just three points I want to raise. I would like to remind the Hon. Member for Hamilton Mountain (Mr. Deans) that the socialists of Canada do not have any monopoly on compassion, love or sharing.

Mr. Deans: That is right.

Mr. Taylor: I take objection to any Member imputing motives to members of any other Party. He claims we do not have compassion.

Mr. Deans: I did not say that.

Mr. Taylor: Our record will show that we have. However, I am not going to deal with that now. The Hon. Member is fully qualified to speak on socialism but he certainly does not know much about the PC Party or free enterprise.

One of the two main points I got up to speak on today is the Canada Pension. It is a splendid thing, but there are a number of people who never had the opportunity of contributing to the Canada Pension Plan. Consequently, when they reach the age of 55, 60 or 63, particularly if they are ill, they have no access to that fund. Many years ago we had pensions like the disability pension or the widows' pension. They have gone by the board and now we have the Canada Pension. It is a sad indictment of our society today that we leave a group of people without access to anything other than welfare when they reach the senior years of their lives. I think it behooves every government to look at this problem very carefully and come up with some solutions.

I am sure that every one of us here has had people come to us who, at age 55 or 60, have a sudden sickness and can no longer work. They are used to a reasonable standard of living. They are hard workers. Some of these people have looked after a widowed mother or a crippled father and so on. We do not need to go into all the causes, but there are people in that category and they have applied for the Canada Pension. They have to be told that we cannot pay them because they have never contributed. Well, they never had the opportunity to contribute. I hope we can deal with that problem because I find it very heartbreaking.

Another part of that question concerns the person who, because of sickness, has had to apply prematurely for the Canada Pension. They have not yet reached the age of 65. It takes too long, six to nine months, to process the application. This is a period of anxiety for these people. I would like to suggest to the Hon. Parliamentary Secretary that we endeavour to cut that time down to some degree.

The second reason I wanted to speak on this motion has to do with the misunderstanding about workmen's compensation. When a person is injured on the job and is no longer able to work, he gets compensation. During the period he is off work, that compensation is replacement of wages. He gets two-thirds or three-quarters of his wages and sometimes the employer provides the rest. Those are wages, but that is not what we are talking about. We are talking about those who have a permanent injury. They lost a hand and will never get it back. They are not on ordinary compensation; they are on what is called a temporary, partial disability, or they lose both legs and are on a permament total disability. The payment received is compensation for losing part of their body. I want to emphasize that difference. The compensation should not be included in wages.

It is so sad to see that some people who are getting the $50 increase this year are actually going to end up with less money than they had before. That is sad and it surely was never intended. I am sorry the Government has not brought in an amendment to cover this, because it was outlined very carefully by the Hon. Member for Oxford (Mr. Halliday) and several others. I raised it personally with the Minister of Consumer and Corporate Affairs (Mrs. Erola) and she was going to take it up with the responsible Minister. The Hon. Member for Cape Breton-East Richmond (Mr. Dingwall) raised it on the floor of this House at least twice, and he indicated that he raised it in caucus also. I hope the Government will give this matter further consideration because it is utterly unfair for these people to get less money, when they have been promised an increase because of a sudden change in the rules and these payments are considered as wages. They are not wages and they should not be considered as wages.

Mr. Deputy Speaker: Is the House ready for the question?

Mr. MacLellan: Mr. Speaker, I would like to make a few remarks. I thought you were going to ask if there are any questions.

Mr. Deputy Speaker: No one rose, but I will find out if anyone wishes to put questions to the Hon. Member who just finished speaking.

Mr. Deans: I have a very brief question just to clear up a point. I do not believe the Hon. Member thought that I said that Conservatives did not have compassion. It was the opposite. I said that I did not doubt for a moment that Conservative Members had compassion.

• (1330)

However, that was not the issue. I said that I did not doubt for a moment that they would be the first to put their hand in their pocket to give some poor person $1 or $5 or $10. That is not the issue either. The problem is the tens of thousands of people you do not meet who are in dire need. Obviously you cannot reach into your pocket for all of them. That was the only point I made with regard to compassion. I think they are Neanderthal but I do not think they have no compassion.

Mr. Taylor: Mr. Speaker, I do not know whether that requires an answer. However, we were not discussing handing money out of our pockets to people. We were talking about pensions for disabled people, old people and people in general. That is what we were talking about, not handing money out of our pockets because we feel sorry for someone.

Mr. Deputy Speaker: Are there further questions or comments? The Hon. Parliamentary Secretary to the Minister of National Health and Welfare on debate.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I would like to thank the Hon. Member for Bow River (Mr. Taylor) for his comments. I certainly appreciate the Hon. Member's sincerity in the remarks that he has made, as I appreciate the sincerity of his colleague, the Member for Oxford (Mr. Halliday).

I would like to take exception though to the comment made that the Government is not tremendously concerned about the question of pensions. When the Prime Minister (Mr. Trudeau) first outlined the federal Government's major objectives for

pension reform in 1979, I wonder how many of us realized how difficult this question would be and how much research and questioning would have to be done on this subject. The first thing which was done was to look at the system in place and discover why it was not working. This was done through a number of studies, including those by the Economic Council of Canada, the task force on retirement policy and the special Senate committee's report, *Retirement Without Tears*. Next came the national pensions conference in the spring of 1981.

Mr. Deputy Speaker: Order. I apologize for interrupting the Hon. Parliamentary Secretary at this time. I must inquire of him whether he is closing debate on second reading on behalf of the Minister.

Mr. MacLellan: Third reading, Mr. Speaker.

Mr. Deputy Speaker: That is fine.

Mr. MacLellan: Thank you, Mr. Speaker. Included in the national pensions conference were representatives from the federal Government, provincial governments, private sector pensions employees, employers, women's groups and other individuals who were interested in this question from across the country. All of these groups continue to play an important role in the reform process and will continue to do so.

After the national pensions conference, work quickened on this subject and many groups came out with specific proposals. These proposals were very carefully studied. In December of 1982 we released a green paper that outlined these options and proposals which we felt needed further feedback. The parliamentary task force on pension reform was formed as a result of this green paper. After several months of public and private hearings the task force reported and two months later the federal Government, via the February, 1984 budget, outlined its strategy for reforming Canada's retirement income system.

While this is a very sketchy history of what has been done since 1979, I think Hon. Members will agree that it shows just how thoroughly pension reform has been studied. We have studied this subject well and I agree that at the present time we must implement some of the recommendations which came from this very important study. Bill C-40 is evidence of the period of study. As Hon. Members know, during the study period just past, a great deal of effort was directed to the various pension arrangements available to Canadians on retirement. The emphasis was on improving pension vehicles so that when an individual retires he or she will have a standard of living not unlike that enjoyed prior to his or her retirement.

The problems and concerns of pensioners within this retirement income system have not been forgotten. That is what we want to deal with through these amendments to the Old Age Security Act. We are not saying that we have a panacea for all questions within the retirement income system. It is for a specific purpose that we do not say that. The reason is that the subject is so detailed and has so many ramifications that we cannot possibly deal with this whole question in this particular Bill. We are saying that there is a very definite need among pensioners, particularly single pensioners in the country. We must deal with this question as soon as possible.

The Hon. Member for Hamilton Mountain (Mr. Deans) says that the Government should be doing more on this question. He says that we should be looking at other aspects of the retirement income system. That is a very accurate statement but very much a simplification of the problem and the question. I sat with the Hon. Member for Burnaby (Mr. Robinson) in committee on the security Bill. In my opinion that Bill was literally filibustered by the Hon. Member. If the Hon. Member is serious about dealing with these questions, he must realize that these questions have to be dealt with as quickly as possible.

With regard to the record of certain Opposition Members in the very recent past, if we are going to tie up Bills the way Bills have recently been tied up—and I refer to the security Bill specifically—these important specifications are not going to be brought into law and made available to the very people who need them.

The guaranteed income supplement benefit was first introduced in 1967. It has been increased specifically by the Liberal Government since that time. Work toward the level of income that is needed in the country has taken place. Single pensioners received a full $20 increase as the first increase in 1969. Under the GIS program in 1980 single pensioners received an additional $35 increase. Married pensioners each received $17.50.

The proposals contained in this Bill will ensure that the two groups of pensioners that are not yet guaranteed a sufficient income under the Old Age Security Program, that is single and partial pensioners, will receive the increases they require. The first major proposal contained in Bill C-40 is the $50 increase for all pensioners getting what we call the single rate guaranteed income supplement. That includes GIS pensioners who are single, widowed, divorced and separated, as well as one-pension couples where one spouse is an Old Age Security pensioners and the other spouse is under the age of 60 and therefore does not yet qualify for spouse's allowance.

The $50 increase also goes to the spouse's allowance recipients who have been widowed and are now living alone. This increase will be made in two stages. The first $25 payment will be made next month and the second in December. These increases will, of course, be over and above the regular quarterly cost of living increases. In total, $50 in increases to the GIS single rate will be made. By December of this year single pensioners will be guaranteed 62 per cent of the income guaranteed to two-pension couples through the GIS and OAS programs.

• (1340)

The Hon. Member for Oxford stated that the OAS has been reduced from 20 per cent of the average industrial wage since its inception to 14 per cent of the average industrial wage. That is an accurate statistic. While we on this side of the House support the universality of programs such as Old Age Security, such a statistic demonstrates the need to pay particu-

lar attention to certain areas. Although we believe in universality for assistance to pensioners, should the funds that we have available be distributed to all pensioners to bring them from 14 per cent to 20 per cent of the OAS, or should we pay particular attention to pensioners in need through the GIS? With due respect to the Hon. Member for Oxford, I believe the funds would be better targeted toward the GIS for those people in particular need.

Appropximately 750,000 people will receive the $50 and approximately 25,000 more pensioners will qualify for the GIS for the first time as a result of the higher benefits under the GIS program. Hon. Members will know that this helps a segment of our population that is particularly in need.

The Hon. Member for Bow River talked about the needs of single women. Of this group who will receive benefits according to this Bill, 73 per cent are women. This is particularly important, as the Hon. Member for Bow River pointed out, because the majority of people living below the poverty line are single women. These are women who have spent a lifetime working in the home and in the community without access to the various work-related pension plans that are available to members of the workforce. Their only access to a pension plan is usually indirectly through their spouse. Quite often, these women are ultimately alone in retirement without the benefit of their spouse's pension plan.

Special emphasis on the problems facing women has been evident throughout the whole pension reform process. Today, the Government is taking a very important first step toward alleviating these problems. It is a first step because the $50 GIS increase has not solved the pension problems of all women. The Government fully recognizes that this increase is a short-term, even stop-gap measure to deal with an immediate concern, which is the well-being of today's elderly women and men who stand little, if anything, to gain from the reform of other aspects of our pensions system.

The partial Old Age Security pensioner is another group who have not yet been guaranteed a sufficient level of retirement income. They will receive the required increases as a result of other major amendments in this Bill. This will be accomplished by adding a flexible element to the GIS paid to partial pensioners. We will ensure that these pensioners will have access to the same total income as that provided to full pensioners through the OAS and GIS programs.

For example, according to the provisions of the Act, a pensioner who is entitled to only one-quarter of the basic Old Age Security pension is entitled to the same level of GIS as is provided to full pensioners. According to the proposals contained in this Bill, That pensioner will have access to the GIS benefit that is equal to the maximum benefit guaranteed to full pensioners, plus an amount equal to three-quarters of the OAS pension.

The Member for Hamilton Mountain (Mr. Deans) stated that even the inequitable treatment of one Canadian is worthy of the Government's attention. I agree with him. Some of the provisions in this Bill are particularly geared toward addressing the specific needs of some Canadians. For example, according to the present Act, Canadians can only apply for Old Age Security one year retroactively. According to this Bill, that period of retroactive application will be increased to five years. It is estimated that this only applies to approximately 50 people per year who do not apply for Old Age Security within a year after reaching the age of 65. Therefore this provision is very important to those 50 people.

Incidentally, I believe a partial reason why there are only 50 people who do not apply is that the Department is very efficient in giving notice to people approaching the age 65 to ensure they apply for their earned right. It is an earned right, as Members opposite have pointed out, because these people have built this country. We owe them for what they have done for the country during their working lives as homemakers or people in the workforce.

In the time I have remaining, let me deal with some of the questions that have been raised by Members at this stage of the debate. The Hon. Member for Oxford spoke of the workmen's compensation problem, as did the Hon. Member for Bow River and the Hon. Member for Hamilton Mountain. Unfortunately, a provision implemented in a finance Bill means that workmen's compensation benefits have now been deemed to be included in income. This is not something that the Government can ignore and it is currently studying it very carefully. However, it is not a matter which can be dealt with in this Bill.

Hon. Members have also mentioned the poverty line. We must consider the poverty line in the context of the whole question of income and the needs of senior citizens. As I said, the increases in the GIS payments will bring single pensioners to within 62 per cent of the incomes of married pensioners in this country. I think that is a significant statistic.

The general needs of pensioners are an ongoing question. It has been stated that the Government should have introduced this Bill earlier and that third reading should have taken place before now. That is completely irrelevant. It does not hold any credence at all. The first increase under this amended Bill will be due in July. Whether the Bill were passed February 29 or whether it will be passed June 30 is of no consequence. The importance is that it is passed in time for our senior citizens to receive the increases they so richly deserve.

• (1350)

I find that this is a tremendously important piece of legislation, and that has been recognized by the co-operation all Members of the House have given to its passage.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Motion agreed to and Bill read the third time and passed.

National Housing Act

NATIONAL HOUSING ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-37, an Act to amend the National Housing Act, as reported (with amendments) from the Standing Committee on National Resources and Public Works.

Mr. Deputy Speaker: Order, please. As Hon. Members know, there are two motions at report stage of Bill C-37, an Act to amend the National Housing Act, standing on the Notice Paper in the name of the Hon. Member for Vancouver Centre (Miss Carney).

The required notice for these motions was waived last night by unanimous consent of the House. Nonetheless the Chair has the duty to draw any irregularities in any motion to the attention of the House.

May I direct the Hon. Members' attention to Beauchesne's Fifth Edition, Citation 773(8), which states:

(a) An amendment may not amend a statute which is not before the committee. Journals, March 28, 1969, p. 862. Journals, June 11, 1970, p. 993.

(b) An amendment may not amend sections from the original Act unless they are specifically being amended in a clause of the bill before the committee.

Of course, these rules apply equally to the report stage of Bills and I refer Hon. Members to Beauchesnes' Fifth Edition, Citation 792, to that effect.

In a similar situation, Mr. Speaker Jerome ruled that similar motions—

—clearly seek to amend the parent Act in a way that was not envisaged by the amending Bill.

For these reasons, I regret that I must rule that the report stage motions are irreceivable.

Mr. Taylor: I rise on a point of order. Could you enlarge on this matter a little bit, Mr. Speaker? In the Alberta legislature we followed the rule that when there was a Bill to amend a statute it then was left open to any Member to amend any item in the original statute. While these two amendments amend the original statute, they are also very germane to the statute we are studying. I would appreciate your comments. I am not questioning your ruling, Mr. Speaker.

Mr. Deputy Speaker: The Chair appreciates the Hon. Member's comments. However, the ruling I have just made is based on the practices, customs and Standing Orders of the Canadian House of Commons. The Chair recognizes that other Canadian legislative assemblies may from time to time follow a different course. That is quite proper in their jurisdictions, but the practice in the Canadian House of Commons has not been parallel. Therefore, I will now put the motion to the House:

Mr. LeBlanc, seconded by Mr. Whelan, moves that Bill C-37, an Act to amend the National Housing Act as amended, be concurred in. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

Mr. LeBlanc moved that the Bill be read the third time and do pass.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I want to say a few words in connection with third reading of Bill C-37. May I also express with regret that our critic, the Hon. Member for Joliette (Mr. La Salle), is unable to be here. I want to express regrets on his behalf.

Let me say that I hope at least the gist of the amendments might be included in the regulations. The Hon. Minister I believe is prepared to take a careful look at them, and I appreciate that very much.

For a few moments now I would like to deal with third reading of this Bill, a very important Bill. We should cover a few points. First, what is the Bill going to do? It introduces something new as far as legislation in Canada is concerned, at least as far as the federal Government is concerned, and that is to provide a mortgage rate protection plan, which we refer to as MRPP. This was mentioned by the Minister of Finance (Mr. Lalonde) in his Budget. We have been waiting for it, as have a great number of people.

The MRPP is an attempt to protect mortgagors from unaffordable increases in their interest rates, and as such, this has merit. The program is supposed to pay for itself. The Minister expressed the hope that no general revenue would be required to handle it. The premium is 1.5 per cent of the principal, and the highest principal permitted is $70,000 of the mortgage debt, or the face value of the mortgage, whichever is less. There is no repayment for the first two percentage points; there is a 2 per cent deductible, after which the program will pick up 75 per cent of the increase to an additional 10 percentage points. There is no protection at all beyond an increase of 10 percentage points.

• (1400)

I think it is important to make note of those items as well, as another one to which I will make reference. I am referring to the reference rate or the reference point which was discussed in committee. Many people will think that at whatever rate their mortgages are established, even if they are below the market value at the time, that the two percentage points start at that point. Of course that is not so. The program refers to a reference rate, and I would like to read into the record the information given to the committee in connection with that, so that the people who are following this debate with the idea of taking advantage of the program will not be under any misapprehension. Page 6:38 of the committee report reads:

This reference rate will be established by taking the five major lenders on the market and taking the median of these five rates at any given time. So today, for example, the five-year term may be something of the order of probably 14.5 per cent. Let us say that five years from now, just for the sake of illustration, it is 19.5 per cent on that day. So then we will say that the reference rate has grown from 14.5 per cent to 19.5 per cent.

There is another statement which I think should be read. It appears on page 6:40 of the same report and reads:

The 5 per cent it goes up will be covered provided it is not only yours which goes up 5 per cent; it is the market which has gone up 5 per cent in that interval we are talking about.

The reference point should be taken into consideration.

A number of points have been raised about the MRPP which do not bear repeating. They were mentioned at second reading. However, I want to indicate that the Progressive Conservative Party is very concerned about the Canadian housing industry. We feel that Canada needs a housing program which will meet the needs to the greatest possible degree of all people. Of course that is easier said than done. We feel that there should be a multiple number of programs because home ownership is distinctive to our way of life. We think everyone possible should have the opportunity to own homes. It should be feasible for as many people as possible to own homes. This particular mortgage protection plan will not enable the housing industry to start meeting all needs. It will provide only one item of protection that may benefit a number of people.

Of course a great many people are concerned and interested in it. The document given to us in committee by the Minister's Department indicated the amount of interest evident at that point throughout Canada. It gave the number of telephone calls and written requests following the address of the Minister of Finance. The total accumulated telephone calls and written requests according to that document amounted to 5,161, most of which were from the Province of Quebec with 1,197 inquiries. My own province had 357. The second highest was the Province of Nova Scotia with 698, followed by British Columbia with 569. It is interesting to note that Yukon had none, but every province had some interest in the program. We have to conclude that a number of people are interested in it.

It behooves those people to check very carefully the premium payable for the life of the mortgage. It is not a one-year premium. It could amount to $1,050 on a $70,000 mortgage. They have to weigh the chance of interest rates rising more than the 2 per cent deductible and whether they will go up high enough to cover the increased interest as well as their premiums. They may actually be better off to use the premium of $1,050, or whatever it happens to be, to reduce the principal or their over-all mortgage. Surely the objective of everyone with a mortgage is to reduce it and eliminate it entirely as rapidly as possible. It will be a responsibility of the people themselves to look carefully at the provisions of the program. This Bill gives them the opportunity to purchase protection if they think it might be needed.

Had such a program been in effect in the last 10 years, there were very few occasions when it would have provided protection. Of course it would have provided gigantic protection in 1980 when interest rates rose from 14 per cent to 21.4 per cent. It would have provided tremendous protection during that period, but over the last 10 years or so there would not have been any particular advantage to a protection program. Of course, when people take out fire insurance they do not know whether their houses will burn down. They hope they will not, but they are purchasing protection in case they do. It may be that many people will be interested in coverage from that point of view as the interest rate is very unstable. It may rise significantly or not very much. We are all hoping that it will go down, not up.

If a person takes out this protection policy and the rate goes down, he is simply out the premium and would argue that it would have been better to reduce the principal on the mortgage rather than take out the policy. It will be up to people to decide in light of their own circumstances and the interest situation across the country.

Also the Bill deals with mortgage and home ownership security. The Government has indicated that there is a feeling that longer term mortgages should be available, for example, that mortgages should be renewed every 10 years instead of every five years. It feels that would contribute to the stability and growth of the building industry. It may. However, I would question going into a longer term mortgage unless I was fairly sure that the interest rates would keep rising. Over a 10-year period there is a great chance of interest rates falling as well, and one could end up stuck with a longer term mortgage. A large number of people lost their homes in 1980 and 1981 because they could not meet the costs of their mortgages as a result of large increases in rates of interest. While there are arguments on both sides for longer term mortgages, I am inclined to think that they might give stability to the building industry, but I am not so sure they will give any particular benefit to the rank and file.

I should like to deal for a moment or so with another aspect of the legislation. People certainly want the opportunity to own homes. However, many people across the country have reached the conclusion that they will never be able to purchase homes. For example, I spoke with a young married couple who have a son. They have given up all hope. This man works steadily, as does his wife. They have no hope of raising the down payment for a home. That is sad, but they reconciled themselves to that fact. They would like some security in renting, and we must give careful consideration to rental security.

● (1410)

The other day I received a letter from a constituent. He had been renting the same apartment for over ten years. The apartment building has been sold and he has been given his walking papers. That will disturb his whole life and that of his family. He thought he had security. We have to look at every angle of rental accommodation so that it meets the housing needs of our people. If they cannot have a home, rental is the next best thing.

There are a number of rental programs. I will just deal with one of them, co-op housing. I have an interest in this. I know people in the Calgary area who are very happy to be in a co-op housing project. It gives them security. They have a house, social life, and are happy with the amount of rent. Their rent is not subject to all the fluctuations that occur in normal renting.

If I owned an apartment, I could well increase the rent and still be competitive. I may want to charge all the market can bear. On the other hand I could be compassionate and charge

the lowest rent possible. The rent in co-op housing is only affected by increased expenses. The co-ops have a democratic organization to run their projects. If there is an increase in taxes, the rent is increased to cover just that amount. It is not increased to provide a profit. If there is an increase in the insurance cost or other expenses over which they have no control, cognizance is taken of that and it is dealt with. That is one of the big advantages.

Something I like about co-operative housing is that it meets the needs of those who need it most. I made a check on this at a meeting I attended in Toronto. I wish to put on record how their wages relate to co-operative housing: 18.4 per cent had an annual income of less than $5,000, which is very low, at the poverty level; 52 per cent had an income of less than $10,000 a year, not a very high amount; 12 per cent had an income of $15,000 or less. That means that 82 per cent of those in the housing project had a salary of less than $15,000. They had a home, security, and a social life. They can run their own affairs. The others earned above that: 2.5 per cent with an income of less than $25,000, and 3.4 per cent with an income of more than $25,000.

People in almost every wage bracket live in the project. There is no social stigma if one person earns $5,000 and his neighbour earns $25,000. That is something I like about it. In building the houses, the construction industry benefits. The building of 10,000 units creates 16,000 jobs. That is what normally happens. There are a number of advantages to such a project.

There are other types of rental accommodation that I will not mention. We should look carefully at the building of new houses to see what benefits they provide, particularly for those who need it most, those with lower incomes. We should spend a good bit of time and provide a good bit of money in this area. We should increase that type of rental accommodation. That is very important. Many times subsidies to landlords do not help with rental costs. They do not produce one new house. That is the sad part about many of those programs. Money provided to co-operative housing projects produces new homes as well as the other advantages I mentioned. That is an important aspect of housing.

The third item covered in this Bill is very close to my heart, the rural and native housing program. This program does a tremendous amount of good. I recently referred a widow in my constituency to this program. She did not know what to do. Her roof was leaking, and she needed new windows and doors. This woman had two children. She was working but did not have enough income to repair her house. She did not want to give it up. Her husband had paid for it before he passed away. She cannot borrow money. The RRAP Program covers that need. She can get much of this work done. Some of it she will pay back, and some of it will be forgiveable.

This program is of tremendous advantage for such people who needs their homes rehabilitated, something all houses need sooner or later. I like this program very much. It was questioned to some degree in committee. In committee we received a lot of information about the number of people who benefit from it. I will not deal with that. The program is applicable both to those on reserves and those in rural areas. A good percentage of the money is spent in both places.

There are three reserves in my constituency. I visit them periodically. They require more housing. Those that have been built are excellent. You have to be proud of them. When a family moves into such a house, it is like entering a new era. It brings happiness and satisfaction not only to those who live there but to everyone who sees it. Others on the reserve want this type of housing as well.

This program does a tremendous amount of good. If there were nothing else in this Bill other than the rural and native housing program, I would support it. The members of the New Democratic Party say they are going to oppose the Bill. Maybe they will have a change of heart. I hope so. I know the need on our reserves for new housing and the rehabilitation of present housing.

I know the need in rural areas. The Drumheller Valley was once a rich coal mining area. The mines have closed. Miners are not noted for building wonderful houses. The inside of their homes is better than the outside. The widows of those miners have been left with those homes. They are nice inside, but the windows do not keep out the cold. Storm windows and other things are required to make that house the kind of house that can stand weather with temperatures of 20 degrees below zero and 40 degrees below zero. This program is an excellent one and I would like to commend the Minister for continuing it.

• (1420)

He is now going to continue the program unilaterally. I think that is a good idea too. We asked the Minister in committee if the provinces would still be able to contribute if they wish. The answer was yes. We are getting the best of both worlds. Those of us who live in provinces in which the provincial governments want to contribute get 25 per cent more added to the total. No province will lose. The provinces can gain by joining the program, but if they do not wish to join, they then exercise their freedom of choice. That part of the Bill is, as well, an excellent part.

Canada needs about 210,000 housing units every year. We have not been meeting that need, but every old house that is made habitable goes toward meeting the housing need. Many people do not wish to leave the houses in which their children were born, or the houses in which their husbands or wives passed away. Those homes form a part of their entire being. This Bill enables them to keep their homes right up until the time they are no longer able to look after themselves.

As the Hon. Member for Joliette (Mr. La Salle) said, we are supporting this Bill. I could go into a great deal of detail about housing but I will not do that today. I hope there will be other opportunities to do so. I will simply close by saying that we in the Progressive Conservative Party were somewhat disappointed with the Bill. First, we think it should have included some kind of tax credit program which would enable people who are otherwise unable to buy homes to do so. We

would like to see the building of a greater variety of homes. We would like to see the building of a greater variety of rental homes so that those who cannot buy a home can live in a good home. We would like to see all those things, but I suppose we cannot do everything at once.

We are somewhat disappointed with this Bill, but we are going to support it because it does give people an opportunity to protect themselves in some adverse circumstances if the interest rate rises. It will enable people to consider longer mortgages, which will perhaps have some benefit to the industry upon which we depend to build new houses. Finally, it extends the funding available to the rural and native housing program, and I think that that is excellent. We plan to support this Bill on third reading.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, the Bill has already been debated at second reading, has gone through committee, and has been studied in detail. The Hon. Member for Bow River (Mr. Taylor) has discussed the various component parts of the legislation. the only problem I have with the legislation is with that part which deals with the mortgage insurance plan. The balance of the legislation is supportable, although perhaps inadequate.

Unfortunately the mortgage insurance program is not, in my judgment, a particularly good proposal. It does not go to the heart of the problem. The heart of the problem is not the insurability of mortgage increases but the fact that mortgage rates have now reached the point where a significantly large proportion of the total population is excluded from home ownership. the events of the last two or three days alone have excluded something in the order of another 100,000 renters, who previously had the option of purchasing a home, from being able to qualify for mortgages at the current rate. This Bill does nothing about that. Those are the fundamental problems related to home ownership. The capacity to insure oneself against usurious increases does not solve that problem.

Quite bluntly, I do not like this approach to the problem. I do not think this is how we should deal with what has become a cancer in our society, the apparent right of individuals to gouge others. That is what has happened in the mortgage field. When mortgage interest rates rose to 21 per cent some 20 months ago, there was not one single person in the House who did not feel that something had to be done to separate mortgage interest rates from all other interest rates and recognize the absolute necessity for the funding of affordable accommodation. This Bill does not do that.

The only redeeming feature of this proposed legislation as it deals with mortgage insurance is that the program is voluntary. I suppose if people want to spend something in excess of $1,000 to buy themselves protection, then all I can say is I think they are being gypped and are making a mistake. Perhaps they should protect themselves some other way. Perhaps they should reduce their mortgages, or put their money in a bond, or do something as productive, rather than handing it over and finding that in the long run they will receive virtually, if not totally, no benefit from it.

We know that mortgage interest rates would have to rise by 4.2 per cent before the people who had paid $1,000 out of their pockets would receive any benefit, taking into account the interest value on that money or the direct benefit they would receive if they reduced their mortgages by that amount. Taking those factors into account, mortgage rates would have to rise by 4.2 per cent before they would receive one single penny of benefit. They have to pay 1.5 per cent on the premium and do not receive anything for increases of another 2 per cent. They then receive the benefit of a reduction of three-quarters of 1 per cent for the next full point of increase. Even at that there is no guarantee that the calculation will be based upon their current mortgage interest rate since the Government has come up with some magic number called the reference rate.

All I can do in the time available to me is to say to the people: "For heaven's sake, be careful." To anyone who is listening today, or who might read *Hansard*, I say: "Be careful. Do not spend your hard earned money on this. It will not satisfy you, it will not protect you, it will not solve the problem of interest rates." In my judgment this program may in fact contribute to the interest rate difficulties, because the financial institutions will now feel less pressure as a result of the availability of an insurance program. The financial institutions will not feel compelled to work as actively as they might otherwise have worked to hold interest rates down.

From my point of view the main point of this exercise is to recognize that if interest rates for mortgages go from 14 per cent—and they are now in the environs of 14 per cent—to 18 per cent or 19 per cent, then the whole damned economy will be in a mess. If we allow that rise in interest rates to happen, then the problems of unemployment, domestic production, and domestic consumption, will be problems that will have to be faced by the House of Commons. If interest rates ever rise to a point where the purchase of this insurance would benefit anyone, then it is pretty clear to me that that rise in interest rates by itself will have triggered so many other problems in society that the end result will be a deterioration of Canada's economy.

The Minister knows my feelings on this matter. I have told him about them privately, and I have told him about them publicly. Without taking up a lot of time, I would therefore say to the Minister again: "I do not like it." In my judgment this program may exacerbate rather than solve the problem of mortgage interest rates.

I do believe it will become necessary, if not for this Parliament then for some subsequent Parliament, to devise new ways of funding mortgages in order to ensure that people will be able to acquire homes while retaining some sense of stability about repayment and the degree to which they have indebted themselves. I think that that will inevitably have to come to pass, and when it does then this program will be of absolutely no use.

Having said that, I am prepared to say that I do not disagree with the balance of the Bill. I found some little wrinkles in it of which I was not particularly fond, and I do

worry about the capacity of the owner in some instances to benefit from the tax dollars that are apportioned for repairs and improvements to properties which otherwise might be uninhabitable. In my opinion that might encourage certain absentee landlords to deal improperly with their properties, to let them run down and to use access to government funding to offset their own obligations. However, it will, by virtue of the fact that it can be made available to the tenant, improve the living standards of the individuals in the homes. I suppose that is a benefit. I am prepared to live with that.

• (1430)

I would vote against the Bill because of the mortgage insurance program, but quite clearly I will not do that because it does not make much sense. I just hope that people who might be encouraged to buy into the program will heed my words, look at it carefully and come to the conclusion, as I have, that it might not help them. I hope they will decide to do something else with their hard-earned cash. If they choose to buy in, then I hope to God they will not receive any benefit from it because, if they do, the rest of society will suffer intolerably high interest rates.

Mr. John Gamble (York North): Mr. Speaker, I would like to make a few comments with respect to Bill C-37. The Bill is designed to accomplish three major purposes, one of which is to provide some measure of mortgage relief to home owners. It is with respect to that aspect of the Bill that I will make my comments.

The Bill is designed not to be a give-away program because people are expected to pay for what they are getting. What they are getting is a lot less that I fear they may think they will be entitled to. For a fee of 1.5 per cent of the amount of the mortgage, the mortgagor is granted relief with respect to 75 per cent of mortgage rate increases above a level of 2 per cent that is really self-insured from the beginning, up to a maximum of 10 per cent in terms of increase. That 1.5 per cent of the principal part of the mortgage is limited to $70,000. I am quite convinced that the majority of the people in the country think that—given the figures which I have referred to—in the event there is an increase in the mortgage rate at renewal above the 2 per cent which is covered, 75 per cent of that increase will be covered by this plan. That may or may not be the case.

I say it may or may not be the case because of the provision of Clause 34.83. Through a very convoluted system of prescribing interest rates, the insurer or, in this case, the corporation, may indeed determine that when a mortgage on an individual's home is up for renewal, the interest rate that is normally charged in the marketplace is less than the interest rate charged by the mortgage at the time of renewal.

Let us assume that the prescribed rate, which is an average or determined rate by the corporation, is less than the rate which would be charged by the existing mortgagee. What is the position of the insured who has paid 1.5 per cent? It is very clear that he will not be entitled to be covered for 75 per cent of the increase over the initial 2 per cent up to a limit of 10 per cent of the renewal rate, but rather 75 per cent of the prescribed rate which is in effect at that time after taking into account the initial 2 per cent self-insured amount. That may be a difference of a substantial nature, depending upon the circumstances at the time. I think the public should be aware of that fact and recognize that they are not necessarily getting what they believe they are getting.

What is the justification for these differences? The Government may well say that if the average rate in the trade is something which can be determined, then the mortgagor should in fact renew at the average rate. How can anyone know what circumstances will apply at the time the mortgage matures? It is not a simple matter for someone to say that there is half a percentage point that he can obtain it for elsewhere if he will only go out and obtain it.

If one goes to another mortgagee—another financial institution which will provide funds—it means the following—the retaining of the solicitor of the mortgagee to search the title for the property so that he may in fact certify by legal opinion to the new mortgagee that the mortgagor has good and unencumbered title to the property. How much does that cost? Once again it depends upon the amount of the mortgage. In these cases it is not inconceivable that the cost would be somewhere in the neighbourhood of $500 or $600.

What else is required? It may well be that the new mortgagee will say that he does not wish to accept an old survey which the former mortgagee was prepared to accept and that he wants to know that the building is situated upon the land on which he has taken the mortgage. What would a new survey cost? It too may cost $400 or $500. In addition it is necessary for the mortgagor to discharge the existing encumbrance. Once again, the preparation of the discharge documents—which are set by fee under a schedule in most provinces—will cost $50 or $75.

We are then told that the mortgagor should—for the half a percentage point which he will lose—go to the average mortgage lender and obtain the average rate of interest and not have this corporation, for the payment of his premium of 1.5 per cent, cover the actual—not the deemed or the assumed—rate of interest that is in effect in the country at the time that the mortgage comes up for renewal. It is obvious, by the time that individual pays $1,200 or $1,300 to change mortgages, that it is more appropriate for him to assume the loss personally that he would sustain as a consequence of buying this insurance which does not cover him for what he thinks it will cover him. There will be a great number of times when individuals with this kind of coverage will ultimately be confronted with this problem. That will happen as mortgages mature. People will come screaming to the Government, telling it that they did not get what they bargained for. It is the fine print that those people are not reading. It is the fine print which is not being advocated and publicized by the Government so that the people will know exactly what they are getting for what they are spending.

There is another matter which I would like to draw to the attention of the House. It arises as a consequence of the

provisions of Clause 34.85. The concept is that with this insurance—having paid 1.5 per cent of the principal amount of the mortgage—the mortgagor has an asset which can be assigned to a subsequent purchaser of the property. Or, so it seems.

● (1440)

If one examines the provisions of Section 34.85, one will notice under subparagraph (b) there is a provision for that assignment which reads as follows:

> A contract entered into under subsection 34.82(1)
>
> (b) may not be assigned on the part of the home owner, except to a person
>
> (i) who assumes all the liability of the home owner in relation to any base loan or protected loan outstanding . . .
>
> (ii) who acquires the interest of the home owner in his principal residence, subject to any encumbrance securing the base loan or protected loan . . .

There are two ways, in effect, which are covered specifically by this section. One is with an absolute assumption of liability, which very rarely, incidentally, Mr. Speaker, any purchaser of a home undertakes. In most circumstances there is no specific assumption in law; if you acquire the interest of the home owner and begin to make those mortgage payments you are one of the persons obliged to continue to make those payments. Without actually being on a covenant, you are one of the persons obliged to make the mortgage payments but there is very rarely any direct assumption of the mortgage loan.

Section 34.85(b)(ii) normally covers the situation where you simply buy the property subject to a mortgage and do not assume the obligations of the original mortgagor. The only trouble with that circumstance is that it applies to the principal residence. It may well be, Mr. Speaker, with respect to the way in which we have dealt with principal residences, that the purchase by the new owner is not of the principal residence. It may not be in fact the principal residence of the home owner at the time of the acquisition, because he may indeed have used it in the interim for some other purpose which destroys the principal residence concept. Accordingly, I draw that matter to the attention of the House as well because the full ability with respect to assignment may not in fact be as it appears on the surface of the Bill.

Mr. Scott Fennell (Ontario): Mr. Speaker, I would also like to take a few moments and discuss the mortgage protection plan under Bill C-37. I worry about this plan. I believe it gives the Canadian public some false hope that possibly there will be security in interest rates. But this Bill is not really accomplishing that and I can give you some statistics on it.

It will not help a person in a period of very low interest rates who at that time takes out a five-year mortgage—and that is only if the mortgage renewal happens to come at the right time. But if that person takes out his mortgage at an interest rate of between 10 per cent and 11 per cent and those rates soar up to 17 per cent or 18 per cent it will help. However, it is too costly for a person today to gamble with $1,050 which is in essence added to the principal of his mortgage. It costs too much. I believe it is too expensive and I do not feel it will work.

If this Bill was to be effective it should have been brought in when interest rates were high, not when they started to decline. I believe this Bill, as a solution to our housing problems today, fails Canada.

I know the Hon. Minister who is responsible for CMHC has a problem in these times. I know he is not in control of the economic situation in the country. However, the statistics on the housing industry show a very serious situation right now. I understand part of the reason for this situation, to which I am going to refer, is because of the grants given by both the Ontario Government and the federal Government last year.

When housing starts were down 27 per cent in the month of April, I started to worry. When housing starts are at 50 per cent of what they should be, I worry. One of our key responsibilities should be to encourage all Canadians to own homes. I believe the Minister agrees with me on that. I believe that the Minister is totally in agreement with home ownership, to as large an extent as possible.

There are several other statistics on housing which worry me as well. In 1983, home ownership dropped—and this will not sound like very much—to 62.4 per cent from 62.7 per cent in 1982. That is a downward trend, but that is not the trend that bothers me as much as the longer term trend. The percentage of all owner households in the country is now below what it was ten years ago. In trails 1963 levels by almost six percentage points. That is the period of time in which the Liberals have been in power. It proves to me that this Government has not identified this crisis and has not dealt with it. It has not put the proper incentives in place to solve the problem.

I feel that this Bill is not going to solve the problem. This is a patchwork bill, it is a band-aid bill. We have seen enough band-aid bills in this House. This Bill is not going to encourage home ownership so that we can even get back to the 1963 levels. I know the Minister would tell me that it is a different society today, there is greater mobility in the work force and people do not have the same interest in owning homes. Perhaps the Canadian psyche today is not to save money, but to spend it while we have it, but I feel very strongly that one of the prime interests we should have in this country is to create home ownership for every single person.

My constituents have called me about the mortgage protection plan. They have asked me what they should do. I have told them that at the present time I cannot recommend it. And I put it in a partisan way. I said to them, "There will be an election. I am certain that following the election a Conservative Government will come in. Because of our policies we will put stability into interest rates. We will not allow these large troughs and peaks which the Canadian people have had to suffer through".

I read in an article the other day that since 1977, $40.5 billion in equity funding has left this country. We then in turn go overseas to borrow debt capital to bring it back in. Part of the trouble in the housing industry is that the Government, which is trying to provide so many safety nets, has not paid attention to the average Canadian who wants to own a home, or to the farmer, many of whom, as the Minister of Agricul-

ture (Mr. Whelan) knows, are in a very critical position. Many of them have over financed, which I will acknowledge, but those who have not, cannot afford to borrow money at even a 12 per cent interest rate and make a decent return on capital.

• (1450)

In essence this plan protects the homeowner for 75 per cent of an increase above 2 per cent. For example, someone takes out a one-year mortgage at 12.75 per cent and renews at 18 per cent. After deducting the $1,050 premium he would be saving only $431. I could not recommend to anyone spending $1,050 in order to receive $1,481 in return. I think that is bad business.

We are on the right track here, and I would like to see this given deep study. The idea is good. It is a beginning. I have not had enough time to really analyse it. It has to be looked at in a broader sense. Perhaps two or three years down the road when interest rates are at a reasonable level it will be to the advantage of the home owner. But at present, when mortgage rates are 13 per cent and 14 per cent, if they went up to 18 per cent there would not be much protection. The premium would be an additional burden in that critical first year.

We must have a committee to analyse housing in this country. We have to determine what we can do to get homeowners back to the 1963 level, which was in excess of 68 per cent. Everyone should own a home. Home construction is 100 per cent Canadian. They are manufactured here, the raw materials come from here, as do the finished products such as kitchen and washroom fixtures. Everything is made in Canada. If you doubled the number of homes being built this year you would create 230,000 jobs, given 2,300 jobs for every 1,000 homes. That would take a big chunk out of our unemployment figures.

The program of last year, even though I do not agree with grants, did work. It assisted people. I have to commend the Minister. I have had some difficult problems with those grants. Some have been marginal because of a question as to whether the foundations were in on time. I appreciate the co-operation the Minister has given me because it has assisted my constituents. For that I am grateful. The grant system worked last year in a recession, but possibly it will not work this year.

We should sit down and see what will work. I am afraid this program will not catch fire. I am afraid that if we pass this today, by the end of the year it will be as successful as the Sports Pool, which was a disaster. If this is in place when interest rates go down to—and I am dreaming now—8 per cent, then I would recommend that every home owner buy mortgage insurance. Possibly the problem is in the timing, but obviously if it is in place it may help in the future, as long as interest rates go down. But we must not underestimate the problem. How can interest rates go down when the Government borrows 92 per cent of our savings? That is not the Minister's fault, it is the fault of the entire Government. It is a problem brought upon this country after 21 years of Liberal rule.

I would like to conclude my remarks by saying that I will not support this Bill. I do not think it is right or that it has been well thought through. It should not be approved at this time because it is patchwork. It may fool the public but it cannot fool the actuaries or the Members of this House. It will not solve the problems we face. However, I have appreciated the opportunity of saying a few words on the Bill. I hope the Minister will continue to think about it and look for ways to improve the housing program to assist all Canadians to own their own homes.

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I wanted to make a short intervention on this housing Bill. The only point I want to discuss is the mortgage insurance program. I want to associate myself completely with the remarks of the Hon. Member for Ontario (Mr. Fennell) and the Hon. Member for Hamilton Mountain (Mr. Deans).

In my view this mortgage insurance Bill is politically motivated. It is only a veneer so that the Liberal Party will be able to go out during the next election campaign and tell people it has done something to try and stabilize interest rates for those who are going to own their own homes. You have heard the figures given by the two Members I just mentioned. People in the insurance industry feel that the homeowner would be better off paying $1,000 off the principal amount of the mortgage rather than paying this premium for so little benefit.

I think to a certain degree that the Private Members' Bill I introduced a number of years ago is the reason that this sort of politically motivated Bill has been brought forward. At that time my Bill proposed that if people had paid a mortgage for a year they should be allowed out of the mortgage on payment of a three-month penalty. That is the situation in the United States and in the United Kingdom. However, the banking community in Canada was very upset about that. As a matter of fact, a few days after I introduced this Private Members' Bill I had a visit from the president of the Bankers' Association who thought it should be withdrawn.

But my proposal went to the real problem faced by people with mortgages at high interest rates. If they had taken a five-year mortgage at 18 per cent interest, for example, after one year they could have paid it off with a three-month penalty. If they went the full term the difference could be as much as $13,000 between what they might pay at interest rates as they were last winter compared to what they are now, around 12 per cent.

• (1500)

This Bill has been introduced to try to show the people that there is a concern by the Government and a sort of protection. In actual fact I can assure you, Mr. Speaker, that very few Canadians will ever take advantage of this mortgage insurance plan. The reason is that you can try to bring forward good looking legislation, and you can dress it up, but the native intelligence of the people at large is such that they are not going to waste their money. Most of them are going to believe that they are wasting their money. If they reduce their principal by $1,000 each year over the period of time they are going

to save themselves an awful lot in interest payments. They are probably going to save themselves as much as they could gain by investing in a mortgage insurance protection program.

I really believe this is a politically motivated Bill designed to give the perception to the Canadian public that the Government is acting in their interest. All Parties are going to let it go through because no one wants to be perceived as being against something which is being dangled out. It is only cosmetic in nature. Other provisions in the Bill are more meaningful than this cosmetic provision. I think it is trying to pull the wool over the eyes of the Canadian public.

The interesting thing is that there is a small credit union in Prince Rupert, British Columbia which has been offering mortgage insurance at .5 of a percentage point rather than 1.5. If they have been able to do that for three years, why are we charging three times the premium? Having said that, there is no doubt that it is going to go through. It is not going to be used by anyone. The perception may be there but the Canadian public is going to be an awful lot wiser than the Government thinks. In the long run this is just going to be another useless statute on the books.

Mr. Deputy Speaker: Order. Perhaps the Chair should explain to the House that the Hon. Minister chose not to speak when he moved the motion.

Mr. Hnatyshyn: Have we motivated him?

Mr. Deputy Speaker: As an observer of the proceedings in the House, it was my understanding that the Hon. Minister, out of courtesy, allowed his *vis-à-vis* to speak first. I nevertheless have to seek the unanimous consent of the House to allow the Minister to make his remarks at this time.

Mr. Hnatyshyn: Mr. Speaker, we welcome the intervention of the Minister with respect to this legislation. We would be interested to hear his response, particularly to some of the questions which have been raised by my colleagues on this side of the House with respect to the legislation and also with respect to the situation which has been discussed between my colleague from Vancouver Centre (Miss Carney) and himself, and between myself and the Minister, with respect to the floating homes problem, if I may put it in those terms. On our part we welcome the intervention and are anxious to hear the Minister speak and explain the Government's position with respect to the items which have been raised during the course of this debate.

Mr. Deputy Speaker: Is there unanimous consent?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Agreed. The Hon. Minister of Public Works (Mr. LeBlanc).

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, I will first thank the House for its courtesy. I was distracted and thought we were on second reading. I would like to make a few short comments.

In response to the Member for Ontario (Mr. Fennell), under no circumstances have I indicated that this was a total solution to some of the longstanding housing problems, although I did put some statistics on the record in an answer to the Hon. Member for Hamilton Mountain (Mr. Deans) yesterday which indicated that the picture may not be as dark as it seems. In fact there was an increase of 7 per cent in housing starts between April and May of the current year.

With regard to the question raised by the Opposition House Leader referring to an amendment requested by the Hon. Member for Vancouver Centre (Miss Carney), it was ruled out of order. But we were sympathetic to the substance of what was proposed. In fact, in the case of the mortgage protection plan, floating homes or that type of houseboat will be covered under the mortgage protection plan. The difficulty arose, and arises, when the mortgage insurance applying to floating homes is discussed, for the same reason that mobile homes at one time were not covered by mortgage insurance. Discussions with the industry and a willingness to try and find solutions brought forth some amendments which have worked.

The Hon. Member for Vancouver Centre forced us to focus on the issue more quickly than we might have liked. Although we were quite sympathetic to the substance, I am sure that it will come up again and we will continue to work and where possible, by regulation, try to find some acceptable solutions.

Some Hon. Members have referred to the mortgage protection plans as an innovation. Some have expressed doubts as to whether it will see heavy take-up in applications. Some have pointed out some of the limitations that it does contain. I do not think I should spend too much time quibbling with some of these opinions. It is innovation. In our examinations in other countries we have not found cases where this type of program is used, although in some countries we have found an insurance formula for people who were threatened with the loss of their homes because of the loss of a job or similar problems.

The legislation is voluntary and obliges no one to make a decision in this matter. My hope is very firm that over time we may find that there are some amendments which would bring considerable improvement. The mortgage protection program is a service to Canadian home owners who may be worried about possible increases in mortgage interest rates. It is addressed to people who are afraid that, when the time comes to renew their mortgage, interest rates may have risen so high that they will not be able to make the monthly payments. To these people it offers, for a fee, some help and protection to assure that any increases will be kept within their ability to pay.

I hope that it is clear, and I believe Hon. Members on both sides have said that it is not a subsidy program and is not designed to protect home owners against any increases, however small, in mortgage interest rates. It is not designed to shelter home owners from every shift in interest rates. Most Canadians who decide to invest in a home anticipate changes and are prepared to cope with them. During the interest rate crisis of a couple of years ago we saw that many Canadians were prepared to make rather considerable adjustments. The

MRPP is intended to help with abnormal circumstances, with eventualities which we do not expect and which people may not be in a position to deal with.

There are other reasons as well, Mr. Speaker, why the plan includes risk sharing provisions such as the 2 per cent deductibility feature. It is important that the mortgage market, like other free markets, should remain competitive. As long as the home owner is going to have to share the cost of higher interest rates, he will shop for the best deal he can get when his mortgage comes up for renewal.

• (1510)

In that connection I would like to emphasize again that the mortgage plan is voluntary. If in their judgment it is not a wise investment, then obviously Canadians will make the judgment that they feel is right.

Although we dealt with the Bill rather quickly, I believe that the committee discussion was informative and useful. I think it went a long way to answering some of the hesitations that Hon. Members had.

I would like to thank Hon. Members for their support and their interest in that part of the Bill which deals with the rural and native housing programs which extend, for the first time, benefits to all parts of Canada. Perhaps I should indicate quickly what the changes are.

As Hon. Members will recall, the legislation as it is now requires that assistance to allow people in designated areas to acquire their own houses can be provided only if the cost is shared between the federal Government and the provinces. Some provinces dropped out of the program and one province never participated. Other provinces, while participating, made their assistance conditional on such terms and conditions that we felt they were inconsistent with the very objectives of the program.

Some Hon. Members have expressed regret that we have not achieved unanimity among all governments as to the objectives and methods of operation. I agree, it is regrettable. This divergence of opinion, however, cannot be allowed to deprive people of urgent need of shelter. That is why we are proposing that the funding and administration of the program can be assumed unilaterally by the federal Government. But those who wish to continue to participate will be welcome. In fact, as the Hon. Member for Bow River (Mr. Taylor) indicated, it will be an additional contribution to that sector of the population which is very often most in need.

I appreciated the contributions made by all Hon. Members who expressed a sincere interest in the operation of this program and in the welfare of rural and native people who live in remote areas of the country. I believe that by enacting this Bill into law we will have given new life and strength to this vital and rather successful program. I am grateful that we have been able to move as we have with this legislation. Again, it is not a cure-all for all housing problems, but I think it goes some way and makes available to those who choose to avail themselves of it a form of insurance and a form of protection. However, I suspect that over a period of time we will be back with some improving amendments.

The Acting Speaker (Mr. Guilbault): Questions or comments? Debate.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, let me say first to the Minister that I appreciate his contribution on third reading. When the Minister is handing out tributes with respect to this matter I know he would want to say that we in the Official Opposition have been constructive. We have attempted to deal with legislation on the floor of the House in that manner, particularly with respect to this legislation.

He will appreciate that we find that there are considerable shortcomings. We have tried to point these out to the Minister, and have tried in many ways at committee stage and in the course of debate in the House to indicate to him that some of the initiatives fall far short of the mark. We rather take the position that when it comes to the question of mortgage interest protection, it is because of the Government's handling of the economy that we found ourselves in phenomenally high interest rate circumstances with a crushing burden on the home owners of Canada. Those have been the circumstances that have really precipitated this legislation.

Of course, I do not want to be partisan, but I remember the pronouncement of the President of the Treasury Board (Mr. Gray) when he was in the opposition. Interest rates were at 13 per cent. I was a member of the Government of Canada at the time and a member of the Cabinet. I must admit that I had difficulty shaving in the morning when I contemplated interest rates of 13 per cent. I thought to myself that these were usurous levels of interest rates and that we must do what we can to bring them down. Of course, there was an election and the results are known. The new Government came in.

But when the President of the Treasury Board was in opposition and speaking with respect to financial matters, he made a statement that any person in political life with integrity who allowed interest rates to exceed 14 per cent had only one honourable course. That was to resign from any Cabinet which allowed that level of interest to rise above 14 per cent. I was impressed with the sincerity of the President of the Treasury Board when he said that, because I felt very strongly that as a Government we had to do what we could to keep interest rates low for the average home owner and businessman.

History is there for us to see. Interest rates skyrocketed to 22 per cent, a level that was described as being the level of interest rates which at one time would be charged to customers of organized crime who were rather untrustworthy. That was the prime rate for a long period during the time that the Government has been in power.

We need some form of protection for home owners when they are faced with having to renew mortgages, as we all are. I have a mortgage coming due on July 1. It is at 13 per cent. I was considering what to do, whether to have a mortgage of one or two years at 15 per cent, or perhaps of three years in excess

of 15 per cent. It is a lot of money for a humble working man like myself.

I say to the Minister that this particular response falls short of what we had hoped and expected in this country with respect to the problems we face with present high interest rates.

There are reasons why we have tried to deal with this Bill and put it through at this point in time. I will admit candidly that there is a political element to it. Our position is simply that this is the Government's best shot. This is the best it can do. This is as good as it will give us. As the Loyal Opposition, we are prepared to put the Bill through and tell the people of Canada that we in this Party are thinking about the horrendous problems that are created by high interest rates. We are thinking in terms of the policies and initiatives that can be taken by the Government of Canada which we hope to form after the next election. When we become the Government, I can assure the Minister and members on the government side that we will devote our attention and energies toward protecting home owners in a more significant way against the very ugly prospect that comes with high interest rates than has this Government.

We intend to do everything possible to make sure that home mortgage interest rates go down. I can tell the Minister that our Party is committed to protecting the average person in this country, the average home owner as well as the person who lives in rented accommodation. That is the basis upon which we in the Opposition allow this legislation to go forward. That is the basis upon which we say to the Minister that we have tried to do a responsible job in our consideration of this legislation. We find very significant shortcomings. While we wish the Minister all the best with this legislation and hope that it has some good effects, we say that it is far short of what the people of Canada should be able to expect. Accordingly, we will see the Bill passed by the House of Commons today so that it can be sent to the other place for consideration.

[*Translation*]

The Acting Speaker (Mr. Guilbault): Any other questions? Is the House ready for the question?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Guilbault): Mr. LeBlanc, seconded by Mr. Whelan, moved that Bill C-37, an Act to amend the National Housing Act, be read the third time and do pass.

Is it the pleasure of the House to adopt this motion?

Some Hon. Members: Agreed.

Motion agreed to and Bill read the third time and passed.

• (1520)

[*English*]

CANADA-UNITED STATES TAX CONVENTION ACT, 1984

MEASURE TO ESTABLISH

The Acting Speaker (Mr. Guilbault): Mr. Whelan for Mr. MacLaren, seconded by Mr. LeBlanc, moved that Bill S-14, an Act to implement a convention between Canada and the United States with respect to taxes on income and capital be now read a second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Is it the pleasure of the House to adopt the motion?

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. The Minister of State for Finance (Mr. MacLaren) has been in the Chamber in effect I believe, since question period. I understood that he would be coming forward to make some introductory remarks with respect to this legislation. I do not know whether he is just behind the curtains at the present time, but he spoke to me not more than five minutes ago, in fact just before I addressed the previous legislation.

Is it my understanding now that the Parliamentary Secretary to the Minister of Finance (Mr. Ferguson) will be making the remarks on behalf of the Minister of State for Finance?

Mr. Ferguson: Yes, Mr. Speaker.

Mr. Hnatyshyn: That is very interesting, Mr. Speaker. We will listen with great interest to the remarks of the Parliamentary Secretary. I swear I saw the identical likeness of the Minister of State for Finance a minute ago.

Mr. Deans: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Guilbault): Order, please. I hope the Hon. Member's point of order is a point of order.

Mr. Deans: My point of order, I think, may well be a point of order, Mr. Speaker. It was my understanding from discussions I had previously that this matter, rather than it being referred to the standing committee, was to be referred to the Committee of the Whole with consent. I note that the motion read: "to the standing committee". Has that been either overlooked, or has there perhaps been some change? I just want to be clear.

The Acting Speaker (Mr. Guilbault): The Chair had no choice but to put to the House the motion as it stands. The House may well wish to seek unanimous consent to do otherwise and the Chair will be pleased to entertain the wishes of the House.

Is someone seeking unanimous consent to amend the motion somehow?

Mr. Evans: Mr. Speaker, there have been discussions among the Parties, and it was the intent that the Bill would go to Committee of the Whole and be given third reading today as

well. Perhaps we might amend that motion to send it to the Committee of the Whole after the completion of second reading, and then be given third reading.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent for the proposal of the Parliamentary Secretary to the President of the Privy Council (Mr. Evans)?

Some Hon. Members: Agreed.

Mr. Hnatyshyn: Mr. Speaker, the understanding was that the matter would go to Committee of the Whole. We will consent to that.

The Acting Speaker (Mr. Guilbault): Agreed and so ordered.

It is now moved by Mr. Whelan for Mr. MacLaren, seconded by Mr. Pinard, that Bill S-14, an Act to implement a convention between Canada and the United States with respect to taxes on income and on capital be now read a second time, and by unanimous consent referred to a Committee of the Whole.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Mr. Hnatyshyn: Just a second, Mr. Speaker, we want to hear the Parliamentary Secretary on second reading.

Mr. Ralph Ferguson (Parliamentary Secretary to Minister of Finance): In view of the very heavy work load, Mr. Speaker, I will be very brief.

The purpose of Bill S-14, passed by the Senate on June 6, is to implement the double taxation convention between Canada and the United States of America. The implementing legislation is found on pages 1 and 2 and the text of the convention together with its two amending protocols are found in schedules I, II and III, pages 3 to 64.

Canada-United States fiscal relations are governed by a tax treaty which was signed in 1942. It would be clear to everyone that a tax treaty that has not basically changed in 40 years needs to be modernized, even though it has been a useful instrument. The new convention, when in force, will replace the 1942 tax treaty.

The convention is a balanced instrument which addresses a broad range of issues and problems affecting a significant number of individuals and corporations on both sides of the border. It took some ten years to negotiate. Its ratification is eagerly awaited by those affected. The text of the proposed convention was made public on the date of its signature, September 26, 1980. Following its publication, a number of professional associations in the two countries commented extensively on its terms and pointed to a number of deficiencies. That, plus important changes in the U.S. legislation concerning the taxation of capital gains made it necessary to introduce some amendments to the original text. The first protocol was signed and published on June 14, 1983.

Finally, a change introduced in the U.S. concerning the taxation of social security benefits lead to the signature of a second protocol on March 28, 1984.

I shall now refer briefly to some of the provisions of the convention. It provides that the maximum rates of withholding taxes on non-residents may not exceed 10 per cent on direct dividends, patent royalties and technical know-how payments and 15 per cent on portfolio dividends, interest and periodic pension payments. Under the existing treaty, the withholding tax rates on non-residents are generally 15 per cent. Copyrights royalties and certain interest payments are exempt from the withholding tax.

Income or profits from immovable property, including natural resource royalties, may be fully taxed in the country where the property is situated. Gains arising on the disposition of certain property may also be fully taxed in the country where it is situated. In view of the fact that the treatment of capital gains represents a significant change from the existing convention, special rules are also included to avoid the disruptive effect of this change on investment existing at the time of signature of the convention.

The convention contains a number of other important provisions such as: the scope of the exemption for international transport profits is extended; social security benefits will be exempt in the country in which they arise and only half of their amount will be subject to tax in the country of residence of the recipient; the deduction for contributions by a resident of one country to a university or a charitable organization in the other country will be liberalized; special problems affecting border workers will be addressed; the two-year exemption for visiting teachers will be removed.

This listing is not intended to be comprehensive, but it gives an indication of a number of the issues dealt with in the convention.

The convention will enter into force only after it has been ratified. It will generally be applicable, for the withholding tax, on the first day of the second month following the date of ratification and, for other taxes, on the first day of January following the date of ratification. I have been informed that the United States is likely to be in a position to ratify the convention in the near future. It is important that Canada also be in that position soon, therefore I commend this bill to the favourable consideration of this house today.

Mr. Howard Crosby (Halifax West): Mr. Speaker, in speaking on behalf of the Progressive Conservative Party and the Official Opposition to Bill S-14 which relates to the tax convention between Canada and the United States of America, I think it is important and highly desirable that we place on the record some general comments with respect to the processing of this legislation, and indeed this kind of legislation.

We have seen in the House of Commons in the last few days a demonstration of what we earnestly believe is parliamentary democracy, a duty of the Loyal Opposition to oppose the Government in that official way. Our responsibility under the British tradition in force in Canada since Confederation in

1867 is to examine with great care and diligence all the measures put before the House of Commons by the Government. In those cases where we think those measures may not be to the advantage of Canada and the citizens of Canada it is our bounden duty to raise the objections we can and bring to public attention those provisions which may have an adverse effect on Canada and Canadians.

That is what indeed the Opposition did with respect to Bill C-9 which was before this House and dealt with the Canadian Intelligence Security Service. The Opposition brought to the attention of Parliament, and through that parliamentary vehicle to the public, the faults of that Bill, the philosophy behind the Bill with which we have real disagreement. In that parliamentary exercise, I am sure we have cast a great deal of attention on that legislative measure, Bill C-9. If it appeared to be extreme in terms of parliamentary action, then we accept whatever responsibility we must assume for that action, because we thought and earnestly believed it was in the interests of all Canadians to focus attention on the legislation contained in Bill C-9 relating to the Canadian intelligence service.

• (1530)

We see quite the opposite attitude evidenced today in what I will say with respect to Bill S-14. We regard this Bill as the legitimate action of the Government of Canada in following the process which led to the adoption of a convention after agreement between the Government of Canada and the Government of the United States. We will co-operate, as we are now doing, to see that this Act of government receives proper attention and concurrence from the Parliament of Canada in such a way that it will benefit the taxpayers of Canada and indeed, incidentally and at the same time, the taxpayers of the United States of America.

My point is that we see our duty very clearly. Sometimes our duty is to oppose the Government to the bitter end. On other occasions our duty as opposition Members is to co-operate with the Government in order to achieve a benefit for the citizens of Canada, the people whom we represent in the Parliament of Canada. It is with that preface that I want to make some remarks about Bill S-14. It is with that thought in mind that what we are doing here in our function is co-operating in the way that we must in order to bring about what we are told is action beneficial to the people of Canada.

As has already been indicated, Bill S-14 simply is the authority from the Parliament of Canada to the Government of Canada to concur in and implement a convention between Canada and the United States of America with respect to taxation and the collection of taxes. In legislative terms, the Act itself is very simple. It contains only the necessary technical provisions. What is of wider importance is the convention itself which contains the operative provisions. As I have indicated already, we in the Opposition in these circumstance must rely upon the advice we receive from government, through its representatives in the House of Commons, in this case the Minister of State for Finance (Mr. MacLaren).

As I understand it, the provisions were negotiated in good faith between representatives of the Government of Canada and representatives of the Government of the United States of America. For us to examine with a fine-tooth comb, or put under a parliamentary microscope, the provisions which have been agreed to between the representatives of those contracting parties would not be an appropriate response to the request to give concurrence to this legislative measure. In other words, it is not the function of Parliament to review what the officers of Canada and what the officers of the United States have in good faith consummated. However, at the same time we cannot simply absolve our duty or our responsibility to the people of Canada by saying that we are placing total reliance upon the officers whose responsibility and duty it was to construct this convention. We certainly have to give it some kind of review, and that is my purpose in speaking to Bill S-14 today.

The purpose of the convention, as we know in all such conventions in relation to taxation, is to avoid unfair treatment of taxpayers in the contracting states, in particular the unfairness of double taxation. In that respect of course we concur in the principle of avoiding double taxation, because it simply is unfair. It is unfair by definition. To the extent that the convention is approved by Bill S-14, of course we concur, but we are not certain that that is the only way the matter can be resolved. However, as I have already indicated, we are entitled to rely upon the advice given to us by the Government of Canada through the Minister of State for Finance.

Notwithstanding that we concur in the principle of avoiding double taxation between taxpayers of Canada and taxpayers of the United States, there are matters which should be recorded, as they will have a real effect upon Canadian and American taxpayers. Our concern is for the taxpayers of Canada we represent in the House of Commons and in the Parliament of Canada.

There are a number of matters to which I want to direct some specific remarks, but first I want to deal with the whole system of conventions between Canada and the United States. We have different systems. We both employ democratic systems of government in respect of which we are both proud. However, they are different systems. The United States of America has a presidential republican system of government. The power in that country is divided between the legislative body in the United States Congress and the executive represented by the duly-elected President of the United States.

The executive in the U.S. has negotiated a convention with Canada, but it requires the approval of Congress. As the Parliamentary Secretary indicated, approval of this specific convention relating to taxation has not yet been granted. That is a matter we have to take into account. Why do we have to take it into account? When we approve the legislation which enables the adoption of the convention by the Government of Canada we in Parliament have abrogated the power to do anything about this particular measure. We have left it up to the Government of Canada. We in Parliament have left other things up to the Government of Canada relying on the good

faith and good judgment of the Government, and we have been very sorry that we allowed them that authority. But we recognize that with a majority in the House of Commons and with control of Parliament, the Government would do it in any event. However, that does not excuse us from raising a protest about legislation when danger signals occur.

I want to raise a danger signal with this process because we have been through it in other ways. I am quite serious in my statements in this regard. I have before me material with respect to what is of grave concern to myself, and particularly to people in Nova Scotia living in that part of the province called South Western Nova. It relates to Georges Bank. We are experiencing a certain amount of déjà vu with this convention because the Government of Canada negotiated with the Government of the United States a convention with respect of fisheries rights in relation to Georges Bank, the most fertile fishing grounds in the world, upon which many Nova Scotian fishermen are totally dependent for their livelihood. The negotiations were conducted in good faith, as I am sure the negotiations with respect to the taxation treaty were conducted in good faith. The end result was that the Congress of the United States would not approve the convention. The matter was deliberated over a long period of time. The articles were formulated. The "i's" were dotted and the "t's" were crossed. It was negotiated and renegotiated, considered and reconsidered, viewed and reviewed. Finally the convention was formulated, but it was not approved by the Congress of the United States because a Senator from Rhode Island took a look at it and said that he did not agree with it, and that he did not think it was fair to U.S. fishermen on the East Coast. He decided that that convention ought not to be approved. There was not enough interest in the Congress of the United States to override the view and opinion of that particular Senator, and one or two others, one of whom was unfortunately that great guardian of civil rights in the United States, Senator Kennedy. A few of them got together and blocked consent and concurrence of the United States Senate to that treaty.

It is not a light matter when we in the Parliament of Canada just automatically give approval to a convention which has been negotiated by the Government of Canada with the Government of the United States, because we do not always get reciprocity on the other side; we do not always enjoy have the same response by the appropriate House in the United States Congress, as evidenced in the Georges Bank situation.

Because I think it is of vital importance, in that it involves the very livelihood of thousands of people in the Province of Nova Scotia, let me review briefly what happened as a result of the refusal of the United States Congress to approve the treaty and convention relating to fisheries rights on the Georges Bank. They are now before the International Court in the Hague. They are arguing like fishmongers literally before an international court of dubious jurisdiction over who will be allowed to harvest Georges Bank.

● (1540)

Mr. Waddell: They have jurisdiction.

Mr. Crosby: There is the difference between a young lawyer and an old lawyer. I said dubious jurisdiction. The young lawyer apparently does not know that an international court has no inherent jurisdiction. Nobody gave it jurisdiction. There is no super power that formulates an international court and gives it jurisdiction.

Mr. Waddell: I have my Master's in international law.

Mr. Crosby: An international court only gains jurisdiction from the parties that come before the court. They can confer jurisdiction generally by a treaty, as the Hon. Member for Ottawa Centre (Mr. Evans) knows, or they can confer jurisdiction with respect to a particular case. In the case of the Georges Bank matter, jurisdiction was conferred by consent and concurrence for that specific case. The international court in the Hague has no right to intervene in disputes over Georges Bank and fishermen. That is why I used the term dubious jurisdiction. There is no basic inherent reason why the International Court in The Hague should be deciding a problem between fishermen from the eastern United States, the New England States, and from Southwestern Nova.

The only reason they are deciding that is because the Government of Canada, sitting in the national capital of Ottawa, and the Government of the United States, sitting in the national capital of Washington, have decided that that is the way to get rid of the problem, that that is the way to treat the fishermen of Nova Scotia and New England.

There is a group of lawyers like my friend from the New Democratic Party arguing over what are the essential, vital and important rights. They are talking about ancient history, legal documents and so on. They are not talking about people or about lives. They really do not care if the multimillion dollar scallop industry is lost to Nova Scotia. It is just a matter of charging fees. No doubt many lawyers are charging immense fees to handle this case. That does not bother the Hon. Member of the New Democratic Party. He is a lawyer. Like he says, he has a Master's degree in international law. He thinks that is the way these things should happen. I do not think that is the way things should happen. I think the future of the parties is largely dependent upon the determination of this dispute. They should be involved in it, not a bunch of lawyers in The Hague.

That is the problem with international conventions. When we cannot agree. All sorts of terrible and horrible things can happen. That is why we consider with a great deal of responsibility a measure like S-14. We do not want to end up in international courts over this kind of dispute. We do not want people in the State of Texas or the Province of Quebec to be burdened with excessive taxation because we cannot come to some kind of sensible agreement on how to treat the matter. That is why we are prepared to contribute our consent to the passage of this Bill in the Parliament of Canada, so that the measures can be implemented.

In the course of deciding what action to take, we have to point out those things of real importance to the taxpayers who will be affected by this convention. First, there is the matter of

freedom of information. Every taxpayer in Canada, including the House Leader for the Liberal Party if he gets involved in any cross border events, will be subjected to the application of this convention and the provisions of the convention. As a Canadian dealing with matters in the United States, information concerning his fears will be a public record. Under the provisions of the convention, the United States authorities will have full access to that information. They can require any information that they normally require in the enforcement of their tax measures. That will be on file in the United States of America. That may not bother the House Leader for the Liberal Party, but there are some Canadians who do not particularly want all their files in Washington, the capital of the United States, or any other place.

We have seen the other side of that. Canadian Pacific, that great Canadian company, files documents and other materials with the Government of Canada under legislation of the Parliament of Canada under which the corporation is constituted. However, they do not tell us anything about their inside activities, trading in shares and that sort of thing which they are required to disclose in the United States. If you want to find out anything about Canadian Pacific, the salaries of its directors and officers and other inside information, do not come to Ottawa, the capital of Canada. Go to Washington. You will get it there. They have all kinds of information.

There is an exchange of information. The provisions of the convention provide for free flow of information. I could look up the specific provision. It is Article XXVII headed "Exchange of Information". I could read it, but why should I? Let the member from the New Democratic Party read it on his own. I will just note for the record of the House of Commons that there is a provision in the convention relating to the exchange of information.

This means that information concerning Canadian taxpayers who find themselves subject to this convention can flow freely to the United States of America to be held in their information banks. Under their freedom of information laws, which we do not have in Canada, anybody in Canada can probably gain access to much of that information. That is an important point to consider. It is not all one way. We are giving up some things here. That may be acceptable in the broad concern of avoiding double taxation.

There are very specific things that we do not have time to look into. As I indicated, it may not even be the function of Members of the House of Commons to look into them. It has been pointed out to me that these provisions may pass to United States companies and small business enterprises the benefits intended to be granted to Canadian small business and enterprises with respect to the special tax concessions recently granted. As I understand it, corporations and persons subject to these convention measures are entitled to the lowest form of taxation. Consequently, if a United States business concern becomes subject to the provisions of this convention, I understand it will be entitled to the benefits that would flow through to a small business enterprise in Canada.

The Minister of Finance (Mr. Lalonde) recently introduced a budget in the House of Commons that had special specific measures designed to encourage Canadian small business. As a result of this convention, those same benefits would flow through to a U.S. enterprise to which the convention was subject. In other words, we have agreed in this Bill and convention to pass on to the United States concerns and enterprises to which the convention applies the same benefits that we give to Canadians. Of course, in exchange we will be getting in the United States, as I understand it, similar benefits. We must be aware of that reciprocity.

The Government of Canada as one of its stated policies has tried to encourage Canadian ownership, Canadian control of our own economy. Here is a measure that is going the other way. We are saying "Look, let's share this continent, this part of North America in economic terms." I would say that is a contradiction in Government policy, but not one with which I have any special agreement. I believe there has to be free commerce, free exchange, with protective provisions, of course. We should be moving in that direction. That is the effect of the convention. The effect of approving Bill S-14 will be to give consent and concurrence to a legislative directive.

I think I have indicated what I have set out to do; first and foremost that we want to participate and co-operate in the process by which conventions negotiated between officers of the Government of Canada and officers of the Government of the United States are ratified and implemented. We do not want to block the measures. We do not take it as our parliamentary duty to examine the provisions with a fine toothcomb. We do not take it as our function to undo what has already been done and agreed to, but we do take it as our responsibility to review in a general way the situation to make sure there is nothing blatant, improper or unfair in the provisions, to the extent that we have that capacity, and then give it approval in that spirit of co-operation.

It is quite different from our attitude toward Bill C-9 where we thought that the liberty of the subject in Canada was at stake and that there were other vital matters relating to personal freedoms at stake. This is simply an administrative measure. We recognize that. We want to co-operate, but we want to give a warning that we should watch this sort of thing carefully. We should watch the provisions. There may be effects of which we are not aware. We could have repeats of situations like Georges Bank.

● (1550)

Why do we give things away when we should be bargaining? How did this process with respect to the convention on Georges Bank come about? Did anyone speak to the Senator from Rhode Island beforehand to find out what he thought? Did anyone go to Kennedy to find out that this opposition existed before we gave our interests away? That situation will probably not arise at all with respect to this tax convention, but, as the Parliamentary Secretary said, no approval has been given through Congress. How do we know that that approval will be given? How do we know they will not hold up that

approval for some other concession that is part of the international bargaining arrangements and so on?

In a sense, we approve this Bill with a blind eye. I make no apology for that because that is the way our system works. As I said, it is the spirit of co-operation that is important. It is important to get the business that is in the interests of the public and the Canadian taxpayers done. That is why we reviewed the Bill and that is why we are prepared to give it consent. Once again, we are placing faith in the Government of Canada. People may say that it is a mistake to do so, that we should not even think of doing so. However, under our system we must place faith in the Government of Canada.

I for one, on behalf of the Progressive Conservative Party, can only say that we are going to do it once, we are going to place faith in the Government of Canada. We have been told that this measure benefits the people of Canada in relation to taxation and we accept the word of the Government. We consent to the processing of this Bill as quickly as possible so that it can be approved by the appropriate authorities and given effect, in the hope and expectation that it will benefit taxpayers in Canada.

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, the Hon. Member who just spoke said: "I think I have indicated what I have set out to do." He has not done that at all. I cannot understand members of the Conservative Party. Here they are filibustering the Bill through a long-winded and convoluted speech which ends up by saying that they are trying to support expeditious passage of the Bill. What are they filibustering? They are trying to take up time this afternoon so that we cannot get to Bill C-36, an Act to amend interest rates, an Act which will give my constituents a break on their mortgages, which is exactly what the people need.

Mr. Crosby: Mr. Speaker, I rise on a point of order. One of the basic traditions of Parliament is that one does not impute motives to another Member of Parliament. The Hon. Member for Vancouver-Kingsway (Mr. Waddell) has risen and said that I am trying to filibuster the Bill. I am simply stating the position of the Progressive Conservative caucus with respect to Bill S-14. I am not filibustering anything. It is certainly not my intention to do so, but I do object to the imputation of that motive by anyone, and particularly by that Member of Parliament.

The Acting Speaker (Mr. Guilbault): The point is well taken. The Hon. Member for Vancouver-Kingsway (Mr. Waddell) has been recognized for the purpose of expressing his opinion on Bill S-14.

Mr. Waddell: Yes, Mr. Speaker, I am entitled to debate the words of the Hon. Member. He said that the International Court of Justice has dubious jurisdiction. He said that there is no basic inherent reason for the Court to decide this case, except that it is a legal problem. It is a problem which is international in its scope. It is a question of two jurisdictions giving consent to the International Court, and that is precisely why that Court is set up. It is exactly the kind of problem with which an International Court should deal. The Hon. Member has said that the International Court is not talking about people. What does he think the courts in the country are doing every day? It's absurd.

The Acting Speaker (Mr. Guilbault): Order, please. The Hon. Member for Vancouver-Kingsway is invited to speak to the subject which is before the House.

Mr. Crosby: He is not speaking, he is filibustering.

Mr. Waddell: I am replying to the long-winded and ridiculous speech made by the Member who spoke previously.

I want to say something about this Bill. The Parliamentary Secretary said that its ratification is eagerly awaited by all those affected. I do not know that, but I will take his word for it. I gather those taxpayers will benefit because I have never heard of taxpayers eagerly awaiting tax legislation that would take more money from their pockets. Presumably the taxpayers will receive some benefit. I understand it is fair in the sense that they are paying double taxation in two different countries. Therefore, we in the NDP are prepared to support the Bill and support it expeditiously. The Parliamentary Secretary has a point when he says that the double-taxation convention goes back to 1942. It is about time that it is updated, and this treaty will update it.

I would like to make one further point. Notice how quickly we can pass a change in tax law or implement a treaty or change a tax policy in the House. If we can do it that quickly, I would say to the Government and the Canadian people that we could pass a Bill allowing for a fair system of taxation in Canada just as quickly. We could deal with the tremendous problems of growing high interest rates, housing problems and taxation problems in Canada just as quickly as we can deal with this Bill. The Government would have our support in that. If we were the Government we would do it.

[*Translation*]

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Guilbault): The question is on the following motion: Mr. Whelan, for the Minister of State (Finance) (Mr. MacLaren), seconded by Mr. Pinard, moved that Bill S-14, an Act to implement a convention between Canada and the United States with respect to taxes on income and capital, be read the second time and, with the unanimous consent of the House, be referred to a Committee of the Whole.

Is it the pleasure of the House to adopt this motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and by unanimous consent, the House went into committee thereon, Mr. Guilbault in the chair.

[*English*]

The Assistant Deputy Chairman: Order. House in Committee of the Whole on Bill S-14, an Act to implement the convention between Canada and the United States with respect to taxes on income and on capital.

On Clause 2—

Mr. Hnatyshyn: Mr. Chairman, I did not wish to say anything with respect to this provision. However, now that the Minister is in the House I wonder whether he might want to respond to some of the questions or concerns expressed regarding that aspect of the Bill relating to access to information, and the implications with respect to dividends to small businesses raised during the course of the debate. Is the Minister satisfied with the observations made by my colleague with respect to the implications to Canadians of having information through our Access to Information Act made available to the Americans?

We currently gain access to information with regard to corporate salaries in the United States under the American freedom of information legislation. Does the Minister think it would be possible for Americans to obtain information with respect to salaries in Canada, including those paid to heads of Crown corporations or civil servants? Will that be involved in this legislation?

Mr. MacLaren: Mr. Chairman, in view of the time I shall be very quick, as I am sure it is the intent of the Hon. Member opposite to see this Bill go through the proceedings before four o'clock.

In fact, under the American practice, the salary levels are made available, not so much through any freedom of information legislation but rather through the practices of the Security Exchange Commission under an Article called 10K. Under that Article, United States corporations are required to provide information about senior employees' salaries. That is not a practice that we have used here in Canada. Our practice will continue to conform entirely with the provisions of the Freedom of Information Act and the spirit of commercial confidentiality.

Clause 2 agreed to.

Clauses 3 and 4 agreed to.

Schedule agreed to.

Title agreed to.

Bill reported, read the third time and passed.

* * * * * * *

● (1600)

Mr. Evans: Mr. Speaker, I rise on a point of order. There have been attempts made to proceed with Private Members' Business, but we have not been successful for various reasons. Notwithstanding the Order which was passed with regard to the sittings of the House, I would suggest that you now call it five o'clock.

Mr. Prud'homme: I agree.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent to call it five o'clock?

Mr. Waddell: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Guilbault): Order, please. First, I would ask for the unanimous consent of the House.

Some Hon. Members: Agreed.

Mr. Waddell: No.

The Acting Speaker (Mr. Guilbault): If there is not unanimous consent, I will hear the Hon. Member for Vancouver-Kingsway (Mr. Waddell).

Mr. Waddell: Speaking on behalf of the NDP—

Some Hon. Members: Oh, oh!

Mr. Waddell: Well, if Members do not want to consult me about these matters, I will not give my unanimous consent.

Mr. Hnatyshyn: No one has been consulted.

Mr. Waddell: Bill C-36, to amend the Interest Act, is before the House. That Bill would give people a break on the interest rates of their mortgages. I thought we would deal with that this afternoon. Through you, Mr. Speaker, perhaps the government House Leader could tell us what is about to happen with that Bill. Could it be dealt with this afternoon, or will it be dealt with expeditiously next week? I have not been informed about that, and I see no reason to give unanimous consent until I am informed.

Mr. Pinard: Mr. Speaker, we had scheduled Bill C-37 to be debated today, and I wanted to see that Bill passed. However, we succeeded in passing three Bills today which are most important—the GIS Bill, the Mortgage Protection Plan and Bill S-14, the Tax Convention Act between Canada and the United States.

I thank the Hon. Member for his comments and his generous offer to allow the Bill to amend the Interest Act to be adopted. Unfortunately it is past four o'clock and it is time for Private Members' Business. That would require the unanimous consent of the House. If we had unanimous consent to pass the Bill which amends the Interest Act before five o'clock we would agree to that. However, it has not been discussed among the House Leaders that the House should sit beyond four o'clock to deal with Government business. There were meetings yesterday and the day before with the House Leaders. The House Leader for the Progressive Conservative Party is here, however the House Leader for the NDP had to leave, and I understand he had a very good reason for doing so. I would not like to force something on the Official Opposition without having consulted with them. However, if they are willing to sit spontaneously and deal with the Interest Act, fine. If not, I am not in a position to blame anyone because the time provided to deal with Government business has expired.

I thank the Hon. Member for his generosity. If we do not receive consent today, then maybe next week we will be successful in including this piece of legislation because of the trend which seems to be developing now. That trend will show the people of the country that Parliament can work and that it will adjourn on June 29 with a number of very important Bills passed.

Mr. Hnatyshyn: Mr. Speaker, it never ceases to amaze me that the Hon. Member for Vancouver-Kingsway (Mr. Waddell) sits in oblivion of what is happening in this House. This is another demonstration of the Member again speaking without having the slightest idea of what he is talking about. Of course, he proposes to speak on behalf of the NDP. That is easy for him to say. Where is his House Leader? Can he assure me that he has spoken with his House Leader about the order of business for today, and the matters which have been discussed in confidence with the Government House Leader regarding the way in which this legislation will be proceeded with? I suggest not, Sir.

We have tried to pass a lot of legislation. We have been successful in passing several pieces of legislation here today. For the Member for Vancouver-Kingsway to attempt to grandstand himself before the 20 or 30 people in the galleries here today is typical of the level of his participation in this House. I would say to him that if he wants to find out what is going on he should consult with the Hon. Member for Hamilton Mountain (Mr. Deans).

We have discussed the order of business and the sequence on the floor of the House of Commons. I know who is standing in his place and wants to speak on the interest Bill. He only began his remarks. It was not a Member of my Party, it was the Hon. Member for Winnipeg-St. James (Mr. Keeper) who had the floor of the House. I suppose, miraculously, the Hon. Member for Vancouver-Kingsway will stand in his place and tell us that he has had a transcendental discussion with the Member from Winnipeg-St. James and finds that he does not want to say anything further. The last time this Bill was up, he just cleared his throat. He had the floor when the House adjourned. When the Hon. Member for Vancouver-Kingsway stands up and tries to suggest that we are holding up legislation which is helpful to the people of Canada, I would remind him that these allegations are contrary to the truth—to put it in parliamentary terms. I think that he should allow the House Leaders to carry on with these negotiations and that he should not grandstand during the last days of a dying session. We are all nervous about the election. We are all trembling in our places and wondering about our own seats—particularly the Member for Vancouver-Kingsway.

Mr. Pinard: We are not.

Mr. Hnatyshyn: Of course the Government House Leader would not be worried. He comes from what is known as a rotten borough. That is what he told me. He told me, "No problem. I don't care. People will re-elect me because I am so wonderful". I take my re-election seriously. I would simply say to the Member that I do not appreciate being accused of doing things which are detrimental to the people of Canada. If it comes down to it, I will put my record against his any time.

Mr. Waddell: Mr. Speaker, I do not need to be lectured by the Opposition House Leader as to my record or position. I would be prepared to listen to the Government House Leader, who properly put the matter into perspective. He suggested that they were prepared to go ahead. I was prepared to agree with him, but after hearing the arguments and the insults of the Opposition House Leader, and after seeing that this Bill in fact changes interest rates and helps the real people of the world who badly need this legislation because they are paying 17 per cent and 18 per cent interest rates on their mortgages—and they are locked into those mortgages—I am seeking the unanimous consent of the House, and I have spoken with my House Leader and the Hon. Member for Winnipeg-St. James (Mr. Keeper), to proceed with this Bill now.

The Acting Speaker (Mr. Guilbault): Order, please. Is there unanimous consent for the proposal of the Hon. Member for Vancouver-Kingsway?

Mr. Hnatyshyn: No, there is not. I am sad to say that the Hon. Member did not consult with the House Leader for the New Democratic Party, contrary to what he has said. Under the circumstances, I refuse to give unanimous consent.

The Acting Speaker (Mr. Guilbault): Order, please. There being no item for consideration during Private Members' Hour, the House will now adjourn.

Pursuant to Order made Thursday, June 21, 1984, this House stands adjourned until Tuesday, June 26, 1984 at 11 a.m.

The House adjourned at 4.08 p.m.

HOUSE OF COMMONS

Tuesday, June 26, 1984

The House met at 11 a.m.

• (1110)

GOVERNMENT ORDERS

[*English*]

RADIATION EMITTING DEVICES ACT

MEASURE TO AMEND

Hon. Yvon Pinard (for the Minister of National Health and Welfare) moved that Bill C-5, an Act to Amend the Radiation Emitting Devices Act, as reported (without amendment) from the Standing Committee on Health, Welfare and Social Affairs, be concurred in.

Motion agreed to.

Mr. Speaker: When shall the Bill be read a third time?

Some Hon. Members: Now.

Mr. Nielsen: By leave, now.

Mr. Pinard (for the Minister of National Health and Welfare) moved that the Bill be read the third time and do pass.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, the purpose of the Bill is to correct limitations in the Radiation Emitting Devices Act in order to protect better the public against hazards to health resulting from the sale and use of unsafe radiation emitting devices.

The Radiation Emitting Devices Act was proclaimed in force in 1972. It provides for the establishment of standards for radiation emitting devices and prohibits sale or importation unless such devices comply with the prescribed standards. Standards have now been prescribed for television sets, dental X-ray equipment, microwave ovens, baggage inspection X-ray devices, laser scanners, ultrasound therapy devices, diagnostic X-ray equipment, and therapeutic X-ray equipment.

In respect of the areas of jurisdiction, the federal Government is responsible for the regulatory control of the design, construction, and functioning of radiation emitting devices at the point of importation and sale. Provincial Governments are responsible for the control of the installation and use of such devices after sale has taken place.

At the present time standards established under the radiation emitting devices regulations apply only to devices manufactured after the date of coming into force of regulations for those devices. Radiation emitting devices manufactured outside Canada prior to that date can continue to be imported indefinitely for sale in Canada, even though they do not conform to the standards and may be potentially hazardous to Canadian users. Manufacturers outside Canada are aware of this weakness in the Act and could exploit it by producing and stockpiling for sale in Canada devices manufactured under less stringent conditions.

The Act does not now provide authority for regulating radiation emitting devices for which standards have not been prescribed, and which are defective or create a risk of injury to the health of the user. New types of radiation emitting devices can be introduced in Canada without any prior knowledge or evaluation by the Department. Such devices can be ineffectual for their intended purpose, or totally unnecessary and detrimental to the safety of the Canadian public, yet could still be sold without restriction until standards are developed and promulgated, often a lengthy process. Under the present Act there are no restrictions on representations made by manufacturers in respect of the safety, performance or effectiveness of the devices. For many radiation emitting devices, design, construction and performance standards alone are insufficient to ensure safety. Proper and careful use of a device requires adequate written instructions for the use of the device to complement equipment standards.

• (1115)

The Radiation Emitting Devices Act presently limits the prescribing of standards, in the form of regulations, to devices that emit electromagnetic waves having a frequency of ten megacycles per second, or ultrasonic waves having frequencies greater than ten kiloycles per second. However, the biological effects of electromagnetic radiation and acoustical energy propagation are governed not only by the frequency but also by the intensity of the propagated radiation and by the absorption properties of exposed medium. There is an increasing use of a variety of devices which propagate such high levels of power that, in spite of the low absorption coefficient, sufficient power is absorbed to be injurious to biological systems.

Extending the scope of the Act to include all acoustic frequencies would permit an assessment of the health effects of high levels of infrasound which come from air conditioning, heating and ventilating systems, compressors, and large diesel engines. The biological effects which have been attributed to infrasound include hearing loss, involuntary eye movements, nausea, slowed reactions, and fatigue.

The following comments address specific points raised in the debate on second reading on May 18, 1984. Fear was

expressed that regulations might be promulgated for new noise emitting devices such as chain saws. In any regulations designed to protect hearing, not only must the level of noise be stipulated but also its duration. The very stipulation of duration of exposure then becomes a "use" parameter and properly falls under provincial jurisdiction. Microwave ovens are now controlled from a health hazard point of view. The unauthorized use or misuse by children is again a provincial responsibility.

The suggestion was made that the regulations must be compatible with those in the United States or country of origin of the equipment. The United States is the major exporter of radiation emitting devices to this country, and every effort is made to ensure compatible regulations, with only minor variations such as wording and language of warning signs. The same applies to international standards where promulgated. Some countries have minimal or no standards for such radiation emitting devices which, if it were Canadian policy to accept the regulations of the producing country, could result in the dumping into Canada of potentially hazardous devices.

A question was raised with respect to genetic and pregnancy effects from video screens. There are no levels of exposure to the operator from ionizing or non-ionizing radiation which can reasonably be expected to give rise to such effects.

The suggestion was made that the control of some radionuclide devices be transferred from the Atomic Energy Control Act. The Radiation Emitting Devices Act specifically excludes all emissions controlled by the Atomic Energy Control Act, and no redistribution of responsibility is being sought.

We intend by this Act to leave the Atomic Energy Control Act intact for its own responsibility, but by the Radiation Emitting Devices Act to have a separate Act which would be responsible for such things as consumer products and dangers in the home to the average Canadian.

This is a very important piece of legislation directly affecting the health of Canadians and the safety of our families. I ask for swift passage on third reading.

● (1120)

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, I think it would be appropriate for me to begin my comments by congratulating the Hon. Member who just spoke on the new addition to his family. I am sure that he speaks with considerable enthusiasm today.

Some Hon. Members: Hear, hear!

Mr. Gurbin: I understand the new arrival is a healthy baby boy so the Hon. Member has every reason to be properly concerned about the environment in which this young fellow will grow up. Very appropriately, Mr. Speaker, we are today dealing with an Act which deals with the environment in which Canadians live.

I would make the very strong point that the healthiest thing the Liberal Government could do for the Canadian people would be to have an election. However, I do not wish to expand on that point too much, having just congratulated the Hon. Member on the expansion of his family.

Today we are dealing with Bill C-5. I do not think I could do anything but waste time by repeating the very well prepared and reasonably appropriate comments that were made by the Hon. Member who just spoke. However, there are some points that I think need to be made. In some cases those points are broad, and they will certainly become more specific as we turn to some of the more specific issues that are involved. Indeed, the Hon. Member has already addressed some of those issues.

We are dealing with a Bill that does affect the health of Canadians *vis-à-vis* the variety of things in our environment to which they are exposed. I would like to bring to the attention of the House some of the things that were discussed most recently, in fact in this last week, by the 24 member nations of the OECD. That meeting of the Organization for Economic Co-operation and Development was precipitated by the state of our environment and all of those things that the environment means.

In this Bill, we are dealing with a reasonably specific and very technological part of the environment. Indeed, it is very much a part of that with which the OECD countries were dealing, being the state of the environment and the health of the environment, including the quality of life which we may all expect because of that environment. In the long run the environment will determine both the physical health and the economic health of the people who are exposed to a variety of industrial, technological, and other innovations that are occurring around the world today.

There is a global distribution of a considerable variety of pollutants. Here we are speaking of everything from noise to ionizing and non-ionizing radiation. This variety of pollutants is seriously threatening the sync of the global community. In the long run they are probably jeopardizing our ability to sustain a healthy economy and to sustain a healthy lifestyle. There are many things we do not know about the impacts of these various influences on our environment. One of the things that has come to light, with which I will deal specifically now, is radiation. I take the point made by the Hon. Member that nuclear radiation is excluded from consideration in this Bill, but I would also have to say very specifically that we are considering some of the same effects. I would think it would be appropriate to discuss them in the same context.

As recently as the last several months, reports have been made which bring to light new impacts of radiation that have as yet been unknown and not understood. One of the most important factors in understanding those impacts is the knowledge of the length of time between exposure to and the ultimate effect of radiation. We have all been living with a source of radiation, the sun, since the world began. We need that particular source of radiation and, as a healthy planet, we have been nourished by that source of radiation. We have also exposed ourselves along the way to additional radiation sources. Here I am talking about everything from video display screens to the effects of X-rays which are being used for

diagnostic purposes. We have exposed ourselves to those additional components in which there exists risk.

• (1125)

Originally there was a notion that there was a limit and that people could expose themselves to a certain amount of radiation without any physical costs. That is to say, so much exposure per year to an amount of radiation would be a so-called safe level. However, I think evidence is mounting which indicates that there is no such animal as a safe level of radiation. That includes the radiation which people may be receiving from the sun.

It is a well-known fact that people who expose themselves to the sun—and I say that in a gentle sense—for suntanning purposes, or people who work in the sun for long periods of time, suffer more from skin cancers. Evidence is mounting which indicates that while certain prescribed levels have become acceptable in the community for different levels of radiation, if a time study were taken it might indicate that there may well not be any so-called safe level of radiation exposure. That is not an indication that everyone should run down into the coal mines. There are dangers there as well, as was unfortunately demonstrated in the last week. Many of us have a lifestyle which includes sunbathing. We look forward to sunbathing. However, it is not without risk.

It is unlikely that there is an absolutely safe limit of exposure to any of the radiation sources. Clearly, that indicates that there is a need to understand what the effects will be over long periods of time. I believe that there is good and reasonable work being done on this matter by the scientific community around the world. It also means that at a given point in time—and we are taking a snapshot of where we stand today in terms of the effects of the radiation to which we are exposing ourselves—we need to be reasonable in establishing, as far as we can determine, exposure limits which will keep adverse effects to a minimum.

The first question that I would put forward with regard to this Bill is: on what premise will the regulations be made? I have some degree of insecurity about how evenly, reasonably, and accurately these regulations will be applied. We could go back to the time of Madame Curie. She did not know that the radium with which she was working, and which she discovered to the benefit of us all, would leave her with hands which needed to be covered completely because of cancerous changes before the time of her death. Another example, in more comtemporary times, is the shoe stores which had fluoroscopes which allowed people to see whether their toes were pinched when they bought a new pair of shoes.

There is more and more evidence about the adverse effects of radiation. I have some degree of difficulty in believing that the bureaucracy will know when it is appropriate to make regulations, and how to weigh the costs and benefits of some of these devices. If we go too far we may be denying ourselves what would be reasonable and valuable components in our lives—whether it is electrical generation or the use of computers. If we do not go far enough, 50 years from now there may be an exceedingly high rate of adverse effects which we would all regret. Therefore, the premise on which these regulations will be established is something which should not just be left up to public servants, who, from time to time, will have different attitudes.

I think that is something which requires a watchdog. We require some form of reporting mechanism in order that what is happening can be understood as far as possible, on what basis decisions will be made to provide limitations, and to ensure that the Act and the amendments which are being proposed today will in fact do what is intended. That is the first point I would make, and there are minor points which I would like to include.

• (1130)

I have a Cabinet document here, Mr. Speaker, dated September 12, 1979, from the then Minister of National Health and Welfare, indicating the changes to Cabinet which he thought were implied by the Act which at that time, I believe, was Bill C-15. That is a period of five years between the time that that document was presented to Cabinet and now. Perhaps some of the problems have become greater during that period of time. However, we are now in the second last day of Parliament and I feel it is kind of weird that we are dealing with this Bill today. This is an important issue which might have been dealt with at almost any time in the last five years instead of today when we have some of the crushing social consequences of economic policies which need to be changed, bread lines which are running out of food sources in Toronto, as well as a number of other critical situations which are affecting the health of Canadians. Suicides are on the increase. I do not want to belabour the point, but it seems passing strange that we are dealing with this now instead of something of consequence which would help to deal with the problems of unemployment, interest rates and all of those things which I feel are of critical and immediate importance to the Canadian public.

It was in 1979 when this Cabinet document was produced. It indeed describes many of the amendments, which I will not go over again. My understanding is that we have now expanded this legislation to some degree to address the areas of lower levels of emissions. The Hon. Member used the example of a chain-saw. I am very happy that he made specific mention of the fact that there is a provincial jurisdiction here which needs to be respected. This is a broad area. We are talking about a wavelength of something; then we get into a wavelength with an energy imparted to it; then we get up to a certain energy level and with it, perhaps, an additional factor in terms of the momentum or time factor and other qualities which would in fact bounce off electrons in cells which they might hit and so cause harm to health. This problem is common throughout the world.

I started out talking about the environment and it is really the environment we are talking about here because, as someone said, we could apply this to John Turner's voice, if we wanted. If we did not like the quality of his voice, we could

regulate it and perhaps get him to say the things which are important to the Canadian people. That is just how broad this Bill is and that indicates some of the potential problems we could have.

I do not believe that civil servants in the first instance are necessarily misdirected or ill informed or out to do us harm. However, I can see problems if we do not respect the fact that this is a broad concept we are talking about, that there are other jurisdictions which must be respected, and it does require that additional level of watching and understanding before things get out of hand. That is my second point.

There are many natural environmental changes but there is no single change we can get away with without cost. Economists talk about economic rents, and there is a cost. We have developed, with the help of technology and the improvement of nutrition and so on, a situation in which human beings, if they do not get blown up in the meantime, can expect to live to the age of 70 or 80, if they live in a favoured country. This has not been accomplished without costing us something along the way. There will be costs. Exposing ourselves to radiation of all types has its costs. What we must do as carefully as possible is balance those costs and those benefits and keep that progression of improved health and economic climate and environment on the right track.

I suggest to you, Mr. Speaker, speaking on behalf of the Conservative Party, that we do support this Bill. However, we raise those cautions which I have expressed and we hope the Government will take them into consideration as this Bill goes forward.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Motion agreed to and Bill read the third time and passed.

* * *

CUSTOMS TARIFF

MEASURE TO AMEND

Hon. Roy MacLaren (Minister of State (Finance)) moved that Bill C-7, an Act to amend the Customs Tariff, as reported (without amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

Mr. MacLaren moved that the Bill be read the third time and do pass.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, Bill C-7 is a repeat of the incompetent way of handling the Customs Tariff in Canada by this Government. The incompetence is expressed so perfectly in the schedule to the Bill that it is important that once again this matter be brought to the attention of the House of Commons.

Somehow we have developed a tariff system with four different tariff items. We have a tariff for the British preferential situation. We have a tariff for most favoured nations. We have a tariff for the general tariff. Then we have what is called the general preferential tariff. In addition, Sir, we have special rates for the United Kingdom and Ireland. All in all, we have a tariff system which makes little if any sense; a tariff calculation and computation system which has grown without any attempt at review. I want to go over how this developed and what we think should happen to correct the matter.

In the first place, Sir, you will recall that back in the early 1930s there was an effort made by the Right Hon. R. B. Bennett, as Prime Minister, to organize a British Commonwealth free trade or virtual free trade system. The empire, then the Commonwealth, more or less like the empire prior to World War II and very shortly after, was cohesive and worked well. We had a British preferential tariff whereby rates of duty on goods coming to Canada from Commonwealth and empire countries came in at a very much lower rate of duty than goods which would come in from other countries under what was then the general tariff.

Now, Sir, change has taken place. The British Commonwealth still exists. We are proud members of that Commonwealth. But Great Britain and Ireland have joined another tariff unit called the European Community. They have aligned themselves in a new free trade arrangement with Europe.

• (1140)

However, we still retain the British preferential tariff for no purpose at all other than that it might possibly be of some help in our trade with Australia and New Zealand. It is really of no purpose because following the war we created something called most favoured nation status. Some of those most favoured nations are the most heinous totalitarian countries it the world. For example, Soviet Russia, East Germany and Czechoslovakia are most favoured nations. They are favoured as much as the finest democracies in the world, including the United States. This status covers almost all the countries in the world with the exception of Albania, the Balu Islands, North Korea, Libya, Mongolia, Oman and Saudi Arabia. It has long been said that if everyone is favoured, no one is favoured; if everyone is special, no one is special; if everyone is a somebody, no one is a somebody. We have a tariff system which provides that everyone is a somebody with the exception of Albania, the Balu Islands, North Korea, Libya, Mongolia, Oman and Saudi Arabia. We do not do much business with those countries. We do some business with Saudi Arabia and Libya, basically importing oil. The fact is that we just have not got round to negotiating a treaty with these countries. If we did, they would be most favoured nations too. But I suppose they do not really care.

Nevertheless, we carry the general tariff in our big, weighty tariff tomes. Duly printed in this Bill is the general tariff, including photographs, chromos, chromotypes, artotypes and oleographs, whatever they are. General tariff countries will pay 22.5 per cent duty, whereas most favoured nations will pay 15.7 per cent. We keep this garbage in this statute. Why? If you are amending a statute, surely you look at the problems

that multitudinous rate structures create and get rid of them. But not these fellows. They are happy in the bureaucracy carrying on with this sytem, piling new changes on old change, changes on changes, until we build up tomes that are incomprehensible and undefinable.

We have the Bill before us to make sure that labels for cigar boxes coming from Saudi Arabia will attract 35 per cent duty, but if they come from East Germany it will be only 14.6 per cent. Why we should discriminate against the Saudis and make them pay over twice the duty for labels for cigar boxes, I do not know, but there it is in this bill.

The poor people from the Balu Islands are treated the same way. But it is different for Czechoslovakia, that home of democracy which has managed to keep as a prisoner one Vasclav Pivenec. I bring this up because I think it is important. This man worked for the Czecholovakian trading company in this country. When he went home one Chritsmas he was immediately arrested. His wife and kids defected and they are now here as landed immigrants. When he tried to return to his wife and kids, that most favoured nation which we allow to import into Canada goods produced by slave labour said he could not go. He tried to escape and they put him in jail. They still say he cannot come because they do not really care about the Helsinki Agreement. But they are still a most favoured nation; favoured by this Government.

It is a great Act we have here. It really indicates the lack of thinking in a ministry that would produce it and a government that would bring it in and say it is important that it be passed. Well, Sir, we are going to let the ministry and bureaucracy know right now that they better get their act together, because this legislation is incomprehensible, has no regard for the ultimate benefit of Canada as a world trader and it has to go.

We are going to let the Bill go through because it has a provision to extend the general preferential tariff this country has generously given to underdeveloped countries so they can bring their goods into Canada by and large duty free. If it is not passed by June 30, that right would expire and all of those underdeveloped countries, would be stuck with the general tariff or, at best, the most favoured nation tariff, and that would be unfortunate for them. Another reason for letting the Bill pass is that it goes on to increase, from $100 to $300, the amount Canadians returning home can bring in duty free. Those two provisions are very important and must be passed.

• (1150)

I want to bring to your attention Clause 1, which still exists, and the unfortunate things that have happened with respect to which countries are entitled to the general preferential tariff. That tariff is a fourth tariff item. That tariff gives underdeveloped countries the right to bring in goods at a rate below or equal to the British preferential tariff and below the most favoured nation tariff. It allows goods to come in at a very substantially reduced rate. In creating the list of countries entitled to the general preferential tariff, there seems to have been no effort made by the Government to bring that list up to date. While certain countries are underdeveloped and are entitled to this tariff privilege, some countries have become less underdeveloped. Some of them have become major industrial countries.

I speak, for example, of Brazil. There is no question that there is a lot of poverty, underdevelopment and distress in parts of Brazil. There is also a high degree of technology and expertise in this country. There are manufacturers of airplanes, auto parts and automobiles which compete head on with us on the world markets. We allow them tariff concessions which are totally unrealistic in comparison to their degree of development. Brazil is not an underdeveloped country. It may be a poorly managed country. Instead of reinvesting in their country the rich people of Brazil may put their money in bank accounts in Switzerland. There may be little redistribution of wealth in that country, but there certainly is not a total lack of technological ability. To the extent that it is underdeveloped, it is because, through the management of their own affairs, the Brazilians make it underdeveloped.

One wonders why a country of that nature should be entitled to the general preferential tariff. I say that also in relation to Argentina. That country is entitled to the general preferential tariff. In Argentina the people are not illiterate and in poverty all over the country. Argentina has the capacity to produce, create and build and to be a modern industrial machine. The fact that it is badly managed may make it underdeveloped. Our country is badly managed and we are underdeveloped in terms of our potential. However, that does not justify that country having general preferential tariff status.

If one looks at the list of countries with general preferential tariff status, one begins to wonder why they are entitled to the general preference to come into Canada at a rate which is less then the British preferential tariff ever was, when their manufacturers and subsidization of manufacturing is such that, because of free entry, they are able to do damage to Canadian business.

Cuba has that status. Is there any real justification for Cuba, a communist country in the western hemisphere which causes us all sorts of problems in connection with national defence, to have the benefit of a tariff lower than the British preferential ever was? Why would you treat Cuba better than you treat Australia? Is there any real justification for that? Why would you treat communist Cuba better than you do the United States? I say that there is no justification for that at all. One begins to wonder where the priorities of the Government are. Where does the Government intend to take us trade-wise?

In 1968 Canada had 5.74 per cent of world trade. We had a larger percentage of world trade than Japan had. At that point Japan had only 5.71 per cent of world trade. The last statistics I was able to get are from 1981 because these do not come through that quickly. In 1981 we had 3.8 per cent of world trade and Japan had 7.93 per cent. In 1968 we had a larger percentage of world trade than Japan. Now Japan has more than double the world trade we have. We have not been holding our own as a nation. We have been giving tariff privileges to other countries. Yet we have not done anything

for ourselves. Candy manufacturers in Canada have protested the way Brazil is able to dump candy into the country. Sugar refineries protested as well with respect to Cuba. Automobile companies have said the same thing to us. I have protested on behalf of people making cordage about what was happening in terms of import and how that was affecting manufacturing jobs in Canada.

Our percentage of world trade has dropped. That of our trading competitors has risen. Germany has 9.21 per cent of world trade, which is nearly three times ours. France had 5.59 per cent in 1968. In 1981 it had 5.57 per cent. That is virtually the same. They do not lose their percentage against Japan. The country that loses is Canada. Our percentage has been going down dramatically more than other countries.

• (1200)

We conducted a study on these matters. It is no secret that our Party has been examining what we could do to make this country grow again and get people back to work. For example, we know that if we could bring Canada's trade up 1 per cent, not even back to what it was in 1968 but to 1 per cent more of trade in the world market, there would be another 600,000 jobs in this country. Yet we are faced with a tariff Bill that repeats the confusion, the inconsistencies and the lack of policy developed by the Government during its history.

Is the Government attempting to get people back to work and to build the country, or is it trying to pretend that this country means something to everyone and that each nation is a most favoured nation? Each nation that says it is underdeveloped is allowed that status and therefore is entitled to virtually free access to our market no matter what the extent of their development. It does not matter to the Government whether a nation is able to make short-take-off-and-landing aircraft that compete with us and drive us out of the South American and African markets with its subsidization programs. It will let them into our country virtually tariff free.

Where is the Government's trade policy? Where is its intention to get tough and to build Canada so it can grow again? It is not provided in this Bill. This Bill really does nothing except extend the privilege to some underdeveloped countries. There are some underdeveloped countries that deserve the underdeveloped status and should be allowed to send goods into the country tariff free. Perhaps that is the best way to help them. However, there seems to be no discrimination. Apparently any country which says it is underdeveloped can qualify and the Government does not reserve that status to those countries in real need. The Government does not reserve the privilege of trading in the Canadian market duty and tariff free to a select group to whom this privilege matters. It is those countries with which we could have free trade, to whom our manufactured goods and technical expertise could be sold while importing from them raw products which cannot be found in our country. That would be a trade policy, but it is not done.

The Government gives this general preferential rate to virtually every country which asks for it. It does not matter whether it is Cuba or Brazil. The Government gives the most favoured nation status to all the others, without regard to politics, how they conduct their trade, whether we can have access to their markets or whether they can sell to Czechoslovakia freely while we cannot. They sell $53 million worth of goods to our country while we sell $11 million worth of goods to their country. It does not matter to the Government, it lets them come in as most favoured nations.

Since the Government has not yet negotiated an agreement with Saudi Arabia and the Balu Islands, it says they must pay the high general tariff. Since they are paying that high general tariff then everyone could be most favoured nation status who is not either in the Balu Islands or North Korea.

This Bill lacks thinking, development and intelligence. It should be passed only for two reasons. First, it will help those who really need the assistance of most favoured nation status and are included in the schedules. That status should be extended. Second, Canadians who are returning from overseas will be able to bring in $300 worth of goods.

I am not sure they will be able to do that any longer. The House will recall that when this Bill was presented in January the exchange rate was well in excess of 80 cents. As each hour goes by, the value of the Canadian dollar seems to drop in terms of international purchasing power. Perhaps the value of $300 Canadian duty free goods coming into Canada has decreased by 4 per cent since the Budget, which is $12 since the Bill was introduced. Since the Budget, that preference has been reduced to approximately $287 and perhaps tomorrow it will be $286. Its value is getting smaller. Canadians believe they are getting something for this privilege, but as the international value of our currency drops, it is not much of a privilege.

The Bill should go through but the Department should be warned that it will have to rewrite the Customs Tariff and put the customs tariff schedules into comprehensible form. Unless it is prepared to begin doing that, some changes will have to be made.

Mr. Scott Fennell (Ontario): Mr. Speaker, with respect to the remarks made by the Hon. Member for Mississauga South (Mr. Blenkarn), since 1968 the Government has had to increase the duty free limit from $100 to $300 not only to counteract inflation but the devaluing of our dollar. Therefore, I would say that going back 16 years we are no further ahead, perhaps even a little bit behind.

This Bill is what I would call a good neighbour Bill. While neighbour nations are allowed to send goods into our country without any restrictions, they have a different set of rules when we export our products. I am particularly concerned about the automotive industry. The report of the auto task force was made almost two years ago but nothing has been done about it. That report requested that the preferential tariff rate extended to developing countries for their automotive products be limited to two-thirds of the most favoured nation tariff rate for automotive goods. That is a reasonable request.

I represent an auto industrial area. In order to get around the tariff from West Germany, Mercedes Benz now produces their products in Brazil. As a result, they come into Canada duty free in direct competition with our own industry. This is not the best example because the demand for trucks is not great, given that the economy is at such a stalemate.

However, another example is the South Korean Pony. I will admit that it looks a very good product. It sells at a discounted price and is put together by people who probably earn less than $1 an hour, in a country where the standard of living is much lower than that in Canada. We in Canada try to protect a standard of living for all Canadians. While this product which is brought into the country may benefit consumers, it removes jobs for the workers.

As I said, the Government takes the attitude of being good neighbours and accepts products from anywhere. It will not put duties on the products of other countries and is not concerned about the duties that are placed on our export products.

• (1210)

I would like to point out the reason for that, which came up in our research about what has to change in government. We are not producing as many products now as we did ten years ago. We are still depending upon the export of raw materials. This situation is hurting Canada by eliminating jobs. We have to address methods of producing Canadian products that create jobs, that create additional research and will produce additional profits, allowing further research for new products. We should not just import such things as Mercedes Benz trucks from Brazil and Pony cars from North Korea.

Canada is being very kind to the rest of the world. We put no blocks in the way but everyone else puts blocks in our way. We come across one roadblock after another. We have not been quite as smart as other countries. We have not subsidized industry as much as other countries. We have not enacted adequate legislation for our citizens enabling them to be working today.

As my colleague mentioned, our trade has dropped from 6 per cent to 3.9 per cent. Japan, which traded less then Canada in 1968, now trades more than double the amount that Canada does. How long will we have to wait for other newly industrialized countries to surpass our 3.9 per cent figure? We should be addressing the major problem of pushing our 3.9 per cent trade up to a reasonable level that will create jobs for Canadians. Moving up our world trade one percentage point would create over 600,000 jobs. Moving that percentage in world trade to 5 per cent would create 750,000 jobs. That would cut unemployment in Canada in half. Believe me, Mr. Speaker, I think this country could live with 50 per cent of the unemployment rate we have today, but we cannot live with unemployment rates of 11 per cent and 12 per cent. People do not want to stay at home watching television all day. People want to be productive. This Bill does nothing to encourage our trade. I should correct that: yes, it does. It encourages everybody else to trade with us but what does that do to help Canada export more products?

This Bill will be in place until June 30, 1994. You wonder why we object, Mr. Speaker. We object when we see a democratic country like ours being treated in a different fashion from communist countries such as Czechoslovakia, Poland, East Germany and Russia.

Let us examine our position with Saudi Arabia. We probably export more to Saudi Arabia than to many other places. We have had tremendous success in our exports because of Bell Canada and Northern Telecom. Yet, as a favour to Saudi Arabia because it buys Canadian research and development and technology, we turn around and say to the Saudi Arabians: "You must pay a different rate than the Soviet Union". That situation is not addressed in this Bill. That is wrong. Saudi Arabia requires secondary industry. Saudi Arabia buys from us and we buy from Saudi Arabia what we have to, that being oil because we are running out of oil. We do not create that many jobs in Saudi Arabia by simply buying oil; nor do other countries create many jobs in Canada by buying our coal, our aluminum and our zinc. This Bill does not really solve any of our trading problems. I realize this is something that has to be done every ten years. We have to adjust duties. We had to change the British preferential tariff because Britain is now part of the EEC. But we have many inequities which should have been changed much sooner.

I am concerned, as I said earlier, about the preferential duty for automotive parts and auto products. Yes, Canada is in a positive position today, but I am not at all certain that six months from now Canada will have a positive trade balance on cars. Canada was fortunate that the United States allowed us to retain large car production facilities in Canada. The United States did not really allow us; the situation just happened. All American plants were changed over to the new styles. The Americans left in Canada the "B" bodies—the Monte Carlos, the Pontiacs and the small Oldsmobiles. The United States did not anticipate there would be a boom for those cars. That boom happened because the price of oil did not go up as quickly as anticipated. I am worried and that is why I am dwelling on duty on cars. I am concerned about these new industrialized countries that are able to bring their products into Canada duty free, because we could be in a very dangerous position just six months from now. I hope I am wrong. The new industrialized countries, some of which are in far better shape than Canada, are developing much faster than we are.

I have requested a number of times, to be fair to Canada and to our automotive trade which creates many, many jobs, that we impose two-thirds of the most favoured nation tariff rate on automotive goods. I know that requesting it will not do any good but, believe me, the people in my riding would be appreciative, Mr. Speaker.

Let me digress to the auto task force report which was written two years ago. Nothing has been done about it. Fortunately the industry has done something to help itself. In Canada industry knows that the only way for it to survive is to help itself.

If we are going to accept this Bill—it will be accepted and it will be passed—we have to address what we can do in Canada similar to what the Americans did with the DISC program. We have to deal with subsidization programs throughout the communist world and the slave labour rates in other parts of the world. We must do something to protect Canadian industry. We cannot accomplish it through tariffs, nor by increasing tariffs on goods coming into this country. But we can do something by allowing the free enterprise system to fly. We have put too many constraints in its way, yet we have taken away the constraints on all other countries in the world except for about a half dozen. I am continually amazed that we are such good neighbours. I wish they were as kind to us.

• (1220)

We still protect some items. For example, the British preferential tariff on biscuits is higher than the general preferential tariff. Since I was a child I have eaten more British biscuits than I have those of the rest of the world. Obviously Britain has a higher productivity rate in biscuits than any other country.

The Government is acting in an inequitable manner. For example, we can purchase lobsters prepared and preserved from the communist world at a lower price than we can purchase them from Australia and New Zealand, our friends. Also it is interesting to note the situation with respect to caviar. I am very fond of caviar; I really have a tongue for it. The Government places a tariff on caviar from Britain, a most favoured nation tariff, but caviar from communist countries comes into the country duty free. That is from where most caviar comes, other than that from the Middle East, which I think comes from Iran and perhaps from Saudi Arabia. We charge our friends an excessive tariff, but our enemies bring in their caviar duty free.

The Hon. Deputy Whip likes champagne to go along with his caviar. As he knows, champagne is very heavily taxed coming into Canada. It is not taxed to keep champagne out; it is taxed in the same way as oil, as a money machine. I could deal with all the different items to show the inequity or unfairness. In the case of cigars, the tariff is much less on those from Cuba than on those from other countries. Possibly the Minister enjoys a good cigar after dinner. I do not know, but I feel the situation is inequitable. We must address the importance of encouraging our Canadian industry to produce products so that we do not need to worry about tariffs. If we turned the situation around and took a positive economic step forward, we would start producing more products and become highly productive. Then it would not matter what were the tariffs in other countries because we would be competitive and would accomplish free trade, about which everyone talks. This Bill does not provide free trade. It provides unilateral free trade—everything coming into the country is free; everything going out is taxed.

How can the Government justify this Bill and at the same time go down to Washington and discuss sectoral free trade? That should have been done first and this Bill should have been brought in second. Our best friend and largest trading partner is the United States of America. It had better remain our friend because it protects us and we buy its products.

I agree with sectoral free trade, but I do not agree with Canada allowing in products from wherever the Government wants at any price. I know this is third reading debate and that I must deal with the Bill. Therefore, I should like to refer to another item about which the Hon. Deputy Whip should be very concerned. I am referring to brandy. French brandy probably has a tariff on it but brandy from communist Russia comes in duty free.

When I look at the area of ceramics, I am glad the Government has left in some protection because a ceramics industry is developing in Canada with fine people who have come from Portugal and Italy, Mexico and Spain. They have developed small cottage industries in the ceramics field. The Government has left reasonable tariffs in place so that ceramics do not come in duty free.

There are parts of the Bill which are right, in particular those which protect the cottage trade in Canada. We must address this area. I have not had an opportunity to review each item covered in the Bill. However, there are other items which could be harmful to the cottage trade. If the cottage trade is flourishing, it means that people are being taken from the welfare and unemployment rolls and being allowed to do something productive.

This is another poor Bill. We do not want to have to vote upon it. However, we realize there are problems and that there are serious implications with our other trading partners if we do not pass it. Once again I state that we must review the auto task force report and the tariffs on the Mercedes Benz from Brazil and the Pony from Korea to ensure that we are protecting jobs in the Canadian automotive industry, which comprises a large portion of our population.

In that my time is up, I thank the House for allowing me to express my concerns about this Bill.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I just want to make a few comments on this Bill, particularly as it relates to the whole question of our approach to customs matters.

A story recently appeared in the press which typified the rather silly extents to which the Government goes in terms of some customs regulations. The story—and it has not been denied by the Government—dealt with a circumstance in which regulations relating to customs tariff requirements were passed. They referred to various commodities which were being imported into Canada. The story concerned the importation of dance apparel by a woman in Winnipeg who ran a dance school for young children and students. She was in the habit of importing dance apparel from different countries including the United States. One requirement of the customs regulations was that the country of origin had to be prominently displayed on the apparel. In this particular situation there was a tab on the costumes being imported on which the name of the manufacturer was displayed on the front. On the back

the tab it indicated that the apparel was manufactured in the United States. This seemed to the woman in question to meet the appropriate regulation under the Customs Act.

• (1230)

However, the official at the customs office was not satisfied with the 125 dancing dresses that were coming in for these students. He required the importer, the owner and proprietor of the dancing school, to sit in a room at the international airport in Winnipeg and to reverse the labels on the back of each of these dresses so that the place of origin would face up rather than down. I found this to be an incredible perversion of what we are trying to accomplish under our customs regulations.

We have schedules in this Bill with respect to items that are going to be dealt with under the Customs Tariff. When we have a provision with respect to importation of goods into this country, what is accomplished by a bureaucrat requiring some poor individual importer, the proprietor of a dance school in Winnipeg, to sit for the course of one whole day and re-sew labels on the back of dancing apparel? That is an outrageous example of the preposterous extent to which a very small minority of unthinking bureaucrats are in fact enacting the laws that we pass in this Parliament.

This was not a person who felt there was no alternative. The person involved in making this decision at the port of importation in Winnipeg said that it was good for this woman to sew those labels on the dancing dresses, that it was a good education for her and that she sure would not import dresses again with labels turned the back way. When we talk about changing the customs laws of this country, it is time that some of us stood in this House to point out that some of the same problems exist in terms of the dealings under the laws that we enact at our borders for our own Canadian citizens, as we experienced in Revenue Canada with respect to the taxpayers of the country and some of the enormous abuses that have come to light in the last few months.

When we in Parliament review the provisions of this Bill and look at what we are now doing in terms of changing the Customs Tariff for a variety of commodities, we should do so on the basis that these laws will be enacted and put into practice and operation on a sensible basis. When we find circumstances of abuse where Canadian citizens are harassed or treated unfairly, it should give us cause to stop and think about the way we are giving directions, the directions being given by the government of the day to its employees with respect to the laws we pass in Parliament.

This is only one step in the whole process. Here we set the bare bones law with respect to legislation. We determine by such legislation what the level of import tax will be, the percentage and the preference, if applicable. We think our responsibilities finish there. When those who are importing goods and commodities of all sorts and descriptions covered by this legislation have to deal with the administration and customs branch, we should be vigilant. We should send out a signal to ensure that, while there is a purpose in enacting this legislation and giving protection to Canadian manufacturers and producers of all sorts with respect to goods made and produced in Canada, that does not give the agency required to administer these laws *carte blanche* to act unreasonably with respect to people who are interested in importing goods into Canada.

There has to be an even-handedness demonstrated in the administration. In the same way that we have proposed in terms of Revenue Canada, there should be a bill of rights for the taxpayers of this country so that they know they will receive fair and reasonable treatment from Revenue Canada when dealing with that Department. This same principle should apply with respect to the customs side of Revenue Canada.

I do not want to get involved in discussing in a wide-ranging way the problems faced by people with respect to some of the regulations that have now been passed with regard to our customs law. However, we are more and more getting into an age where many of our laws are not passed in Parliament but rather by Order in Council. The Deputy Minister and the bureaucracy really set the rules with respect to the application of those laws which we pass. There is a highly arbitrary element with respect to the administration of the laws that we pass in Parliament. This is happening more and more. I do not say it is unique to the Parliament of Canada, it is happening in legislatures across this land. More and more power is being vested in the Public Service, the administration, the bureaucracy, so that we in Parliament do not set the rules regarding the application of those laws.

Mr. Kelly: What was that again?

Mr. Hnatyshyn: Unfortunately my colleague's microphone is not on, so I am not able to get the benefit of his wisdom. I am concerned about this development regarding legislation where wide powers in terms of passing laws which very much affect the way in which legislation such as we are now dealing with are dealt with through regulation, through administrative orders which have very serious consequences in terms of our over-all customs policy.

I know that the Minister of State for Finance (Mr. MacLaren), who is a very sensible and honourable man, agrees with me in this connection. He has had experience trying to figure out whether when coming into Canada he should declare the toothpaste and shaving cream he bought in Washington, where he spends a lot of his time getting instructions with respect to his portfolio. It is time for parliamentarians to remind themselves again of the growing incidence of government by regulation. It has a very serious impact in the way in which legislation such as we are now looking at, which will be approved today, will be administered.

I go back to the rather human example I mentioned at the outset of my remarks. It is inconceivable that any person acting on behalf of the customs branch of Revenue Canada would think it a wise decision to make some poor proprietor of a dancing school sit with a needle and thread all day to reverse labels that have been placed on garments because they did not

meet his view of how those labels should have been sewn on the dancing garments. What kind of mentality would exist in a branch of government for it to allow these kinds of circumstances to exist? As that woman said, she felt like a criminal. She somehow felt that there was no alternative but to follow the instructions of the customs official. I think we would all find ourselves in the same position. We tend to respect authority. When a police officer, a customs official or a person from Revenue Canada tells us to take a particular action, 99 per cent of us will accept that authority and will follow through on the instructions because Canadians are law-abiding people. As well, Canadians believe, and rightly so, that there are sanctions attached to these positions.

● (1240)

All I can say is that when considering this legislation, it is time for us to make sure that the principles embodied in the Bill before us are not distorted or perverted by the administration of the Department through the ability of the Deputy Minister to pass laws by regulation with respect to administration which give wide and arbitrary powers to officials. I say that because we in this Party feel strongly about the expansion of government by regulation. That is why we have spoken up with respect to this particular Bill.

While the Bill will pass, we simply serve notice that under a new administration, people who are involved with Revenue Canada, whether on the taxation side or the customs side, will take a new attitude with respect to their need to deal with people in a fair and sensitive way. We in this Party believe that Canadian citizens have rights and should be treated as human beings who should be entitled to carry on discussions and negotiations with the Government free from harassment and arbitrary treatment.

Mr. Blenkarn: Mr. Speaker, I wonder if the Hon. Member for Saskatoon West (Mr. Hnatyshyn) would advise us of his view with respect to the various schedules contained within the Bill. He will note that there are schedules for British preferential tariffs, most-favoured nation tariffs, general tariffs and general preferential tariffs. Certain suggestions have been made regarding the consolidation of those tariffs. Perhaps the Hon. Member could give us his views with respect to these tariff schedules.

Mr. Hnatyshyn: Mr. Speaker, I very much appreciate the question put by the Hon. Member because it gives me the opportunity to say that we are given the responsibility of dealing with a wide range of commodities which are dealt with under these schedules. We as parliamentarians have been asked to pronounce judgment on these matters and we do so on the basis of advice we have received from the Government indicating that these are the appropriate tariff levels for each of the commodities listed. To a large extent, in the dying days of this Parliament we are dealing in good faith with a variety of items listed in each of the schedules. We are doing this in the belief that the Minister has done a thorough review and is able to substantiate that these in fact are the appropriate levels for the various commodities.

In a general response to my colleague, I would say that one of the difficulties is that when we deal with these items as we are doing now, that is only part of the story. The administration of the customs laws in our country very much affect the success or otherwise of this particular legislation because wide and arbitrary powers are given to customs officials through regulations passed by the Deputy Minister by Order in Council.

I appreciate the opportunity my colleague, the Hon. Member for Mississauga South (Mr. Blenkarn), has given me to comment on the schedules and to assure Canadians that, when dealing with this kind of legislation, much of the law that is enacted is not enacted on the floor of the House of Commons. At least in this case, we have been given the courtesy of being able to look at the various items and pass judgment on them. We have been given the opportunity to stand up and say that this particular item should fit into another category or should have a higher or lower rate of tariff if we have any specific objections to certain items. However, that is just the tip of the iceberg. Very often three-quarters of the rules and decisions are made not on the floor of the House of Commons but in the offices of bureaucrats. These rules and decisions are, as I say, subject to no accountability or scrutiny excepting the scrutiny of, I am proud to say, the House of Commons and Senate Joint Committee on Regulations and Other Statutory Instruments, a committee of which I am a member.

A very substantial amount of work is placed before the Committee to which I have just referred and we deal with our responsibility in a painstaking way. However, we deal with these matters after the fact as opposed to before the fact. We do not pronounce on these regulations before they are enacted but after they have been passed to the Privy Council Office and have been in existence for two, three or even four years. In many instances these regulations have done great damage to individual Canadian citizens. These laws are the same as any law that is passed by Parliament but it is legislation that is delegated.

I know that 100 per cent of my colleagues would agree with me that a new government will take a serious look—

Mr. Deniger: New image, new face.

Mr. Hnatyshyn: It is not only a new image, Mr. Speaker. Liberal Members like to speak about new images. We do not want only a new image; we want real change, and that is where we differ from members of the Liberal Party.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Motion agreed to and Bill read the third time and passed.

CURRENCY AND EXCHANGE ACT

MEASURE TO AMEND

Hon. Roy MacLaren (Minister of State (Finance)) moved that Bill C-8, an Act respecting the imposition of anti-dumping and countervailing duties, to amend the Currency and Exchange Act, the Customs Tariff and the Export and Import Permits Act and to repeal the Anti-dumping Act, as reported (with amendments) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

Mr. MacLaren moved that the Bill be read the third time and do pass.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, by and large, this Bill follows the recommendations contained in the report of the Subcommittee of the Finance Committee on special import measures. Therefore, we are very much in favour of the Bill. In particular, the Bill proposes that the anti-dumping and countervailing duties legislation should place specific time limits on various stages of the investigation of dumping and subsidization, as well as the conduct of injury inquiries. To complete cases more rapidly, the Department of National Revenue's investigation of dumping and subsidization, and the Tribunal's inquiry into injury, should coincide to a greater extent than they do at present. Basically, those recommendations have been followed in Clauses 31, 32, 38, 41 and 43.

• (1250)

In the past when complaints have been laid it has been possible to use the favourite lawyer's trick when defending a matter—that is, to delay, delay and delay. As a consequence, the injury carries on. Even if a finding has been made that there has been dumping or undue subsidization, the damage has already been done and in many cases the Canadian industry will have gone under or will have been severely damaged to the point where even an order by the Tribunal would do nothing except tell that industry: "It is too bad that you are good Canadians and that you waited for this legislation to assist you, but now you are dead and we will send you roses; or we will send you the investigators from the Department of National Revenue, or the bankruptcy group from Consumer and Corporate Affairs to find out why you went under". Therefore, we welcome the proposal to move ahead and complete more rapidly the investigations and hearings of the Tribunal.

The second proposal which was made by the subcommittee reads as follows:

> The new anti-dumping and countervailing duties legislation should permit the suspension of investigations if price undertakings have been accepted by National Revenue from exporters who are dumping, or price or quantitative undertakings from exporters and their governments in the case of subsidized exports to Canada.

That matter has been dealt with in Clauses 49 to 54 of the Bill.

The third proposal which the subcommittee made was that the new countervailing duty procedure should generally parallel anti-dumping procedures. That raises two matters. First, there is an order on dumping which imposes a duty or charge that is an anti-dumping levy. Often the problem is not the dumping of goods but situations in which countries have subsidized their internal producers to the extent that the goods are for sale in their own country at an exceptionally low price. When those goods are shipped to Canada, those countries can properly say that they are not dumping the goods. For example, Italy can say that their tomatoes are for sale in Italy at the same price as they are offering them for sale in Canada. We could ask why canned tomatoes are so cheap in Italy. The answer is that they subsidize their farmers to grow tomatoes. In effect, the canned tomatoes are cheap because Italy also subsidizes their steel can makers. Therefore, the result is that tomatoes are a product which is exceptionally low-priced. If it is low-priced to Italians, then why can they not sell it at the same low price to Canadians? The answer is that Canadian farmers and can companies will be put out of business. Why is Italy able to do it? Not because their price of production is any lower—indeed, it is probably higher—but because the agriculture and steel industries are subsidized to such an extent that the products in those industries are coming into Canada at an unfair price marking. If we were to allow that to continue, we would seriously damage our farmers and our steel industry.

There is a problem in the country today with respect to wine. As many of us are aware from reading articles, some members of the European Common Market—the countries of Germany, France, Italy and Portugal—have been producing excellent crops of grapes over the last few years. The consequence is that they are virtually floating in a sea of wine. To a large extent this is because agriculture in Europe has been excessively subsidized by rebates on land taxation, subsidies of one form or another in terms of interest on loans to farm groups, acreage subsidies and the like. The effect is that subsidized agriculture ends up with enormous production. If producers have a good year on top of that, they wind up with enormous production.

Without some kind of protection, the Canadian wine industry would be wiped out. We could place certain tariffs on wine, but if we are prepared to sell it for virtually nothing, then it is a tariff on nothing. If fixed prices are placed on wine as is the case in Ontario, which indicates that foreign wine cannot be sold for less than domestic wine, then the pressure is still on and it makes it impossible for our own producers to produce. This legislation is exceptionally important as it gives another layer of protection and makes it possible for Canadian industry to be protected, not against ordinary and proper foreign trade—because I think we must recognize that we are a trading nation—but against subsidized imports and situations in which producers in other countries decide that our market is a place for their surplus.

The next proposal recommended that the anti-dumping legislation provide authority for the establishment in excep-

tional circumstances of a basic price system. That is, I suppose, the philosophy of the legislation. When someone is bringing something to our country, the product which comes in must have a price structure which indicates that it could in fact be produced for the price at which it is offered. A constituent of mine informed me of a case recently which involved paint brushes in China. The brushes are made of hog bristles. They are good brushes. The fact is that the Chinese were selling paint brushes in our market at about half the price at which they would sell the hog bristles themselves. This is a case in which there is no basic price at all because there is no way of finding out what the market for paint brushes is in China. China does not have the same kind of society as Canada. They do not have hardware stores and the same merchandising system. The brushes were essentially made for one purpose: they were made for export. Hog bristles are also available for export. However, the brushes were coming into the country at significantly less cost than the brushes could have conceivably been made for if the hog bristles were worth what the Chinese were prepared to sell those bristles for.

Obviously, we must reach a fair price. This legislation will enable the establishment of a basic price. If we took the hog bristle price and the price at which China is prepared to sell those bristles and we added the price of putting a brush together, it would end up as a fair price. After all, China determines the price of the ingredient—the bristles. Why should that not be the basic cost of producing the brush? It is not a question of inquiring whether in fact it is a subsidy, because in a country where there is no market system it is difficult to determine whether it is a subsidy. There may be in fact no subsidy paid. It may be just the way the marketing system of that country values its product. On that basis, it becomes difficult to determine whether it is a subsidized import or whether it is dumped. What one has to do is to determine what is a basic fair value and charge duty accordingly or put on a countervailing duty or something of that nature, and this legislation provides for that.

• (1300)

With respect to the proposals, proposal No. 5 was the criterion for finding injury: the new definition of regional industry contained in international agreements or anti-dumping duties and on subsidies and countervailing duties should be taken into account by the Tribunal. That is dealt with in Clause 42(3) of the Bill. The recommendation was that the injury criteria specified in the GATT anti-dumping code be adopted into Canadian legislation as a reference for injury inquiries, and that the definition of "regional industry" contained in the GATT anti-dumping code should be taken into account by the Tribunal.

We live, Sir, as you know, in a very large country where we have five, six, and perhaps even more separate regions. The importation of an article at a very low price into one region of our country can hurt manufacturers in another region of our country where that importation is not taking place. Therefore, dumping or subsidization has to be looked at not only on the basis of the whole country, but on the basis of the regions of the country. We are pleased that that particular provision is in the statutes.

Proposal No. 6 of the committee was that the existing Canadian legislation permitting imposition of import quotas based on injury findings by the Textile and Clothing Board or the Tribunal should be maintained. However, there should be provision to place the products on the import control list for monitoring purposes based upon the recommendation of the Tribunal and the Textile and Clothing Board. This whole question of imports and monitoring imports is dealt with in Clause 106 of the Bill and further dealt with on a three-year review period provided in Clause 104 of the Bill.

The next proposal was that Section 8 of the Customs Tariff should be amended to permit surtaxes to stay in effect for more than 180 days without parliamentary approval in the case where the Tribunal, or where appropriate, the Textile and Clothing Board, finds on a reference by the Government serious injury or threat of serious injury to Canadian producers. Clause 103 of the Bill provides for that but also provides that the review would have to be every three years instead of being an annual review. Therefore, there is provision in Clause 103 to make sure that the surtaxes can in fact stay in effect longer than the 180 days which was the case in the past.

Proposal No. 8 with respect to the legislation is that the legislative authority for applying surtaxes should also permit the application of surtaxes after certain quantities of the product have been imported. Again, if there is a quantitative import allowed, Clause 103 of the Bill provides that a three-year review should be held on those quantitative limitations. Proposal No. 8 of the committee was that the legislation should provide for specific authority for Canada to take safeguard measures for balance of payment purposes. Obviously, we live in a trading world but occasionally we can have, and have had in the past, balance of payment problems. We do not seem to have those right now, although I may point out to you, Sir, that in the first three months of this year we suffered a balance of payment deficiency. We have been very fortunate in our foreign trade to have a surplus of trade, and that has more than overcome our ordinary deficiency in terms of the tourist industry and our deficiency in terms of payments of interest and dividends to foreigners. However, we can, and have had in the past, serious problems with respect to balance of payments. Section 102 of the statute provides that we can interfere to safeguard our balance of payment problem.

Proposal No. 10 is that the Government should have the power to suspend or withdraw rights or privileges granted by Canada to other countries and to impose surtaxes, quotas or a combination thereof, or to impose countervailing duties, and in cases where it is deemed to be appropriate to respond to actions by foreign governments which either affect Canadian trade, goods and services or impair Canada's rights under trade agreements. That again is part of the provisions in Section 102.

There were some additional recommendations. First, that the Tariff Board should be empowered to undertake a review of decisions made by the anti-dumping tribunal when so

requested by consumer advocates and when, in the opinion of the board, it is in the national interest to do so. This was not completely done in the Bill, but Clause 45 of the Bill will permit interested parties such as consumers to make representations to the Anti-dumping Tribunal. Perhaps that ought to happen more often. But, of course, we are all consumers and it is difficult to get people interested in making representations to tribunals when the cost of going to a tribunal gets to be rather horrific in terms of legal fees and disbursements.

The subcommittee recommended further that there was a unique problem with respect to capital goods, and that problem continues. Clauses 89 to 95 of the Bill, to some extent, with regulations, perhaps help here. However, we may be building, for example, a transit system and another country may come in and make a bid on that transit system which is a one-of-kind item. In one-of-a-kind items it is very difficult to say whether an item is being subsidized or whether it is being dumped because, after all, if it is one-of-a-kind, how can you say it is being dumped in your country? So we always have a problem with capital goods because there is no specific market for a particular exclusive and unique type of machinery or equipement. It is on the basis that there must be some study made of it. We are not entirely happy with the way it is handled, but we will see how it goes. It may be impossible, really, to legislate here without interfering with the over-all requirement that we as trading nations should have our regulations for imports generally available to people to see and read and understand. We cannot have a situation where the Government is asked by some people to stop a foreign importer at the border because some Canadian all of a sudden objects that some foreign importer or manufacturer is bringing in goods cheaper than the Canadian thinks they can be produced. Indeed, world trade would cease to exist if the Government used that type of regulatory procedure, particularly when there is really no market for a product. It is exceptionally difficult on a capital goods matter to protect yourself. These clauses do something but we are not at all convinced that that is going to solve the problem, but again the problem probably defies a solution.

The subcommittee further recommended that the role of current import agencies be examined in relation to one another. That was not dealt with, but there are businesses in this country whose sole purpose is to buy foreign products, bring them into Canada and distribute them. They should be examined as to how they are working. We have not done it in this Bill and perhaps it should be done at some future time. The committee should continue to monitor the question of import regulation and control because after all, Sir, the question of goods coming into this country and their effect on jobs is pretty important to us. Therefore, the role that import agencies play in this country's trade patterns is important and has to be looked at continually.

• (1310)

There is provision concerning public disclosure in Clauses 78, 79, 82 and 88. The committee suggested that the legislation should outline a greater disclosure of information collected by Revenue Canada during an investigation and the reasons underlying a decision. That is important. Importers are entitled to have the reasons why a countervailing duty is imposed, why the countervailing duty is 29.5 per cent or, in the case of the paint brushes I mentioned, in excess of 500 per cent. The committee also suggested that all confidential information be accompanied by a non-confidential summary. In other words, if there are matters brought to the Tribunal that are confidential, then surely they can be summarized in a non-confidential manner. It is not necessary to give away a company's trade secrets, but there is no reason why they could not be summarized in a non-confidential manner. The committee recommended that the Government be given the right to disregard any confidential information not accompanied by a non-confidential summary. Perhaps that is the way it should be. Then the committee recommended that the Government review all information claimed to be confidential in order to verify that fact. If it does not appear to be of a type that must be confidential, steps should be taken to convince the company to reclassify the information as non-confidential.

One of the greatest ways to avoid telling anyone anything, and we see it here in this House time and time again, is to say that the information is somehow confidential. Well, often what is confidential is just prejudicial. It is information that may cause the Government a great deal of distress, but it is not confidential. The recommendation is that it be handled in that fashion.

On balance, this is a worth-while Bill. I guess it goes against the grain of free trade, but I suppose in looking at legislation of this nature, we have to understand that while free trade is important, it also has to be fair trade. Too often we have been like boy scouts. We have said, "My goodness, we belong to GATT, we are free traders and therefore we will not step in when people take unfair action against us". Well, we have to realize that other countries subsidize their exports. We have to realize that other countries are prepared to use taxpayers' money to subsidize interest rates in order to finance capital goods. Some countries as a matter of national policy will encourage their steel industry to the extent where the importing country, such as the United States, is faced with a tremendous amount of steel imports and they are now looking at ways to reduce those imports. That is going to affect us. We should not be affected; we have been fair traders with the U.S. on steel. But when countries like Korea and East Germany dump steel in the United States at prices far below any realistic cost of production, then it becomes a question of unfair trade. When there is unfair trade, then we must be capable of protecting ourselves.

This Bill goes a long way toward making sure that trade remains free. At the same time that it makes sure that those engaged in unfair trading are stopped quickly. There will be a quick investigation, a quick order and a countervailing duty which redresses the balance. I commend the Bill to the House. I think it is important that it be passed, and it is essential that the Standing Committee on Finance, Trade and Economic Affairs continues to monitor the question of trading practices.

It is a fast moving world out there. People are not afraid to take advantage of our relatively low tariffs and our open market. Canada is one of the few countries where it is not difficult to distribute goods. If you sold to Sears, Canadian Tire and Hudson's Bay, you have sold half the market or maybe even 80 per cent of the market in some goods. So you really do not have to hire a distributor who goes door-to-door across the country; it is much easier to merchandise products in this country. So when we allow importers that ease of access to our marketplace we must insist that they trade fairly. But we should have the same ease of access to the Japanese market as they have to our market. If we had that ease of access to the markets of Japan we would not have to impose the quota system which we have on Japanese automobiles because we too could sell our automobiles in their market. We could do as well in their market as they can do in ours. However, the ease with which they can get into our market is entirely different from the way we can get into theirs. I commend the Bill to the House on the understanding that the Bill and the trade activities be monitored over the years to come.

• (1320)

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, some of what I will say today may appear to be a repetition of some of the remarks just made by the Member for Mississauga South (Mr. Blenkarn). I believe that they are worthy of further emphasis. I am not being critical, but I would like to draw some matters directly to the attention of the Minister who moved this Bill. I hope that it is possible for him to return because there are some serious problems in Canadian trade. There are some inequities which I think must be addressed by the Government. It is too late to address them through this or the preceding Bill, but I do think they deserve consideration.

Unfortunately, the negotiations which Canada has conducted on an international basis, and by which it has become a member of GATT, have not been conducted in a fashion which protects Canada against some of the unfair trade practices to which we are subject. As a result, goods are arriving on the Canadian market at prices which bear no relationship to our cost of production or to the cost of production in the export country. We have been weak. We have not protected ourselves as other nations have, either by artificial trade barriers or by agreement with our international partners in trade.

The steel situation is a prime example of what has happened to us. We have not protected ourselves in any way against being excluded from a market by virtue of the dumping of others. Yet that is exactly what we are experiencing with the United States today as it has decreed that there is injury when steel arrives in the United States from other countries at depressed prices. Although Canada has been able to prove that our prices are competitive, but not cutthroat, in respect of the steel market in the United States, we are excluded from exporting steel to the United States.

This could not be addressed in the discussions on the preceding Bill nor on this one. We must address this at the international trade level in a very serious fashion. Apparently we have come up with a negotiated trade deal in GATT which only allows the total exclusion of the product concerned, whether from our market, the American market or others. Therefore, the innocent are classed with the guilty and punished in exactly the same fashion. We need further negotiations and further improvements in our international trade negotiations.

The former speaker mentioned wine. I think we can extend that to fruit juices and fruit juice concentrates such as from apples and grapes. The source from which they come and the terms and conditions under which they arrive here must be given serious consideration. The European Economic Community has subsidized the export of virtually all of its agricultural products. Canada has been a market for one or another of them at various times in virtually every year. Irish beef has been arriving in the Canadian market. European wines are presently arriving and will continue to arrive at prices which are more than competitive with the price of a comparable sized bottle of coke bought at the wholesale price. It does not make much sense that a bottle of wine can arrive in Canada at a price competitive with a bottle of coke produced in Canada because it involves a much more expensive process. That is implicit in the decision-making process which will decree that there is in fact injury to our Canadian market and dumping from foreign sources. We must address these problems.

I am not satisfied that by virtue of earlier negotiations this Bill does address that problem. There are literally billions of bottles of wine in excess of the European capability to consume which will have to be marketed somewhere in the world. Some of that wine is presently arriving in Canada at prices which bear no relationship to cost. However, because of the mechanism of indirect subsidy which was described in part by the previous speaker, we have not been able to establish a legal framework within which we can say that that wine is in fact being dumped in Canada. That is because the subsidy does not go directly to the farmer or the winery. It goes directly to the selling agency, whether that be a private broker or a private exporter. He is the one who receives the subsidy, and it is reflected in the price paid to the farmer for his goods or to the winery for its product.

This will just not work in the world of trade. Our wine industry would be a healthy one if given proper access to the Canadian market. It is small but it deserves consideration and reasonable protection, either by virtue of anti-dumping legislation or by renegotiation of the terms and conditions which apply to it. Either course may solve the problem. However, I do not believe we can solve it with this Bill, because I think it contravenes our agreement with GATT. It is merely a mechanism which was not defined in GATT. Therefore, it is not acceptable for us to accuse them of dumping. We must address these questions properly.

It is rather unique that the Member for Mississauga South would have so much to say in common with what I want to say. The Hon. Member mentioned brushes and hog bristles. He was talking about the largest single brush manufacturer in the British Commonwealth. That manufacturer is located in

the City of Saint John and has been subject to very unique pressures of pricing by foreign suppliers over the years. Its very existence has been threatened. This needs to be addressed. Such manufacturing does not exist in Toronto and therefore may not be addressed as it deserves.

I will also bring to your attention two tea packaging companies located in the City of Saint John. The consequence of inadequate protection for that industry may mean that it will fold up completely. It presently employs approximately 500 people in the reception of the raw product at the Port of Saint John and in its processing, packaging and sales operations. Every one of these jobs in the City of Saint John and the nearby town of Sussex is presently in jeopardy because the two companies find that they are exporting some of their product to the United States with a duty applied against exports to the United States. On the other hand, they are competing in the market in Canada on a duty-free basis with products from the United States packaged the same way. This spells the demise of these industries. This is one of the items which I would particularly like to draw to the attention of the Minister who has moved this Bill. It is imperative that he study it. The industry has made representations to the Government of Canada stating that in a few months it must make a decision whether to go out of business completely or to move the plant to the United States where it will have free access to both markets. The members of the industry say that they cannot exist in Canada when they are subject to duty on their exports to the United States but in competition with the same source of supply in Canada duty free. Free trade is a great thing, but I repeat the phrase of the Hon. Member for Mississauga South that fair trade is what Canada must accomplish in its negotiations and through its legislation. Nothing less can be acceptable.

● (1330)

I have yet to hear to what degree we will be able to apply this Act in its literal intention without being subject to penalty by our GATT trading partners. Is this Bill designed to be used in that fashion and does it set up any of the artificial trade barriers which have prohibited us from selling our wares abroad? For instance, it is impossible to get an agricultural product into the European market today unless it is something that they do not produce. Nothing that they produce can be imported except by special permit. However, Canada is open to virtually free trade on exports arriving from Europe in the same field. For example, recently I saw in the storage space of the Parliamentary Restaurant, a five-gallon can of fruit salad. There was a time when Canada would have made that fruit salad primarily from Canadian products. However, that product arrived in Canada at a price below the cost of freight and packaging in Canada. It could not have been packaged in the Okanagan Valley for the price for which it was sold there. It could not have been packaged in the Niagara Peninsula for the price at which it was sold in the Niagara Peninsula. Consequently, that fruit salad trade is totally lost to the peach, pear and other fruit producers in Canada.

We must have reasonable measures because the markets from which this product came do not accept a comparable amount of fruit under any terms if it were to be shipped from Canada. There are sanitary and other artificial trade barriers that would absolutely prohibit our sale to the country of origin in this particular instance. This requires redress and the renegotiation for fair trade between ourselves and our world trading partners.

There are many small producers in Canada, particularly in the farm trade, who are unorganized and therefore cannot afford to prepare for action which is taken against us in such places as the United States. They cannot afford to prepare the evidence which is necessary to establish that there is in fact injury done to the Canadian market as a result of improperly and unfairly priced products arriving in our market.

I hope that this Bill we are debating today will at least address this in part. It does not address such circumstances as took place when the potato industry came under review in the United States. There was no viable organization that could in fact fight that case in the quasi judicial process which took place in the United States. Consequently, the potato agency in the Province of New Brunswick is absolutely strapped. There was no government assistance to protect Canadian trade and its just rights in a foreign market. These matters must be addressed. It will take several years before the potato industry in Canada can recover a viable operation as a result of the expenditures it incurred to protect the interests of the export trade in the United States. Our representations to the Minister of Agriculture (Mr. Whelan), the Minister of Finance (Mr. Lalonde) and the Prime Minister (Mr. Trudeau), have all been rejected out of hand.

Another example is the forest industry. I agree that the forest industry was able to finance itself because its group included giants that could have assumed the total expense with only a small dent to their treasury. However, when it comes to exports in the agricultural market, the Government must recognize that the total trade is the very lifeline of our financial survival. This problem should be addressed differently. I ask the Minister to give consideration to this.

The disposition of surpluses by other countries can take place in many ways. For instance, a group of agricultural processors in the United States decided that they had an excess of their product. They determined that if they sold 10 per cent of their total storage holdings at any price anywhere in the world, they would then be capable of marketing the balance at a profit and could recover any loss on the first 10 per cent of sales. This did not take place with government sponsorships but through the co-operation of the processing industry itself. There is no vehicle in this Bill, in any other legislation in the House or in other international agreements to protect an agricultural product from the efforts of a cartel to dispose of surplus. These are matters which must be given much more serious consideration. They should be addressed in this Bill.

In closing the debate, perhaps the Minister could tell us if the Bill leaves us totally without the responsibility of paying

penalties or compensation to a trading partner whose trade may be perceived to be interrupted by virtue of dumping or any other exercise which this Act permits the Government to take to prohibit the trade of a particular product. According to our negotiations with GATT and our legislation, we have only applied penalties against imports subject to a compensation to be paid to the country which may consider that it was damaged because it could no longer export to Canada. There are a number of products which need attention. While we must deal with the agricultural industry in general, it is presently the wine industry that is in particularly serious trouble. We must ask for fair trade from those who would take up our market at the expense of our own producers.

The tobacco industry must be examined on somewhat the same basis. Are the imports of tobacco coming in under fair trade practices or are those imports arriving at prices which do not bear proper relationship to the cost in the country of origin? Perhaps we may have to establish some artificial trade barriers of our own and negotiate them as acceptable in order to preserve any production in the horticultural field in this country.

I implore the Minister to arrange for the acceptance of the notion that the moneys spent to subsidize exporters—not producers—from the European Economic Community will be paid instead as a subsidy to the farmer himself, because it seems that this is the only way we can impose dumping duties and penalties for the appearance of that product on our market.

There is no question that it is an invasion of what was intended in the GATT agreement. We should no longer accept an improperly established artificial subsidy. It is time to make a decision about the wine industry. I would also ask the Minister to address the problems of the tea industry. We need duties on the import of tea into Canada that are comparable to those which our industry would experience when it exports. It is necessary for the preservation of jobs in Saint-John, Montreal and the Toronto area.

The Acting Speaker (Mr. Herbert): There follows a ten-minute period for questions or comments. If there are no questions, or comments, we will proceed to debate.

• (1340)

Mr. Scott Fennell (Ontario): Mr. Speaker, first I would like to point out to the House that the report on this Bill was presented in June 1982. The emphasis was to get this Bill through so legislation could be put in place. That was 24 months ago. Now we are being asked to rush this Bill through the House. I am in favour, in general, of what has transpired. But why have we had to wait 24 months?

There are many inequities relating to the Anti-dumping Tribunal which should have been addressed a long time ago. Let me relate a difficult experience concerning one of my constituents, a Japanese Canadian who is a tool manufacturer. There has been an ongoing battle for 18 months regarding whether a certain drill is of an industrial type or a consumer type. In spite of the fact that 93 per cent of the sales are in the consumer market, three years ago one catalogue in Japan showed that the drill was equal to an industrial tool, and this drill is now being treated as an industrial tool. That is an inequity that has not been looked at in depth. The literature is looked at, but no one takes the trouble to find out what the facts really are. The case I have outlined is a serious problem. The company set up a manufacturing facility in Canada and created 50 jobs. But because of the attitude of the Minister of National Revenue (Mr. Bussières) and the Anti-dumping Tribunal the company may move its entire operation to Georgia. When we put this type of Bill together, we must be careful not to drive more industry and equity capital out of the country. We have lost billions of dollars since 1977. I stated in the House on Friday that we lost some $40.5 billion. I think the figure is $47.8 billion of equity capital that has left Canada, and in turn Canada has had to borrow foreign capital to the extent of almost $100 billion to keep covering the deficit.

This Bill addresses subsidized exports. It addresses situations where other countries, in order to create an industrial base, do the entire financing, not only for the building but for all the equipment and the working capital. We cannot go that far but that is what we have to compete against. Let us look at what happens when we have to go to the capital markets and borrow money at current rates which at the moment for medium industries are 13.5 per cent to 14 per cent. We have to compete with zero interest rates. Now how can we do that? The United States has certain programs that provide for minimal interest rates to companies that borrow, which rates are in effect until production is at full volume. As you can see, Mr. Speaker, we have to compete against different plans in different countries. In the Bill it states that this will be taken into consideration. The words are: "Subsidies and Countervailing Duties should be taken into account by the Tribunal. Notice that the words "should be" are used. Those words should be "will be". Otherwise how do we protect Canadian industry?

The Hon. Member for Mississauga South (Mr. Blenkarn) mentioned hog bristles. When he talked about that I thought about the petro-chemical industry. The Chinese are probably wiser than we are. Chinese sell hog bristles at an extremely high price. Hog bristles are a raw material. This allows the Chinese to fill the hog bristle brush market with China's own manufactured products. How does this relate to the petro-chemical industry? On Friday, the Minister announced a great plan to save the Canadian petro-chemical industry. He has offered to provide loans to the petro-chemical industry in order for people to convert their process from oil to natural gas and natural gas liquids. What value have loans got unless you bring down the cost of the raw material to a level competitive with other trading partners? Why not remove the taxes from natural gas and natural gas liquids in order to be competitive? But we throw money out the window when we say: "We will give loans, guarantees and grants". Why create an industry when you have a surplus of raw material? Why not bring the price of that raw material down to a level which will enable us

to compete? Why can we not use some ingenuity so we can export a finished product from one of our natural resources?

We have iron ore. The supply is diminishing at economical prices. Why should we ship iron ore out of the country at minimal cost and in turn buy steel from foreign suppliers? Perhaps we should protect the price of the base material. We have to do something to protect our industries.

I would like to address the steel industry. Dofasco is probably one of the finest steel companies in the world. Dofasco is so advanced in technology that its productivity equals that of any corporation in the entire world. Dofasco reinvests its profits and its cash in research and development. Dofasco continuously brings in Japanese engineers to the plant. People at Dofasco continuously check with other people elsewhere in the world to make certain that it has the highest level of productivity of any steel company in the world. If it is faced with competition because we have not done our job against dumping, that is wrong.

Stelco has built an entire new complex. It is probably the ultimate in new technology. The money that went into that complex was not in the form of grants, it was not in the form of interest-free loans, it was money earned and raised in debt by the corporation to bring up the standard to world-class level. We have industries at world-class level that must be protected.

About a year and a half ago several of our steel companies imported steel plate that would have hurt Algoma Steel. Algoma is a smaller corporation located in northern Ontario. It creates employment for an important part of our population. Fortunately, the Anti-dumping Tribunal jumped in and imposed a penalty on the people who imported the product. I spoke to a gentleman involved. He said: "I am delighted I have to pay that additional duty. It is wrong that I, as an importer, should be able to bring a product into Canada, similar to a product made in Canada, at distress prices."

• (1350)

We must also look at finished products. I hope they will conduct an analysis of products from Pacific Rim countries and from Third World countries. Grants will be provided from Canada to some of these countries at no cost to them. If we start importing products from those countries for moneys which we have given them, again Canadian citizens will be subjected to an inequity. Not only will they face the inequity of giving money to other countries for which there is no return, but people will be driven out of work because those countries can compete and undercut our costs. This is a serious matter.

Free trade is fine, but what is free trade? No one has answered this question. I have not found an economist in Canada who can tell me what free trade is. Furthermore, economists never talk about the profits of corporations when they refer to what will happen in the economy. Free trade is no longer free because non-tariff barriers have been put in place by every country in the world. Non-tariff barriers are either subsidies or financing at zero cost. Other countries are aware of the importance of creating jobs. They are much more aware than Canada. If we were concerned about creating jobs, our trade would not have dropped to 50 per cent of Japan's trade today when we exceeded that of Japan in 1968.

We are trying to put teeth into our border. We are trying to put teeth into our duties. However, I am nervous that we do not have the expertise to analyse the costs which have been incurred by other countries. We must bring in experts from the private sector. They are the ones who will be affected. Public servants who have not manufactured a piece of steel do not know how to assess what goes into a piece of steel. Philosophically they know, but they do not know the hard facts concerning the comparison of products.

What about the Pony? A great many of them are coming into Canada from Korea. I should like to know the costing which permits the sale of a product in this country at about 30 per cent less than we can produce it. My friends to the left will say that it is because large bonuses were paid to executives of automobile manufacturers. That would not add a dollar per car. I do not agree with the executives taking those funds. It was greed on their part and it was the wrong time to do it. However, how do we know the true costs involved in the manufacture of those vehicles?

Let us look at what happened just recently in terms of our lumber exports to the United States. In effect, the Americans were extremely fair to us at the time. There had been a great deal of subsidization of the lumber industry to upgrade its facilities so that our productivity level would be higher than that of others. The Americans were right in looking at it but they were fair to us. They are our biggest trading partner and we must protect that. We must look at the products of other countries which are coming into Canada on an equal basis, as they look at ours. We should not attack Canada, we should defend it.

I was concerned as a result of committee consideration that the Tariff Board was to be empowered to review decisions made by the Anti-dumping Tribunal. However, that was not permitted. Interested parties may make representations, but we wanted someone else in there as a doublecheck. We do not have checks and balances in this country. We need a doublecheck to ensure that the system is equitable both to consumers and to manufacturers. Let us not only think of consumers. Manufacturers create jobs. When there are two million people unemployed in the country, that is our major concern. Possibly that is the reason this Bill sat for two years in the Department and nothing was done about it. Perhaps it was because unemployment levels had not reached the critical level of today.

In terms of the capital goods sector, we recommended further study of the innate problems of that sector. A little was done but not enough. Why are we not the major manufacturers of mining equipment? We were very progressive in mining in the 1930s, 1940s and 1950s. We used to produce a great deal of the mining equipment required in Canada. Now we import more than we produce.

Also we recommended that the role of current import agencies be examined in relation to one another. This was not acted upon. We should review the agencies importing these

products. We should review the deals in which they are involved under the table. We should review state to state deals which are being made. We must review products from steel mills in Japan, for example, which came into the country from Houston. This pipe was going into Houston and filtering through to Calgary at a cost which was a third less than the price for which Phoenix Tube could make it in Saskatoon.

Whether the Tribunal will catch up with all the slips in the market is a big question, but we must at least start. This Bill is nothing but a start. It should be reviewed by the Finance Committee at least every six months because of the tricks which are being pulled on us and because the possibility of creating pure fair trade in the world is important.

These are difficult times for Canadians. These are difficult times for unemployed Canadians. This Bill could have a direct impact upon many lives in the country. This Bill could assist Canada, but it would be only one spoke in the wheel. It could help Canada to get from its pathetic trading position now back to its trading position of 1968. We must put an economic policy in place which will bring out the entrepreneurial spirit. If we do, at least it would be in place to protect Canadian citizens who undertook risks and created jobs. We must be careful that the Bill is not directed against our major trading partners, those who buy a great deal from us. We must ensure that the Bill only addresses those countries which are unfair or are not dealing with us in an equitable way. Hopefully, in the future the words "free trade" will become meaningful.

Mr. Speaker: It being two o'clock, the House will now proceed to statements by Members pursuant to Standing Order 21.

• (1400)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

AGRICULTURE

EFFECT OF GOVERNMENT POLICY ON FARMERS

Mr. Blaine A. Thacker (Lethbridge-Foothills): Mr. Speaker, I rise to express the hurt, frustration, and anger of many thousands of family farmers at the boast of the Minister of Agriculture (Mr. Whelan) that Canadians now pay 12 per cent of their disposal income for food as compared to 16 per cent when the present Liberal Party came to power. As a result of the Liberal cheap food policy, Canada has lost tens of thousands of family farmers. Their net incomes have dropped dramatically. Over 50 per cent of our family farmers must work off the farm in order to sustain their families and to remain on the land.

The Liberal Party's cheap food policy benefits consumers in the short run, but when the Liberals have destroyed the family farmer, consumers will pay, pay, pay. It need not happen.

THE ADMINISTRATION

SWEARING IN OF NEW CABINET—CLOSED TO TELEVISION CAMERAS

Mr. Doug Lewis (Simcoe North): Mr. Speaker, by barring the media from Saturday's swearing in ceremony of the new Cabinet, Canada's new temporary Prime Minister has given the Canadian people a clear indication that the Liberal Party has not changed one iota in form or substance.

Closed door swearing in ceremonies are a throwback to yesterday, from whence the temporary Prime Minister comes. What is so secret about a swearing in ceremony? The temporary Prime Minister replies: "I thought I would do it in a business like way." That may be the way the temporary Prime Minister did business yesterday as a director of CPR, but it will not wash on Main Street.

It is obvious that the real reason the temporary Prime Minister wants a closed door meeting is because there is no real change. The Ministers of Transport, Treasury Board, Labour and International Trade, who brought Canada high record interest rates, unemployment, and bankruptcies, are still running the store, and the temporary Prime Minister has not changed a thing. As the Minister of Energy can testify, the same backroom gang are in charge. Nothing has changed. The temporary Prime Minister just wants to hide it from the Canadian people.

* * *

FISHERIES

OPPOSITION TO PROPOSED PACIFIC FISHERY LEGISLATION

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, this morning I received a telegram from the Mayor of Ucluelet, a community in my riding which is dependent upon the fishing industry and tourism. He asked me, on behalf of the community, to do everything I can to stop the proposed Pacific salmon fisheries legislation from passing before his community and others have an opportunity to assess the impact. It is clear to Mayor Larson, and it is clear to me, that the impact will be devastating. The proposals outlined in the draft legislation to restructure the Pacific fishery would wreak havoc on the West Coast. Coastal communities sense this, and so do fishermen. Yesterday some 1,500 fishermen tied up their boats in Port Alberni as a demonstration against the Government's proposals and its inability to manage the West Coast fishery.

Fishermen, coastal communities, native leaders, and all others in B.C. who are concerned about the future of our salmon stocks, are angry that the Government's proposals do not address in any substantial way any measures to increase salmon stocks. This proposed legislation does little more than ensure the financial ruin of fishermen.

If the Government continues with its present approach, it will lead not only to the gutting of the commercial fleet and the loss of thousands of jobs, but it will also lead to the eventual closure of the sports fishery and have serious impact

on the native food fishery. Many coastal communities may not be able to survive. If the Government is serious about conservation and restoration of our salmon stocks, it should introduce buy-back legislation which is acceptable to most, and allow the rest of its proposals adequate scrutiny, as is being demanded.

* * *

THE PAPACY

SCHEDULED VISIT OF HIS HOLINESS THE POPE TO FORT SIMPSON, N.W.T.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, the Government of Canada has invited His Holiness the Pope to make a state visit to Fort Simpson, Northwest Territories. Fort Simpson is a village with a population of less than 1,000. It may well experience an influx of up to 50,000 souls at that time. The planning committee estimates local expenses, not otherwise covered, will amount to about half a million dollars. Obviously Fort Simpson is unable to come up with this large amount of money, and such expenses should be borne by Canada.

The Department of External Affairs will not pay and says it is the responsibility of Indian Affairs. Indian Affairs will not pay and says it is the responsibility of External Affairs or of the Canadian Council of Catholic Bishops. Everyone is passing the buck. The situation is getting desperate. If the Government cannot decide which Department is to provide the funds, the Papal visit to Fort Simpson may well end in a fiasco.

* * *

TOURISM

STATE OF INDUSTRY—CALL FOR GOVERNMENT ACTION

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, for the past several months the Members in this House have heard the Government pumping itself up for the wonderful state of the economy. Perhaps these same people would care to tell us why a shocking 50 per cent of Canadians do not take an annual vacation. I doubt that half of the families in this country forgo a holiday by choice. More likely, they cannot afford to travel during their leisure time. The Government has dealt Canadians a real double whammy. On the one hand it has taken away the right of Canadians to enjoy vacations. On the other hand it has crippled our tourist industry without batting an eye.

Ten years ago Canada enjoyed 4.2 per cent of the international travel market. Now, due chiefly to government waffling and languid lip service, our share has plummeted to 2.6 per cent. The Government is hurting itself. It appears to be bending over backwards to slap its own behind. Instead, it should be hard selling Canadian vacations to the people who live here. The systems are already in place to accommodate vacationing Canadians. The only road block is the Government itself.

S.O. 21

INCOME TAX

PROPOSED FLAT TAX RATE

Mr. Terry Sargeant (Selkirk-Interlake): Mr. Speaker, I was disturbed to learn this weekend that the Liberal Government is toying with the notion of a flat tax that would tax every Canadian taxpayer at the same rate, regardless of income. In considering the flat tax proposal the Government has to share the stage with such notables as the Hon. Member for Ottawa Centre (Mr. Evans), and Peter Pocklington, one of the more outrageous contenders for the Tory leadership last year.

It is not hard to tell what a flat tax would do to Canada. It would attack what little fairness there is in our tax system by taking more tax from the poor and taking less tax from the rich. Even that ultra right wing think tank on the West Coast admits that.

At a flat rate of a little more than 19 per cent, people who earn between $5,000 and $15,000 a year would pay on average $176 more in income tax. Those Canadians who make more than $200,000 would pay $37,000 less in income tax. It should not surprise anyone that the people who would be hardest hit by this notion would be the elderly poor because they have little chance of increasing their income in the future and taking advantage of the tax saving that goes with it.

Proponents believe a flat income tax rate is good because it would leave money in the hands of the rich and they know what to do with that money to stimulate the economy. That sounds like a pretty thin excuse for a major tax grab on behalf of Canada's richest citizens. The notion of a flat earth was relegated to the trash bin of history centuries ago. The flat tax proposal deserves nothing less than the same fate.

* * *

ADMINISTRATION OF JUSTICE

REDRESS URGED FOR VICTIMS OF VIOLENT CRIME

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, yesterday Jerry Amernic, author of "Victims: The Orphans of Justice", and four Ottawa parents of murdered children, made some important points at a press conference about our national criminal justice system. Let me repeat only two of the many points which they made.

First, the federal-provincial criminal justice system now spends about $4 billion yearly on policing, judging, jailing, et cetera, but only $12 million on compensating victims.

Second, the present mandatory supervision scheme, which incidentally, as one of the group pointed out, was brought in by the new Leader of the Liberal Party when he was Minister of Justice as Bill C-150 in 1969, remains a societal time bomb. A recent Solicitor General's study showed that of 15,000 prisoners pre-released on MS between 1974 and 1979, fully 5,300 were released directly from maximum security. In other words, they were not considered safe enough to be in the normal prison population, but by operation of law were

released before completing their court awarded sentences, to the public.

The most current figures available indicate that fully 2.8 million Criminal Code offences were reported across Canada during calendar 1981. Far too many of them involved violence and innocent victims. Despite, for example, the fact that the Liberal Government has denied even a tax registration number to all of the victims' groups across the land, the hour for redress for victims has arrived. I believe a Mulroney Government would show a great deal more concern both about crime victims and the protection of the public—

Mr. Speaker: Order. The Hon. Member's time has expired.

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• (1410)

HOUSE OF COMMONS

AN INDEPENDENT MEMBER'S REFLECTIONS

Mr. Bill Yurko (Edmonton East): Mr. Speaker, this is a week of reflection for each of us in this Chamber. The future is uncertain, but the past is known. For me, the last five years have been memorable. I have had the privilege of occupying a chair in three of the four back corners of this Chamber. From these three prominent corners I have had my say, and represented my constituents and the nation to the best of my ability.

Some Hon. Members: Hear, hear!

Mr. Yurko: What a rare privilege it has been to occupy a chair in this place—even a corner chair. Where else in all of Canada could one embrace centuries of democratic evolution? Where else could one feel the searing fire of man's vanity, or the cold winds of deception and hypocrisy; where illusion becomes reality and where silence is the greatest sin? Yet is this not a place where truth triumphs, where reason is fundamental, and where justice is supreme? It is so, and it will continue to be so.

Yes, Mr. Speaker, it has been a privilege and an incomparable gift to toil herein for the last five years. I want to say thanks to all who gave me the opportunity to sit here.

Mr. Speaker: Unfortunately, the Hon. Member's time has expired.

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THE ADMINISTRATION

COMPOSITION OF FORTHCOMING CABINET

Mr. Jim Hawkes (Calgary West): Mr. Speaker, from watching CTV network television last night we learned that yesterday's man is about to appoint a Cabinet. The cornerstone of that Cabinet will be four regional Ministers, Axworthy, Regan, Gray, and Ouellet. Taking the first initials of those four names and putting them together—

Mr. Speaker: Order. I am sure the Hon. Member knows that he should not refer to individual Members of this House by name but by constituency.

Mr. Hawkes: I am sorry, Mr. Speaker. I simply could not resist mentioning the fact that, put together, the first initials of those names spell Argo. All of us in this country know about the record of the Argos. We know that yesterday's man was an undying loyalist to the Argo cause. We know that there is a great deal of hope in Toronto that this year's Argo team will be better. However, those of us in the rest of the country know and understand that record and what it means for our country.

We would have felt a lot better if we had heard news of a Cabinet with a track record of success in creating jobs rather than success in dispensing patronage. That is the difference between the Conservatives and the Liberals. We believe in jobs; Liberal Members believe in patronage. Yesterday's man is proving that.

* * *

INDUSTRY

PETROCHEMICAL TASK FORCE REPORT—GOVERNMENT'S RESPONSE

Mr. Scott Fennell (Ontario): Mr. Speaker, on Friday afternoon the Minister responsible for the Department of Regional Industrial Expansion presented his report in answer to the report of the petrochemical task force. I read through that report a number of times on Friday afternoon as I was sitting in the House of Commons and found that the more I read the less I could find.

The report presented by the Minister is hollow and does not provide the information the petrochemical industry needs. A 9 per cent reduction in the price of natural gas was mentioned. That reduction would only apply to a brand new ammonia gas plant that would get an 8.8 per cent reduction in price. For the rest of the petrochemical industry, that reduction would be 2.2 per cent.

The Minister has indicated that he will provide financing with guaranteed loans or some other form of financing. He does not even tell us what form that financing would take. He has indicated that he will provide financing, but to provide financing when the raw material is not available at a competitive price is the most ridiculous thing any Government could do.

If the Government is to do something for the petrochemical industry, it should first remove the taxes from the natural gas liquids and natural gas so we can change over from oil to the lighter fuel gas liquids.

Mr. Speaker: The Hon. Member's time, unfortunately, has expired.

THE DISABLED AND THE HANDICAPPED

RECOMMENDED APPOINTMENT OF PARLIAMENTARY SUBCOMMITTEE

Mr. Neil Young (Beaches): Mr. Speaker, one of the key recommendations that the Special Committee on the Disabled and the Handicapped included in its report entitled *Obstacles* was that the Cabinet should appoint a Minister responsible to disabled persons, who would act as a form of policeman within Cabinet to ensure that Cabinet made every attempt to implement the recommendations made in that report. A Minister was appointed to such a position and, to be quite frank, the results have not been as positive as we would have hoped. As a result of that, many of the groups that were affected by that report have recommended to the Minister and the Prime Minister (Mr. Trudeau) that a subcommittee of a Standing Committee should be established so that these groups could have a sounding board to which they could speak.

From rumours and speculation that abound, I am extremely concerned that the new Prime Minister of Canada who will be appointed on Saturday will have a reduced Cabinet. In all likelihood the Minister who the disabled and handicapped had hoped would be a force in implementing recommendations of the task force will no longer hold that position on Sunday. Therefore it becomes extremely important for the Government and the House to consider establishing a subcommittee of the Standing Committee on Communications to deal with the issues affecting the disabled.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

INTEREST RATE LEVELS—GOVERNMENT POSITION

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my question is addressed to the Minister of Finance, one of the three or four Ministers who is present here today. It has now been 10 days since Mr. Turner became the new Leader of the Liberal Party. It has not been 10 days that shook the world, for the world has not shaken. However, Canadian economic conditions continue to worsen. The dollar closed yesterday at 76.14 U.S.

The U.S. prime bank rate has just risen to 13 per cent. The Canadian prime rate is at 12.5 per cent. We are told it is expected that interest rates in the United States will rise another 1 per cent to 2 per cent in the next few months. Is the Government going to permit Canadian interest rates to continue to go upward even though we have a faltering, barely discernible and barely perceptible recovery? If the Government continues to say it has no option but to allow interest rates to rise because of the falling dollar and rising U.S. interest rates, will the Minister recommend to the Government that an election be called so that the Canadian people can exercise their option, which is the PC Party of this country?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I am sure that an election will be called in due time. However, I must say that if I were a member of the Conservative Party I would not hope for such a day. I am sure that once the Canadian public sees what the alternative is, the PC Party will indeed be dramatically rejected if only for the good reason that on the very issues raised by the Hon. Member, members of the Conservative Party keep contradicting themselves. In particular, the Hon. Member for St. John's West and his own Leader have done so.

The Leader of the Progressive Conservative Party said on television on Sunday: "Let the dollar go down," and at about the same time the Hon. Member for St. John's West was speaking on a radio program and said: "You cannot let the dollar go down". Before speaking of alternatives, I would hope that the Hon. Member for St. John's West would first sit down, if he still cares to sit down, with his Leader, and reconcile their contradictory views.

Mr. Crosbie: Mr. Speaker, the Minister of Finance is responsible for the alleged financial policy of the Government and now has the power to do something about the economy. He is failing to do anything so we have the worst of all worlds. We have a falling dollar and increasing interest rates, and that situation has existed during the Minister's entire term of office.

EFFECT OF INCREASE IN INTEREST RATES

Hon. John C. Crosbie (St. John's West): My supplementary question is directed to the same Minister. The Turner dollar is no better than the Trudeau dollar. They are both falling to the ground. There has been no change, and there is no confidence in Mr. Turner.

At page 15 of the Budget of February 15, the Minister of Finance said this:

> If nominal and real rates of interest were to rise significantly from current levels, the recovery itself could be at risk over the medium term.

Interest rates were then at 11 per cent. They are now at 12.5 per cent, and are heading higher. Does the Minister therefore agree that the recovery itself is now at risk because of the interest rates? Will he permit those rates to go higher and doom the recovery altogether? He is in power and has the responsibility. What does he intend to do?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, to begin with, I find it rather strange that the Hon. Member would try to blame the new Leader of the Liberal Party, who will be the next outstanding Prime Minister, for the rise in interest rates in the United States. He referred to 13 per cent in the U.S. Surely that is not something for which Canada can be held responsible, or can do much about. I would not try to argue that the visit of the Hon. Member's Leader to Washing-

ton had an impact on the increase in interest rates in the United States.

● (1420)

I would remind my hon. friend that the Canadian dollar has gone down *vis-à-vis* the U.S. dollar, for example, since June 20 by 0.9 per cent, the same percentage as the German Deutschmark; it has gone down less than the Swiss franc, the British pound sterling, the Japanese yen, and the French franc. The Canadian dollar has behaved quite well *vis-à-vis* the U.S. dollar when compared with the other major currencies with which it must be compared.

These factors result from higher interest rates in the United States and speculative moves in terms of the displacement of capital resulting from those higher interest rates. Again I would remind my hon. friend, as he stated in his question, that the prime rate in Canada today is still half a point lower than it is in the United States. Our policy is to keep the rate of interest as low as we can while ensuring that there will be no speculation against the Canadian dollar.

Mr. Crosbie: The Minister of Finance has stated that there is nothing much Canada can do about this situation. That is where we differ. We think Canada can do a lot about it, and we will do something about it. We will have lower interest rates when we form the Government.

Some Hon. Members: Hear, hear!

REQUEST FOR ECONOMIC FORECASTS

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my supplementary question is directed to the despairing Minister of Finance who can do nothing. The Minister met Mr. Turner yesterday and apparently gave him new economic forecasts. Will he tell the House what are those economic forecasts, and will he make an economic statement in this House, give the House new economic forecasts and a plan of action before we adjourn on June 29, or will he continue his "do nothing" attitude of despair that dooms the people of Canada to unemployment and lack of economic growth?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, far from a "do nothing approach", this Government has been very active in terms of attempting to promote growth and in terms of ensuring that interest rates will remain as low as possible. For instance, I would remind my hon. friend that, on the basis of the growth of the economy in the first quarter, the projected growth for this year would still be 4.4 per cent—

Mr. Crosbie: 3.2 per cent.

Mr. Lalonde: It is 4.4 per cent on a year over year basis. I would invite my hon. friend to look at that.

As far as interest rates are concerned, I would tell my hon. friend that in Canada we have a policy which has succeeded in achieving a lower rate of interest than that of the United States. That is a record which was not achieved in the short period when the Hon. Member was the Minister of Finance. I am sure it will not be achieved as long as the Hon. Member contradicts his own Leader on what they should do with interest rates.

With respect to the last point raised by the Hon. Member, I did not provide Mr. Turner with forecasts yesterday.

LONG-TERM POLICIES

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, my question is also directed to the Minister of Finance. I would remind him that he should not be so very pleased with the performance in Canada. It was 3.2 per cent against 9.7 per cent for the comparable period in the United States. That is performance?

The only action with which the Minister has responded against the weak dollar is a short-term policy which will prop up the dollar with high interest rates. I would remind him that it is not a short-term problem. It is a problem which has been going on since 1977 when our dollar was $1.03. It is now 76 cents. I would ask the Minister, in face of this and in face of the need for a long-term recovery program which would re-establish strength in the Canadian economy and would give fundamental strength to the Canadian dollar, when will he bring in a policy of long-term growth and not just short-term propping up?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, if the Hon. Member wants to compare figures with the United States he will have to accept the figure of 4.4 per cent which I have mentioned. I would invite him to check his facts and consult his advisers in that regard.

As to the issue of providing long-term policies and long-term approaches—indeed, medium and long-term—that was the basic approach contained in the last two Budgets. They have produced good results for the Canadian economy, and are continuing to produce good results. We are not going to put ourselves into the situation of inventing short cuts which will damage the Canadian economy. We have adopted medium and long-term measures which are producing results.

At the same time we have taken steps to help those most in need in this country, whether it was the $50 increase of GIS which was recently approved by the House, whether it was the $4.8 billion worth of incentives contained in the recovery program and which is being spent at the present time, or whether it is the billions of dollars being spent in the Department of Employment and Immigration for training and direct job-creation. This Government has put forward a combination of short-term, medium-term, and long-term measures to ensure that the economy will be able to compete with the rest of the world and will be one of the most efficient economies in the industrial world. That is what we are working toward. That is what we are achieving. I recognize that it will take longer than I wish, and longer than the Hon. Member wishes. But, indeed, we are working on the basis of medium and long-term measures which will be helpful to our economy.

Mr. Wilson: Mr. Speaker, the Minister is making my point for me. Canadians have been waiting for 20 years for performance from this Government. We have seen the result of this in an 11.7 per cent unemployment rate, against 7.5 per cent in the United States, and a growth rate in the economy in the first quarter of this year of 9.7 per cent in the U.S. against 3.2 per cent in Canada. We must do better.

EXCHANGE VALUE OF DOLLAR—MINISTER'S POSITION

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, I would like to return to the subject of the Canadian dollar. Canadians are seeing the cost of the low dollar in their food, vacations, cars which they buy from abroad, clothing, television sets, gasoline, and virtually everything. The cost of financing the Government's borrowing overseas has increased over $1 billion as a result of the recent decline in the dollar. Does the Minister regard the current exchange crisis with a sense of urgency? Is he determined to bring in policies which will attack the situation, or are we going to see a long drift through this summer in which nothing will happen and the dollar will go as low as 70 cents or 75 cents?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I refuse to talk about an exchange crisis. As I have mentioned, the Canadian dollar has gone down *vis-à-vis* the U.S. dollar at the same level as the German Deutschmark. It has gone down less than the currencies of all the other main industrial countries, whether it be Britain, Switzerland, France or Japan. If the Hon. Member would look over a longer period he would find that the Canadian dollar, rather than falling against those other currencies, has increased in value against those currencies in the last year or two.

One of the problems which many exporters have mentioned to me was the difficulty they had in penetrating European and other markets where they were in competition with European and Japanese products because the Canadian dollar was relatively strong against those currencies. They had great difficulty penetrating those markets because the Canadian dollar was stronger than those of other countries, both in their domestic markets and in their export markets. The Hon. Member should bear that in mind. He should not only consider the relationship between the Canadian dollar and the U.S. dollar, but the relationship between the Canadian dollar and all the other currencies. If he looks at other currencies he will find that indeed the Canadian dollar has gained strength over the last several years.

As far as the comment of waiting for 20 years is concerned, my hon. friend should know that during the last 16 years this country has created more jobs proportionately than any other industrialized country. That is what we have done. This country has known, as an average, a higher rate of growth than the other industrialized countries, except Japan, over the last 16 years. This is what has happened in this country during that period. Rather than disparaging this record we should, as a country, be proud when one looks objectively at what has been done here.

• (1430)

Mr. Crosby: Tell the jobless.

Mr. Lalonde: And that has not been done by constantly moaning and complaining.

INTEREST RATE LEVELS—REQUEST FOR NEW MEASURES

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is directed to the Minister of Finance. As he knows, the Canadian banks increased the interest rate on Friday, and the American banks followed again yesterday by increasing their rates. This means that the vicious cycle will continue, which will create a loss of jobs in this country and destroy a lot of our small farmers, as well as make things difficult for home owners and small business. Can the Minister of Finance put rhetoric aside for a moment and tell the House whether he is even considering any new ideas or approaches in order to bring interest rates down? Or is the Minister content to do like the Leader of the Official Opposition and cuddle up to Ronald Reagan in the White House, and his policies?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, of course I am always ready to examine alternatives, suggestions, and views, and weigh their positive as well as negative elements to see whether it would be to the benefit of the Canadian economy to adopt this or that particular step. If the Hon. Member has particular proposals to put forward, I will certainly be happy to look at them. As a matter of fact I have examined a very large number of suggestions over the last several months. The Hon. Member should realize that although interest rates have been rising in the last couple of months, the fact is that we in this country have been able to keep our interest rates lower than in the United States. That is already quite an achievement and one the Hon. Member should recognize.

REQUEST THAT GOVERNMENT INTRODUCE SPECULATORS' TAX

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, the Minister has said he is willing to consider new ideas. Because of the fact that speculators are now sending a lot of money to the United States which is, of course, hurting our dollar, driving up inflation and hurting jobs in this country, would the Minister be willing to consider the possibility of a new speculators' tax, which would be a tax on the difference between the rate in the United States and a much lower made-in-Canada interest rate? I wonder if the Minister would consider that as a new idea which would keep Canadian money in Canada for investment in Canadian jobs.

Hon. Marc Lalonde (Minister of Finance): Yes, Mr. Speaker, I have already considered that idea, as a matter of fact, and I have found it an idea which is wanting in many respects. It would have more negative elements in it than positive, and I have rejected it.

GOVERNMENT'S POSITION

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, it seems to me that all the Minister is doing by rejecting new ideas is putting more gasoline on the fire. When polluters pollute the environment, they are often taxed in order to clean it up. I wonder why this Minister will turn down a new idea or a new policy which would tax the economic looters of this country? Why turn down the idea of a tax on speculators who are shipping money out of this country and hurting the Canadian economy? A tax on the difference between the American rate and a lower made-in-Canada rate—why not?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I do not doubt the honesty of the Hon. Member and his genuine concern in asking the question. However, I would at least say that he is very naive to assume that a scheme could be developed whereby you could differentiate the dollars and say: "This dollar is speculative. This dollar is a real transfer. This dollar should stay in Canada, and this dollar is allowed to go out without a tax". I believe what he is inventing may be an idea. I have no objection to the Hon. Member having an idea. However, if the Hon. Member talks about pollution, that one is a real polluted idea because it would require probably two million or three million public servants checking every transaction to find out which one is speculative and which one is not.

I invite my hon. friend to reflect a little on how much confidence this would inject into the Canadian economy on the part of foreign investors who want to come into this country and who are going to start wondering whether they will be able to take their money back without having to pay some kind of tax along the lines which the Hon. Member is talking. Surely this is not a very realistic idea. I invite him to keep working. He will get a better idea.

* * *

HOUSE OF COMMONS

PRESENCE IN GALLERY OF PARLIAMENTARY DELEGATION FROM TRINIDAD AND TOBAGO

Mr. Speaker: I would like to call the attention of the House to the presence in our gallery of a delegation of parliamentarians from Trinidad and Tobago, led by Senator Carlton Alert.

Some Hon. Members: Hear, hear!

* * *

EXTERNAL AFFAIRS

POLAND—REFUSAL TO ISSUE EXIT VISAS TO REUNITE FAMILIES

Mr. Jesse P. Flis (Parkdale-High Park): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. The Hon. Member for Niagara Falls, the Hon. Member for Etobicoke Centre, Senator Yuzyk, Senator Haidasz, and I have just returned from a two-hour meeting with the Polish ambassador regarding the three Polish hunger strikers in front of the Polish Consulate in Etobicoke. The ambassador urged our delegation to convince the strikers to end the strike, and for every day the strike is ended it will be to the strikers' advantage. You can put your own interpretation on that bottom line, Mr. Speaker.

To prevent similar strikes from taking place across Canada, and to assist the reunification of all families divided between Poland and Canada, would the Secretary of State agree to meet with the Polish ambassador as soon as possible to help end this strike and to set up some sort of guidelines for speeding up the reunification of these divided families between Canada and Poland?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, we have had a continuing series of consultations with the Polish authorities, one taking place as recently as yesterday. I am pleased to learn that the Hon. Member and other parliamentarians have met today with the Polish ambassador, because I am proposing to have a meeting with him on the same subject this afternoon, shortly after three o'clock. I hope that I will be able to reinforce the concerns which the parliamentarians have expressed to the ambassador earlier in the day. Our object is to attempt to reach a speedy resolution of these humanitarian cases, and to avoid a repetition in the future.

REQUEST THAT ASSISTANCE OF HELSINKI ACCORD SIGNATORIES BE SOUGHT

Mr. John Bosley (Don Valley West): Mr. Speaker, my question is supplementary to the previous question to the same Minister, since I was at the eleven o'clock session and not at the one o'clock session. Will the Minister tell us now whether he has given consideration to the request made to him earlier by the Hon. Member for Rosedale to the effect that the signatories to the Helsinki Accord should all be encouraged collectively to make their views known on this issue to the Polish Government? And will the Minister in fact say to the Polish ambassador this afternoon that he supports the proposal that the Helsinki group meet to resolve these issues, since part of the problem is that the Polish Government is a signatory to the Helsinki Accord but, notwithstanding that fact, believes it has the right to keep people within that country who wish to leave and join their families in Canada?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, the Hon. Member refers to a suggestion which was made. I found it an interesting suggestion, considered it, and decided that it would not be helpful to ask a large group of countries to join Canada in dealing with the family reunification cases affecting our country. The reason I did so was because, as the Hon. Member knows, the Polish record on family reunification is a record which is quite sensitive to Canadian representations. Of all the Eastern European countries, the Polish Government has responded most sympathetically. For example, in 1983 some 1,900 persons, permitted exit from Poland for the most part

through normal immigration procedures, were reunited with their families in Canada.

I believe the Polish Government has been attempting to respond to our concerns, and I feel a bilateral approach is likely to achieve better results. However, I do appreciate the suggestion which was made by the colleague of the Hon. Member.

POSSIBLE REACTION OF POLISH AUTHORITIES

Mr. John Bosley (Don Valley West): Mr. Speaker, I appreciate the Minister's words. I would ask him this supplementary question. The Minister will know that there is some apparent view on the part of the Polish Government that no action will be taken with regard to any families who are involved in a hunger strike, but in fact there may be a new regulation which suggests that people who have been involved in a hunger strike will have the applications for their families delayed. Will the Minister tell this House what he proposes to do or say to the Polish Government should it refuse to allow the families of the hunger strikers to come to Canada?

● (1440)

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, I do not think that is the attitude of the Polish Government. Certainly with respect to at least two of the cases, their attitude is not a firm refusal. I think they would prefer to see a termination of the hunger strikes so as not to be put in a position of rewarding strikes which are undertaken, understandably, while cases are being examined by their authorities. They have said in this case that they would be prepared, if the hunger strikes ceased, to give consideration to providing the exit permits at a specific time in the future. I would like to discuss that with the Polish ambassador, and I hope to persuade him to take a more sympathetic approach to the humanitarian aspects of these cases.

* * *

THE ECONOMY

IMPACT OF INTEREST RATES—COMPARISON WITH UNITED STATES

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, would the Minister of Finance indicate whether, in his review of the interest rate structure in Canada and its interrelationship with American rates, he has discovered the fact that an American rate of 12 per cent has roughly half the impact on the consumer in the U.S., because of interest deductibility, compared to that in Canada? He will bear in mind that, if you have a 33 per cent tax level, a 12 per cent rate in the U.S. is equal to 8 per cent here, but you have to get 18 per cent here to equal that 12 per cent in the U.S.

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, first of all I may remind the Hon. Member that the preferred lending rate offered by banks in the United States is now 13 per cent and not 12 per cent as the Hon. Member is claiming.

Second, he is referring to differences between the tax rates or tax systems in Canada and the United States. There are obviously many differences between the tax systems in our two countries. The Hon. Member is aware of that. For instance, he ought to know that in Canada, Medicare is provided free to the general public, and is paid for through taxes, with premiums is some provinces, while in the United States, one has to take out private medical insurance. There are many differences between the tax systems in our two countries. All I can say is that right now, interest rates in Canada are still one-half point lower for the consumer than they are in the United States.

[*English*]

INTEREST TAX DEDUCTIBILITY

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, I am sorry the Minister got his cards mixed up. He gave me the answer the bureaucrats gave him as a response to a tax question. My question is simply this. Has he looked into the impact of interest deductibility in the U.S. and the lack of it in this country, which means Americans feel half the impact of the high interest rates he is locking into, compared to Canadians? That in turn has dampened our recovery and buoyed the recovery in the United States?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, once again, that is not what I heard from my bureaucrats. I informed the Hon. Member very clearly that there are differences between the tax systems in Canada and the United States. The Hon. Member referred to interest deductibility. This deductibility applies in certain cases to mortgages, but, generally speaking, does not apply in the United States the same way as it does in Canada. There is also interest deductibility on investments. In Canada, we have interest deductibility on the investments we make. In some cases, for instance in business investments, and so forth, we have the same kind of interest deductibility they have in the United States. I would urge my hon. colleague to take a closer look at this matter or to at least allow for the differences in various areas. He will then realize that in some cases, the situation is the same, and in other cases it is different, in Canada and the United States.

[*English*]

HOUSING

SOCIAL HOUSING UNITS—GOVERNMENT POLICY

Mr. Dan Heap (Spadina): Mr. Speaker, my question is for the Minister of Public Works. He knows from the annual CMHC reports that his Government has cut the number of social housing units it funds by over 17 per cent in the last three years. That means that public housing, rental, native, rural, rent supplement, public and private non-profit, and co-operative housing have been cut from over 31,000 units in 1980 to less than 26,000 in 1983, with further cuts projected for 1984.

Does the Minister recognize that cities such as Toronto and Vancouver are reporting that the number of people seeking food handouts has doubled or tripled in a year because of the number of them who have to pay double or triple rent on scarce housing? Will he reverse his policy of cutting the social housing commitments, and fund a total of 50,000 units for 1984?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, the problem with the Hon. Member's question is that it is a based on a whole series of distortions of fact. He knows, because I have answered this question at least twice, that we borrowed units from future years in the social housing program in order to create some economic activity in the years 1981, 1982, and 1983. It was understood all along that there would be a gradual readjustment. If the Hon. Member persists in repeating what is not factual, I cannot do anything but say that I hope he at least listened to the answers given previously.

TORONTO SITUATION AFFECTING LOW INCOME TENANTS

Mr. Dan Heap (Spadina): Mr. Speaker, I am asking the Minister to recognize not some program established five years ago which he talks about borrowing from, but the need of the people in Canada today. Will he recognize, for example, the brief presented to the CMHC in April which shows that over 50,000 units of limited dividend housing, 14,000 in Toronto alone, may be lost to low income tenants during the next year or two because the owners, who built them with a public subsidy in return for guaranteeing limited rents and space for low income tenants, are now becoming free to sell them at inflated prices? This will wipe out the low rentals available to over 50,000 tenants. Will the Minister, recognizing that some of these owners have already begun selling these units, act now by Order in Council, or legislation, as appropriate, to protect the remaining low income, limited dividend units, for low income tenants?

Hon. Roméo LeBlanc (Minister of Public Works): Mr. Speaker, I do not have to act in the future; I have acted in the past. On those limited dividend units units built before 1968, which might have been sold, I issued the order that they should not be sold. Those that were built in 1968 and thereafter, I am told by my legal advisers that under the contract that was signed I have no authority to prevent their sale when the terms of the contract are fulfilled.

Mr. Heap: You can break a union contract.

* * *

DISASTERS

WEATHER DAMAGE SUFFERED BY MANITOBA FARMERS

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, my question is for the President of the Privy Council who has the responsibility for Emergency Planning Canada. A very serious situation exists in urban and agricultural areas of Manitoba. Because of severe weather conditions there has been serious flooding of Manitoba farmland, as well as of basements in Winnipeg. Has the Minister received, through Emergency Planning Canada, a request from the Government of Manitoba for financial assistance for this important part of the country? Is Emergency Planning Canada going to respond in a positive way, because a storm hit Manitoba for the fourth time last night?

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, I do not believe at this stage we have received a request from the Province of Manitoba, but I will look into the matter. I can assure the Hon. Member that, following this natural disaster, we have a program called the Disaster Financial Assistance Program and I will make sure that, if we have the proper request from the Province, the program will apply and co-operation will be given those who are looking into the matter in Manitoba. In other words, I want to assure the Hon. Member of the co-operation of Emergency Planning Canada the minute we have received a request from the Province.

DAMAGE TO BUILDINGS

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, I thank the Minister for his answer. It is not only water in the basements that is the problem. Farm buildings have been destroyed and the mud and water have backed up in places to about waist high. Therefore will the Minister look into it to see if Manitoba can receive the maximum amount of funding?

Hon. Yvon Pinard (President of the Privy Council): Of course, Mr. Speaker, the Hon. Member knows well that under this program there are thresholds that have to be met. This depends on the population of the province where the disaster occurred, as well as on the amount of damage. I will ensure that the minute we receive a request we will respect that threshold and allow Manitoba to get the maximum provided for by this financial program.

• (1450)

Mr. Speaker: The Hon. Member for Haldimand-Norfolk.

Mr. Bradley: Mr. Speaker, I have a very serious question for the Minister of Agriculture, who just ducked out. I believe his

Parliamentary Secretary ducked out after him. If I may, I will hold until he returns.

Mr. Speaker: The Hon. Member for South Shore.

Mr. Crouse: Mr. Speaker, I too have a question for the Minister of Agriculture. I will have to wait until he returns.

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PENITENTIARIES

HOMICIDE AT EDMONTON MAXIMUM SECURITY INSTITUTION

Mr. Peter Elzinga (Pembina): Mr. Speaker, my question is for the Solicitor General. He is no doubt aware of the latest incident at the Edmonton Maximum Security Institution where there was a homicide. Would the Minister finally consent to an external inquiry into the many difficulties which this institution has experienced over the last year and one-half in order that we may have an outside view, rather than an internal inquiry as we have had in the past?

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, I do not think that an external inquiry is required in the situation at Edmonton Maximum Security Institute. I am concerned about these incidents. All of the incidents which have occurred have been followed up by an Inspector General's investigation. Where it was appropriate, the local police were called in to see whether charges should be laid against anyone in the circumstances. I just do not see circumstances there which justify an outside inquiry.

On the other hand, I would remind the Hon. Member that there is an excellent citizens' advisory committee at that institution, made up of citizens who live in the community and who have accepted, as volunteers, to act as two-way explainers. They help people in the community understand what is happening inside the institution, and the reverse. I would suggest that the Hon. Member get in touch with the chairman or members of the citizens' advisory committee and go over his complaints. I think he will be satisfied by the citizens' advisory committee that these regrettable incidents are all being handled by a pretty effective system.

Mr. Elzinga: Mr. Speaker, it is obvious that these regrettable circumstances are not being handled properly.

PLEA FOR EXTERNAL INQUIRY

Mr. Peter Elzinga (Pembina): Would the Minister make the Vantour inquiry public? Although the Minister will not make it public, I understand that it offers recommendations on how to deal with difficulties similar to those experienced in the Edmonton Maximum Security Institution. It deals with overcrowding, the lack of granting of local autonomy to the various prisons across Canada, and the low morale amongst the prison guards themselves because of the grievance procedure not being acknowledged by the Minister and Mr. Yeomans. Because of fear that there may be more uprisings which could cause conflict in the prison and in the citizenry around the prison, I plead with the Minister to have an external inquiry, rather than allowing an internal inquiry with its cover-up procedures.

Hon. Bob Kaplan (Solicitor General of Canada): Since passage of the access to information legislation, the Inspector General's reports have been made public regularly. I do not think it is a fair criticism to say that the Inspector General's reports are a way of covering things up. In fact they are a way of getting to the truth of problems and assisting the Correctional Service of Canada to correct them. As I have indicated, I am concerned about it.

I am waiting for a translation of the Vantour report so that it can be made public. The Stewart report, the correctional investigator's report, is now being translated. When these reports are made public I look forward to discussing, with the Hon. Member, what sort of action should be taken.

Mr. Speaker: The Hon. Member for Humboldt-Lake Centre.

Mr. Althouse: Mr. Speaker, my question, of which I sent notice, was for the Minister of Agriculture who has left the Chamber. I will have to defer.

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ONTARIO BICENTENNIAL

PRESENTATION OF FUNDS TO CITY OF BRAMPTON

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, my question is for the Secretary of State. The City of Brampton received a $4,000 grant for the bicentennial program which it is staging on July 1. Why were officials of the City of Brampton summoned—a command performance—to a Liberal Member's office in Mississauga in order to receive the funds?

[*Translation*]

Hon. Serge Joyal (Secretary of State): Mr. Speaker, I am not aware of the details of the case raised by the Hon. Member. If he had had the courtesy to inform me before question period, I would have been able to give him the information at this time. However, I doubt that his own information is accurate.

[*English*]

METHOD OF PRESENTATION

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, will the Minister deny that in order for groups to receive their cheques they must travel to the offices of Liberal Members, not have the cheques come out to the ridings of opposition Members to present them? Did that order not come from the Minister's office?

Hon. Serge Joyal (Secretary of State): Mr. Speaker, I never ordered any group to come to the office of a Liberal Member of Parliament to pick up their cheque. I offered all Members of the House the opportunity to deliver the cheques themselves if they so wished. They just have to notify—

Mr. McDermid: You never made that offer in your life.

Some Hon. Members: Oh, oh!

Mr. Joyal: —my office that they are interested in delivering the cheques themselves, if they so wish. If they do not express that wish, the cheque is sent through the mail to the sponsors of the various proposals and initiatives.

An Hon. Member: Nonsense.

Mr. Joyal: That is the way it has operated in all the programs, and that is the way I intend to operate it. Everyone has the same chance. If the Member wants to deliver the cheque himself or herself, he just has to notify the office and we make sure that their request is passed on.

Mr. Speaker: The Hon. Member for Prince Edward-Hastings.

Mr. Joyal: I could give to Hon. Members a list of Members of Parliament on this side of the House who have expressed the wish—

Some Hon. Members: Order.

* * *

AIR TRANSPORT

LOCATION OF ACCIDENT INVESTIGATION BRANCH IN MONTREAL

Mr. J. R. Ellis (Prince Edward-Hastings): Mr. Speaker, my question is for the Minister of Transport. Can the Minister explain the rationale behind establishing the accident investigation operation of the Canadian Aviation Safety Board in Montreal, since it will involve the transfer of more than 50 senior people, considerable inconvenience, heavy costs, and unnecessary disruption? Additionally, it will affect the ability of accident investigators to co-ordinate their work with other government agencies such as Transport Canada, the National Research Council, the Aviation Safety Bureau, and many others?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I am very surprised at the Hon. Member's question, coming as he does from a part of the country in which there is always an interest in making sure that there is a fair and equitable distribution of federal government activity. The Government is committed to the basic principle that the entire country should be able to support and secure federal activity, offices, and operations. I gather from the Hon. Member's question that that is not a principle endorsed by the Conservative Party. That is one reason why they are on the opposition benches.

Mr. Hnatyshyn: Until the next election.

EFFECT ON MORALE

Mr. J. R. Ellis (Prince Edward-Hastings): Mr. Speaker, we are quite in tune with decentralization when it makes some sense. Since the news which I just spoke of came out, three senior investigators have taken early retirement, two senior analysts have taken lateral moves, more personnel are considering similar options, and morale is low in the Department. Will the Minister agree that this will impair, rather than enhance, air safety in Canada?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, quite to the contrary. I would say that it will substantially fulfil the basic objective which we put forward in establishing the Canadian Aviation Safety Board. It was to be a board quite separate and independent from the ongoing functions of the Department of Transport. The original purpose of the safety board was to divorce the investigation inquiry of accidents from the standard setting and review functions of the Department. One of the ways to ensure that that would happen would be to separate them in a geographical as well as a functional way.

I can think of no better location than the City of Montreal, which is very much the centre of aviation development for Canada. It is the head of the international aviation agencies. It is the area where we have our major airline centres and our major maintenance bases. Both logic and justification show that the placement of the aviation safety bureau in Montreal is a decision which will enable that board to fulfil its functions most appropriately and accurately.

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[*Translation*]

HER MAJESTY THE QUEEN

PROPOSED VISIT TO CANADA

Mr. Ian Waddell (Vancouver-Kingsway): Mr. Speaker, my question is directed to the Secretary of State, who seems to be very eager to talk today.

My question concerns Her Majesty The Queen: Is the Queen still coming to Canada this summer? What is the present situation with respect to Her Majesty's visit to this country?

• (1500)

Hon. Serge Joyal (Secretary of State): Mr. Speaker, I am happy to inform the Hon. Member that preparations for Her Majesty's visit to Canada on the dates scheduled in July 1984 are proceeding as planned. The official program of Her Majesty's trip was released by the Prime Minister's Office as soon as

it was approved. If the Hon. Leader of the Opposition in the House could learn to be polite when we are referring to Her Majesty, perhaps he would get some information on this trip. A detailed program was published by the Prime Minister's Office. It was approved by Her Majesty's representatives and at this moment, it is assumed the visit will take place as scheduled. All mechanisms are in place. The co-operation of the Provinces is excellent, and the list of suggested activities is entirely in line with the objectives of the visit.

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[*English*]

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-16, an Act to revise Stadacona Mines, 1944 Limited and to provide for its continuance under the Canada Business Corporations Act, to which the concurrence of this House is desired.

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PRIVACY ACT

TABLING OF REPORT OF COMMISSIONER OF OFFICIAL LANGUAGES

Mr. Speaker: I have the honour to lay upon the table a report prepared by the Office of the Commissioner of Official Languages for the period July, 1983, to March, 1984, in accordance with Section 72 of the Privacy Act.

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BUSINESS OF THE HOUSE

Mr. Pinard: Mr. Speaker, I rise on a point of order. I would like to announce a change to House business for today. After consultations with Opposition House Leaders, rather than dealing with the Nova Scotia offshore oil agreement this afternoon, the last item of business after Bill C-8 and Bill C-49 which remain to be dealt with will be Bill C-36. There is an understanding that we would allow second reading to be given today in order to allow Bill C-36 to go to committee for a short meeting, the understanding being that we will give third reading to this Bill later this week in due time.

Tomorrow we will be dealing with two Bills, C-34 and C-33. The understanding is that we will divide the time available for Government business tomorrow into two equal parts to deal with those two Bills. We will deal first with Bill C-34 and the second part of the time available for Government business will be devoted to Bill C-33, it being understood that if there are a few minutes left we could complete third reading of Bill C-36, if possible.

The understanding also provides that we will allow Bill C-34 and Bill C-33 to be adopted through all remaining stages tomorrow. On Thursday, if a report is made on the Peace Institute Bill on time by consent, we will be dealing with it as a first item of business Thursday morning. It will be followed by Nova Scotia offshore, Bill C-43, which was supposed to be dealt with this afternoon, and the Bank Act, C-30. This business for Thursday is subject to modification depending on the talks we will have, but this is what we are planning for today.

Assuming that all business that I have just indicated is completed by that time, Friday is open to deal with so-called non-contentious matters. We will have to wait until later this week before specifying the order of business for Friday.

Mr. Hnatyshyn: Mr. Speaker, the discussions have been referred to by the Government House Leader. In terms of Thursday, my understanding would be that all we are talking about is the sequence of legislation. That is to say, if the Peace Institute Bill were to come forward, we would be able to deal possibly with that matter first. Otherwise, we might proceed with the Nova Scotia offshore treaty first, for example, and take that to its conclusion.

In terms of these items of legislation, the Government has decided to bring them forward on its legislative agenda. We are prepared to deal with them but I should say that the proposal for business with respect to Thursday in regard to the Peace Institute and the Bank Act, particularly the Bank Act, remains the subject of negotiation.

With respect to the Bank Act, as the Government House Leader will appreciate, I must have further discussions in terms of the extent of our participation in that legislation. My understanding is that there have been negotiations with the other third Party in the House with respect to their attitude on it. I will be interested in having the definitive statement with respect to their position on that legislation and to have further consultation with my caucus colleagues, in view of the fact that this Bill is now coming forward. As long as it is understood that we are going to consult with respect to the Bank Act, I would like to have a reasonable period of time to debate important issues such as the offshore and the Peace Institute. I do not want those important items and the Bank Act to be dealt with in five-minute periods.

I believe there are important statements to be made with respect to these items of legislation, so I hope that the Government House Leader, in setting forth these items, will allow us a reasonable period to deal with these Bills.

Mr. Young: Mr. Speaker, in the absence of my House Leader, whom I understand will be returning this evening, our attitude toward the Bank Act will be determined at that time through formal discussions between the Government House Leader and the Official Opposition House Leader. As far as other legislation is concerned, we are prepared to deal with that as the Government brings it forward.

Petitions

ROUTINE PROCEEDINGS

[*English*]

PRIVILEGES AND ELECTIONS

PRESENTATION OF FIRST REPORT OF STANDING COMMITTEE

Mr. Maurice Foster (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, I have the honour to present the first report of the Standing Committee on Privileges and Elections.

[*Editor's Note: For above report, see today's Votes and Proceedings.*]

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PETITIONS

MR. GURBIN—GOVERNMENT OF NICARAGUA

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, I have the privilege of presenting a petition on behalf of 271 residents of the Province of Ontario and my constituency of Bruce-Grey, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that this honourable House will therefore provide a remedy. These petitioners humbly sheweth that, in keeping with their Canadian ideals of respect for human rights and national sovereignty, they affirm the positive steps taken to date by the Hon. Allan MacEachen to recognize and support the new Government of Nicaragua. They encourage our Canadian Government to establish an embassy in Managua, Nicaragua, to promote dialogue and strengthen our relations. They recommend that the Government of Canada actively support the Contadora Group by consistently and publicly reinforcing their policies for the region; and finally, they request that the Government of Canada communicate clearly to all governments involved in the region that Canada is vigorously opposed to armed interventions into the affairs of Nicaragua.

Therefore, your petitioners humbly pray and call upon the Honourable House to impose such changes. And as in duty bound, your petitioners will ever pray.

MR. LEWYCKY—RIGHTS OF THE UNBORN

Mr. Laverne Lewycky (Dauphin-Swan River): Mr. Speaker, I have the honour and privilege to present a petition of some 552 petitioners from the areas of Ste. Rose, Ste. Amelie, Ebb and Flow, Rorketon, Winnipegosis, Laurier, Fork River, Crane River, McCreary and Eddystone, who state that whereas human life begins at conception and is a proven scientific fact, and that whereas the present abortion rate is unacceptable, they humbly demand that we as elected officials fulfil our duty in restoring protection to all human life, including the life of the unborn.

CANADA-UNITED KINGDOM CIVIL AND COMMERCIAL JUDGMENTS CONVENTION ACT

MEASURE TO ESTABLISH

On the Order: Introduction of Bills:

June 22, 1984—The Minister of Justice—Bill intituled: "An Act to implement a convention between Canada and the United Kingdom of Great Britain and Northern Ireland providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters".

Mr. Speaker: There does not appear to be a royal recommendation with regard to this Bill. Under the circumstances, the Minister cannot introduce it at this point.

* * *

● (1510)

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 711 and 761.

[*Text*]

CBC—COVERAGE OF 1984 WINTER OLYMPICS

Question No. 711—**Mr. Hnatyshyn:**

1. How many Canadian Broadcasting Corporation personnel attended the 1984 Winter Olympics in Sarajevo, Yugoslavia including all reporters and technical staff?

2. What did it cost the Corporation to (a) fund its personnel while in Sarajevo (b) transport its personnel to and from Sarajevo?

Hon. Francis Fox (Minister of Communications): I am informed by the Canadian Broadcasting Corporation as follows:

1. The number of CBC personnel attending the 1984 Winter Olympics in Sarajevo, including all reporters and technical staff was 71. This group serviced four CBC networks—English television, English radio, French television and French radio—and provided coverage of Olympic events from seven different venues.

2. (a) and (b) Such costs are components of the over-all cost of the special programming produced for the Olympics, and it has not been customary for Parliament to require the Corporation to provide such details of its internal management and administration. The background to this custom is explained in detail in the reply to question No. 2,530, answered November 6, 1975.

CBC—COVERAGE OF WOLF HUNT IN BRITISH COLUMBIA

Question No. 761—**Mr. Oberle:**

1. Did the Canadian Broadcasting Corporation provide news coverage and documentation of the wolf hunt in British Columbia and, if so, what was the total cost of (a) (i) travel to (ii) accommodation in Fort St. John and Fort Nelson (b) food and other expenses (c) communications (d) the charter of aircraft, cars and other equipment?

2. How many persons, employed by the (a) English (b) French network, were involved in this coverage?

3. Did corporate employees, at any time during the event, transport or otherwise assist members of the protest group?

Hon. Francis Fox (Minister of Communications): I am informed by the Canadian Broadcasting Corporation as follows:

1. (a), (b), (c) and (d) Yes. These expenses are components of over-all program costs, and it has not been customary to require the CBC to provide such details of its internal management and administration. The background to this custom is explained in detail in the reply to question No. 2,530 answered November 6, 1975.

2. (a) Ten. (b) One. In the period January 30, 1984 through March 7, 1984, these employees were in the Fort Nelson/Fort St. John area at various times to provide radio and television coverage of the wolf hunt. It should be noted that the services of, and/or the tape produced by, those recording for English television were shared between the Journal, CBC British Columbia regional television, the National and the CBC's French national television newscast, the Téléjournal.

3. No.

[*English*]

Mr. Speaker: The questions as enumerated by the Parliamentary Secretary have been answered.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 193 could be made an order for return, the return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that question No. 193 be deemed to have been made an order for return?

Some Hon. Members: Agreed.

[*Text*]

OUTSIDE CONSULTANTS EMPLOYED BY DEPARTMENT OF THE ENVIRONMENT

Question No. 193—**Mr. Blenkarn:**

1. In the fiscal year (a) 1981-82 (b) 1982-83 were outside consultants employed by the Department of the Environment and, if so (i) how many (ii) what was the total amount paid?

2. Were any consultants paid more than $20,000 and, if so, in each case what (a) was his/her name (b) was the amount (c) services were provided?

Return tabled.

[*English*]

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

Mr. Speaker: Shall the remaining questions stand?

Mr. McKenzie: Mr. Speaker, since the House is going to recess at the end of this week, I would like to ask the Parliamentary Secretary what is causing the delay in answering the questions which I placed on the Order Paper some time ago. Question No. 6 was placed on the Order Paper on September 20, asking whether the Department of the Secretary of State or the Department of Multiculturalism authorized funding of the Manitoba 23 Organization or any other ethnic organization in Manitoba. It is not a complicated, detailed question but the answer is a matter of great interest to the citizens of Manitoba.

I also placed question No. 2 on the Order Paper on October 24 asking whether the Minister of Transport has a private parking stall at the Winnipeg International Airport. I understand it was installed at a cost of $100,000 and I would like some information about that.

If you can believe this, Mr. Speaker, I placed question No. 13 on the Order Paper on November 18, 1981, in regard to three Ministers flying Liberal campaign workers to work in the last provincial election in Manitoba. I would like to have details on how Liberal Cabinet Ministers can use JetStars to fly campaign workers around Canada.

In addition, I placed a starred question on the Order Paper on April 10 of this year and I am still waiting for an answer regarding what salary Mr. Zarry of the Advertising Management Group is receiving. Is it $1,500 a day or $2,000 a day? I ask what his expenses were for 1983.

As I understand the purpose of starred questions, Mr. Speaker, they are to be answered within a reasonable period of time. Otherwise, what is the point of starred questions? If starred questions are supposed to be answered within a reasonable period of time, can I have an explanation from you or from the Parliamentary Secretary as to why a starred question placed on the Order Paper on April 10 has not been answered as of this date?

Mr. Evans: Well, Mr. Speaker, for the one hundredth time at least may I say that a starred question simply means that when the answer is given it will be read orally in the House. That is the only purpose of a starred question. I have said that in the House a hundred times and I hope that this time Hon. Members opposite will finally understand the rules of this House.

I will look into the other matters for the Hon. Member and see whether I can get him an answer before the House rises.

Mr. McKinnon: Mr. Speaker, the Parliamentary Secretary has a particular way of making a statement about starred questions; he takes every advantage that he can for the Government. I am wondering why I have not had an answer to question No. 840, which I tabled on May 29 of this year. It is a replica in part of a question that I tabled four years ago and have not had answered. It asks what the increases in real terms in Department of National Defence expenditures have been over the years. It is fairly common knowledge in the Department and is a question they can answer in five minutes if they want to. I am afraid that recent statements made in the press

by the current Minister of National Defence leave me as skeptical as have statements made by all the other Ministers of National Defence, with one exception, in the last ten years about the increase in spending. I would like to find out whether they dare table the true figures so that we know once and for all what has been happening to our defence expenditures.

Mr. Speaker: Shall the remaining questions stand?

Some Hon. Members: Agreed.

* * *

CANADA-UNITED KINGDOM CIVIL AND COMMERCIAL JUDGMENTS CONVENTION ACT

MEASURE TO ESTABLISH

Hon. Mark MacGuigan (Minister of Justice): Mr. Speaker, on a point of order, I believe there was some confusion over a Bill standing in my name concerning the enforcement of judgments. No royal recommendation is needed. I understand the Table has located the copy of the Bill, so perhaps we could return to Introduction of Bills, with your permission and that of the House.

Mr. Speaker: The Hon. Minister of Justice (Mr. MacGuigan) is perfectly right. Is there consent to return to Introduction of Bills?

Some Hon. Members: Agreed.

Mr. MacGuigan moved for leave to introduce Bill C-51, an Act to implement a convention between Canada and the United Kingdom of Great Britain and Northern Ireland providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the said Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CURRENCY AND EXCHANGE ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. MacLaren that Bill C-8, An Act respecting the imposition of anti-dumping and countervailing duties, to amend the Currency and Exchange Act, the Customs Tariff and the Export and Import Permits Act and to repeal the Anti-dumping Act, be read the third time and do pass.

Mr. Speaker: The Hon. Member for Ontario (Mr. Fennell) had finished his opening remarks. There is a ten-minute question period if Hon. Members wish to put questions or make short comments.

Mr. Blenkarn: Mr. Speaker, the Hon. Member will know that we have received many representations from the Ontario Wine Council clearly indicating that there is what they consider massive dumping or subsidization of wines coming into Canada from the European Common Market. This is placing our own domestic wine industry in a very serious situation, to the extent that a year or so ago we had to purchase grapes under our agricultural subsidy program in order to make brandy. Our own production capacity is seriously being hurt by very low prices. I am wondering what are the Hon. Member's thoughts on this situation and whether he feels the Bill goes anywhere toward helping the Ontario wine industry.

Mr. Fennell: Mr. Speaker, I would like to thank the Hon. Member for Mississauga South (Mr. Blenkarn) for bringing up this very important point. I hope the Bill does address that problem. This year Ontario wine growers have sold 20 per cent less than during the same period in the previous year. It is not only one product; there are so many other things being dumped in Canada, wine being but one example.

The wine industry in Ontario is very important. I am not convinced that our method of taxation of wine is done equitably. In such countries as France and Italy you can buy what is commonly referred to as *vin ordinaire* at a very nominal price, a little less than you would pay for a Coca-Cola. When good French wine comes into the country we tax it very heavily, but what is happening is this. The French and Italians used to have control of the whole market, but many other countries have now infringed upon this exclusive market which France and Italy controlled for a long time. People like the Ontario wine growers are producing a wine that is palatable to the Canadian palate, and to the American. Therefore, in order to compete the French and Italian wine industry have been subsidized so as to dispose of their product, since they cannot afford to store any more than they have already. Thus, they are dumping it in Canada.

• (1520)

We have to look carefully at the Bill. As I said earlier, there is a weakness. I believe it will take experts from the wine

industry to assess the damage being done, as opposed to public servants or people appointed by Liberals to this board. I am really concerned because in the Niagara Belt there are 24,000 acres of vineyards and 16,000 full-time and seasonal jobs. For each of these jobs there are indirect ones. The multiplier effect takes over. I have great apprehension about the Bill accomplishing everything anticipated, but it must be adjusted to protect an industry which is so critical to southern Ontario.

Mr. Deputy Speaker: Are there any further questions or comments? For debate, the Hon. Member for Bow River (Mr. Taylor).

Mr. Gordon Taylor (Bow River): Mr. Speaker, I want to deal with at least four principles involved in the Bill. The first one concerns the beef industry. The other day the Hon. Minister of Agriculture (Mr. Whelan) did not seem to take seriously the fact that the beef industry in Canada, certainly in western Canada, was being ruined by the dumping of beef into the country. I take great exception to that. This industry has been very profitable for Canada. It is one of our mainstays. Now, because the European market has subsidized its industry to the point where it has piled up food, that product is dumped in Canada below the cost of production. Some people may say that that is very nice for consumers, but it is not because it means the cattle industry will be ruined. It will take years for the industry to recover, if at all. I deplore the attitude of the Government in not taking action immediately to deal with the dumping of beef in Canada. It is a serious matter and it hurts one of our industries.

My second point concerns the importation of natural products from the United States. The principle is that when no tariff has been established, someone somewhere decides what tariff the product will carry. I am referring in particular to a natural product used in the preparation of a pollutant. It came into Canada for a long time without any duty or tariff. Suddenly out of the blue there was a tariff change which demanded that importers pay a 15 per cent duty on all such imported products. A sudden change such as this forces small companies out of business. If there is to be a change in tariff, surely companies should be notified. The Department should not wait until these companies have gone to a lot of work organizing their affairs. In the case of a small company involved in the importation of this natural product, it had to prepare labels both in imperial and metric, as well as in French and English. It went to a lot of expense on the understanding that the importation of the product was duty free. Suddenly it was stuck with a 15 per cent tariff which it was told it had to pay. Certainly it hurt this small company very much.

The tariff which was used was the one on materials of all kinds used in producing or manufacturing products under heading 93811 when imported exclusively for such use or whether or not otherwise enumerated in Schedule A. It definitely showed 85001.1 as being free not only for the most favoured nation but also from the general tariff and throughout. Then a 15 per cent tariff was imposed. It is pretty serious when such a company is left in a precarious position.

Approximately a year and a half later I received a letter from the Minister which indicated that to date a tariff item for the goods in question had not been introduced into the Customs Tariff. The Department floundered around for a year and a half using this tariff and that tariff. At the same time it extracted money from the business and ruined it. At the end of that period of time the Department indicated that it had not yet introduced a tariff. If that is the case, why was it not continued on the pre-tariff which was used when the business was started? This type of action does great harm. Surely the Department should not endeavour to put small companies out of business. That is what a sudden change in tariff does. It did not make up its mind as to what was the tariff. It certainly hurt small businesses but it also hurts any business in Canada. It is not much credit to the Department. It indicates that the Department does not know what it is doing.

Another area of the Bill to which I would like to refer is the one dealing with the importation of dental supplies. A dentist in my constituency ordered dental supplies by mail from the United States. He included the full postage in both directions. The dental supplies arrived in Calgary. Recently he received a telephone call from the customs office saying that duties were due on the goods. The dentist asked how much the duties were. The official told him that he could not tell him over the telephone but that the declared value of the goods was $111.25. Also the dentist was told that he had to come into the customs office himself, that he could not send anyone else. In other words, the dentist had to close his office, inconvenience all his patients slated for that day, drive at least 35 miles there and 35 miles back. What for? Customs seems to be completely inflexible. It does not seem to realize that it is there to serve the public. Also he was told to bring in his invoice when he attended at its office. He said that he did not have an invoice because it was attached to the goods. The officials told him that he had to bring an invoice with him. From where would he get an invoice since his order was made by mail? It was attached to the goods. This type of nonsense on the part of customs officials should be stopped. It is hurting business across the country. How many businesses have folded due to ridiculous attitudes such as this on the part of customs officials? They seem to think they are so powerful that they can do anything they like. Apparently they are getting away with it.

I hope the Minister will deal with this case, not just tap officials on the fingers. The invoice was attached to the dental supplies. The doctor should have been able to obtain them without wasting his time by going to the office himself. They should have been able to tell him over the telephone how much the duties were. It was nonsense to give the declared value but refuse to give the amount of duty. This type of inconvenience should not be taking place.

The next item with which I would like to deal concerns another beef or grievance I have with the Department. For many years the American Quarter Horse Association has come to Canada to take part in equestrian competitions. Many Canadian horsemen went to the United States to do likewise.

Suddenly in 1983 there was a change and the Department indicated that they would have to pay 16.7 per cent on their saddles and all equipment on their competing horses. That was unheard of before. Equestrian competitors, both American and Canadian, have been crossing back and forth across the border without any duties. Suddenly someone had the idea that they would have to pay. They were not bringing in this equipment to sell. It was to be used in competition. It is a reputable organization, but it was told that it had to pay a duty on the equipment. It is a ridiculous situation.

● (1530)

We got in touch with the Department. The Department said they must make a deposit of several hundred dollars in order to be able to compete in Canada. When these people come to Canada they spend money. When these people come here they use hotels, buy food and purchase gifts to take back home. They spend money here. The Minister does not seem to realize that. He says they have to make a deposit. The rule reads:

Animals and equipment for use therewith for pasturage, competition, training or breeding.

That is free. That is what it states in the regulations. Why is authority given to someone at the border and somebody in the customs tariff office to force these people to pay or leave a deposit when they are just coming here to take part in a competition? They are not coming from Russia. They do not have to escape from the United States; they are coming here to take part in a competition. They will leave money here, something that is good for the country, yet we have this type of behaviour. A clean-up is required in many of these areas.

The last point I want to raise in this connection is a very serious problem. It involves farm machinery. Under the tariff rules, farm machinery should come in free. Somehow or other the Department has decided that if your farm equipment breaks down and you require a replacement part, you have to pay duty on that replacement part. Farm machinery wears out. Parts will be required.

Let me talk about the 1600 Ford Easy-Rider air-flow self-propelled fertilizer, a machine used for fertilizing. That is straight farm use to increase production in this country. Under the tariff it comes in free. The self-propelled fertilizer spreaders manufactured by Lor-Al Corporation, complete with fertilizer, spreader and applicator incorporated therein, comes in free under the respective tariff.

An accident occurred. The chassis was destroyed. The fertilizer equipment was fine. They were told they would have to pay duty on the replacement chassis. This chassis is not used on any other farm machinery. It is not used off the farm. Only 50 were manufactured in the United States for Lor-Al specifically for the 1,600 Easy-Rider air-flow self-propelled fertilizer. Only 50 were made. One was ordered. They were told they would have to pay duty on it, as if it were part of a car or truck. This is farm machinery.

I appreciate the attitude of the Deputy Minister and his chief assistant. They say that this is now being reviewed so that all farm equipment with a chassis will no longer have the chassis come in duty free. There will be a tariff. It is a new classification. It is supposed to start this year. I take serious objection to that. When the House of Commons set out that farm equipment coming into Canada for use on the farm to increase our production would enter free, the public servants or bureaucrats should not change that and say that duties and tariffs will apply to replacement parts. It does not make sense.

A chassis for the 1600 Ford Easy-Rider air-flow self-propelled fertilizer is a specially made chassis. It is for that machine only. No one will buy it for anything else. It is now said that every machine with a chassis will not come in duty free whether it is for agriculture, working on the highway or working in the mountains. There will now be a tariff fee. That is completely contrary to what the Members of the House of Commons said when they said that all farm machinery coming into Canada to produce food cheaper and help agriculture, our basic primary industry, should enter free. Now it is being changed, not by leaps and bounds but by inches at a time. First the chassis will be taxed, then the pistons, and so on. It does not make sense.

I wish to bring these cases to the attention of the House of Commons and the Minister. Every case I mention affects a number of people across this country who are dissatisfied and unhappy. It is hurting farming and small business. It is time that we in this country help to keep our small businesses and farmers in a fluid position so that they can continue to operate rather than go into bankruptcy.

The next point I want to mention is with regard to the importation of clay. Many people in this country do clay modelling, producing beautiful vases and other items. Clay had been coming into Canada duty free. In some parts of Canada it now enters duty free and in other parts of Canada duty must be paid. That is not right. This was brought to the attention of the officials. They are still quarrelling about it.

Truckloads of this clay come into Alberta and British Columbia. It depends on which port it enters as to whether it is charged duty. This is to be used to produce in this country. It is necessary for the manufacture of the pottery in that industry and it should enter duty free. It should not be taxed. If there is going to be a tax on any of these items, it should not be so great that it drives small businesses out of business.

Any equipment brought into this country to help us produce for farm purposes should not be taxed whether it comes in in whole or in part. There is no rhyme or reason to put a tax on the chassis of a 1600 Ford Easy-Rider air-flow self-propelled fertilizer. It is a farm machine and should not be taxed. I emphasize that over and over again. Once we tax the chassis on this machine, we will inch by inch get to the point where we tax everything used in the production of food in this country. That would be a disaster.

Mr. Deputy Speaker: Are there questions or comments?

Mr. McCain: Mr. Speaker, I rise on a point of order. It would appear that the Minister does not wish to make any comments. In view of that, we do not have any opportunity to ask questions of the Minister. Would it be possible for us at

least to have the pleasure of a ten-minute question period with the Minister rising to make a speech of one sentence? There are questions which must be addressed to him.

Mr. Deputy Speaker: I am afraid the Chair cannot help the Hon. Member in the circumstances. I remind the House that the Bill has gone through several stages where opportunities were provided for questions or comments. However, the matter is in the hands of the Government. I cannot help the Hon. Member.

Mr. McCain: Mr. Speaker, do I understand that the Minister will not permit any questions to be addressed to him? We would like to ask questions in view of the subject matter raised in connection with this Bill.

Mr. MacLaren: Mr. Speaker, you did state the situation accurately. Ample opportunity was provided for questions and answers on this Bill, both at committee stage and earlier.

Mr. Deputy Speaker: Is there further debate? Is the House ready for the question?

Some Hon. Members: Question.

Motion agreed to and Bill read the third time and passed.

* * *

● (1540)

WESTERN ARCTIC (INUVIALUIT) CLAIMS SETTLEMENT ACT

MEASURE TO ESTABLISH

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I rise on a point of order. Before you read the order on Bill C-49, I think you should know that there have been discussions and there is agreement that Bill C-49 should be sent to Committee of the Whole and proceeded with through all stages of the House this afternoon.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, there is an understanding to that effect. However, before we commence our proceedings on Bill C-49, I feel obliged to bring to your attention that, due undoubtedly to negligence on the part of the Government, the Bill appears to be improperly before the House in that in the printed version that has been circulated to Members there appears on page 2 in Clause 2 certain blanks that have not been filled in. I would request a ruling from the Chair as to whether this Bill is indeed properly or improperly before the House.

[*Translation*]

Mr. René Gingras (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I had the pleasure of meeting the Hon. Member for Western Arctic (Mr. Nickerson) and I told him about the mistake, which is just a printer's error. I was going to ask for the unanimous consent of the House to proceed with second reading, after the requisite corrections for first reading: at Clause 2, line 30, read "for the Minister" instead of "by the Minister", and insert in the blank spaces: "June 19, 1984" and recorded as Document No. "322-7/20". If the Hon. Member agrees, we can now proceed with second reading.

[*English*]

Mr. Deputy Speaker: Order. There are two matters before the Chair at this time. First, there is the point of order raised by the Hon. Parliamentary Secretary to the President of the Privy Council (Mr. Evans) whereby he sought the unanimous agreement of the House to proceed with the committee stage of the Bill this afternoon in Committee of the Whole. Is that agreed?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Agreed and so ordered. The other matter raised by the Hon. Member for Western Arctic (Mr. Nickerson), to which the Hon. Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mr. Gingras) has responded, deals with, if I can use the expression, the printing of some blanks in Clause 2 of the Bill as it now stands before the House. The Chair has had this matter researched and has been informed that this omission arises out of a very straigthforward or bona fide printing error, if I may put it in those terms.

The Bill as introduced and as deposited with Table officers, a copy of which I have in my hand at present, was, I can confirm, properly tabled with the said blanks duly filled in. If they so wish, Hon. Members will have to take the word of the Chair that in fact the Bill was properly presented and introduced at first reading but through some technical error at the time of printing contained these blanks in the text. The Chair of course regrets that, as I am sure do Hon. Members.

That being the case, I should ascertain that the House nevertheless intends to proceed with the Bill at this stage this afternoon. Is that agreed?

Some Hon. Members: Agreed.

[*Translation*]

Hon. W. Bennett Campbell (for the Minister of Indian Affairs and Northern Development) seconded by Mr. MacLaren, moved that Bill C-49, An Act to approve, give effect to and declare valid the Agreement between the Committee for Original Peoples' Entitlement, representing the Inuvialuit of the Inuvialuit Settlement Region, and the Government of Canada and to amend the National Parks Act in consequence thereof, be read the second time and referred to a Committee of the Whole.

Mr. René Gingras (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, it is a pleasure to have this opportunity today to speak to Bill C-49, the Western Arctic (Inuvialuit) Claims Settlement Act.

Hon. Members are probably aware that the purpose of this Act is to legalize the claims settlement concluded with the Committee for Original Peoples' Entitlement which defends the interests of the Western Arctic Inuvialuit. Mr. Speaker, it is a historic measure, since it enshrines the first comprehensive settlement of this kind concluded with a native group in Canada's North. This Bill shows us what the future has in store. We hope we shall soon see the day when similar settlements will occur throughout the North and native claims in the Yukon and the Northwest Territories will have been settled in a definitive and satisfactory manner.

For some time now, the settlement of outstanding native claims has been a decisive factor in developing Canada's regions north of 60.

Certain aspects of the economic, political and social situation that has prevailed in the North for many years are a source of profound concern. After the rate of economic expansion slowed down, the people of the North, instead of trying to plan the future together, were often paralyzed by bitter disputes about development, the environment and other issues. Mr. Speaker, in these conditions it was important for the federal Government to choose a plan of action that would put stability and co-operation in the place of uncertainty and discord, a plan that would encourage the people of the North to become more active participants in planning the future of their territory; a plan that would involve the native peoples of the North in decision-making on political and economic issues. However, native claims must be settled satisfactorily before this plan can be expected to show any results.

● (1550)

As long as the problem of native claims is not resolved, distrust and resentment will prevent parties from co-operating and making the concessions that are a pre-requisite for developing a plan of action for development of the North. Settlement of the claims is a key element in our plans for the North.

Hon. Members will recall that more funds have been earmarked for research and negotiations. We have made it clear to the native groups concerned that the federal Government was very serious and sincere in its desire to negotiate a fair settlement for outstanding claims as soon as possible. Despite the complexity of this type of comprehensive negotiations, real progress has been achieved. Furthermore, the agreement in principle with respect to the claims of the Council of Yukon Indians was recently accepted by negotiators for both parties, by the Government of Yukon and by the federal cabinet. Now the agreement only has to be ratified by the Yukon Indians.

As for the claims of the Dene Association and the Métis, which represent the main native groups in the MacKenzie Valley, and those of the Tungavik Federation of the Nunavut, on behalf of the Eastern Arctic Inuit, negotiations are proceeding satisfactorily. Since we started making tangible progress on the claims issue, there has been a considerable change in atmosphere in the Territories, both in relations between the North and Ottawa and within the Territories. Distrust and intransigence have made way for mutual trust, co-operation and a willingness to make concessions. The people of the North, including the native peoples, are once again prepared to work together with the federal Government and define and set priorities for the future.

We shall therefore continue to pressure for progress in settling comprehensive claims in the North. During the next ten years, we shall see a new upsurge in economic development in the North, in the mining and oil industry as well as in other sectors. Economic growth will be largely stimulated by improving economic and political conditions which will stabilize as a result of substantial progress in claims settlements.

I shall now, if I may, return to the legislation before the House. This Bill concerns claims presented by the Inuvialuit.

These are some 2,500 Inuvialuit living in six communities in the Northwest Territories, along the coast of the Beaufort Sea and on the islands off the coast. The territory they have always inhabited is immense, covering nearly 435,000 square kilometers of land and sea. The Inuvialuit who have lived there for centuries, depend on hunting and fishing for their livelihood.

Mr. Speaker, it was not easy to negotiate a comprehensive settlement. The Committee for Original Peoples' Entitlement presented its claim seven years ago to the federal Government. This agreement demonstrates the sincerity and determination with which all parties have worked towards a definitive solution that would be fair to the Inuvialuit, the people of the North and all Canadians. Comprehensive claims are not concerned exclusively with land, although environmental planning is a very considerable factor in negotiations. Comprehensive claims are based on the principles of ancestral rights, in other words the historic claims of a population that has lived for centuries within a certain territory on which it depends for its livelihood and whose cultural and economic survival depends on the future use and development of that territory.

Through these comprehensive negotiations, we have tried to conclude an agreement that:

Preserves Inuvialuit cultural identity and values within a changing northern society;

Guarantees the equality of the Inuvialuit and enables them to be meaningful participants in the northern and national economy and society;

Protects and preserves the Arctic wildlife, environment and ecosystems.

This agreement which will be implemented through this act is basically an agreement under which Canada will grant to the Inuvialuit certain rights, privileges and benefits with a view to achieving the objectives already mentioned. In exchange, the Inuvialuit agree to relinquish any title on certain

lands in the Northwest Territories and the Yukon as well as on certain adjacent offshore islands.

The agreement we have concluded deals basically with three major issues: the land and its use, the provisions related to economic expansion, social progress and compensation, and finally wildlife and environment.

With respect to the land, the Inuvialuit will receive titles to approximately 91,000 square kilometres of land within the 435,000 square kilometre area they traditionally occupied. They will own both surface and subsurface rights to almost 11,000 square kilometres of land adjacent to the six main communities. They will also receive title to a further 78,000 square kilometres, with full surface rights and subsurface rights to sand and gravel, but not to oil, gas or minerals. Approximately 2,000 square kilometres of land in the Cape Bathurst area will also be held as a protected, non-development area.

Among the economic and social benefits provided under the agreement, they will receive $45 million, in 1977 dollars—the year they filed their claims—to be paid directly in a series of payments to be made annually until 1997. There will also be an Economic Enhancement Fund of $10 million to help the Inuvialuit participate fully in the Western Arctic economy, and a Social Development Fund of $7.5 million to help the Inuvialuit solve the problems which accompany social transition.

The agreement grants the Inuvialuit certain preferential and exclusive rights to harvest wildlife in the settlement region. The agreement also provides assistance in integrating the Inuvialuit into the decision-making process involving wildlife management within their territories.

Mr. Speaker, the provisions of this agreement will give the results which the Inuvialuit and the federal Government are seeking. It will enable that group of native people to maintain their ancestral way of life and go on with their traditional activities.

Thanks to the Economic Enhancement Fund and the Social Development Fund, the Inuvialuit will play a greater role in the economic growth of the North, and they will also have their say in setting their own social and economic priorities.

The agreement was concluded earlier this year by teams of negotiators representing COPE and the federal Government. I might add that the Governments of the Northwest Territories and the Yukon as well as the federal Cabinet gave their agreement.

The Yukon Indian Council, the Nunavut Tungavik Federation as well as the Dene and Metis of the Northwest Territories have signed bilateral agreements to settle the problems created by the redistribution of their interests in the lands described in the agreement.

Last month, when the Inuvialuit voted to ratify the agreement, the overwhelming majority—81 per cent—was in favour. The only thing left to do, Mr. Speaker, is for Parliament to adopt this Bill so that the agreement be implemented. We hope Hon. Members will consider this Bill quickly and agree to its adoption.

• (1600)

[*English*]

Mr. Nickerson: I have a point of order, Mr. Speaker.

Mr. Deputy Speaker: The Hon. Member for Western Arctic (Mr. Nickerson) on a point of order.

Mr. Nickerson: Mr. Speaker, I was listening very attentively to the presentation of the Parliamentary Secretary. I believe he might have inadvertently misled the House in that he said that the amount of land to be transferred to the Inuvialuit was 90,000 square miles. From my reading of Section 7(5) of the agreement it is quite clear that it is 35,000 square miles. Perhaps the Parliamentary Secretary would be kind enough to check that?

[*Translation*]

Mr. Gingras: Mr. Speaker, if I may have a few moments, I will check.

[*English*]

Mr. Deputy Speaker: The Hon. Parliamentary Secretary is checking those figures. The House may want to proceed with debate at this stage and in due course we could recognize the Parliamentary Secretary on a point of order, if need be.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, before I get into my presentation, I would like to inform the Parliamentary Secretary that when the Bill goes before the Committee of the Whole it is my intention to ask several questions. I hope there is expert advice available to him at that time so that committee stage might be dealt with expeditiously.

I was rather disappointed, Mr. Speaker, that the Minister of Indian Affairs and Northern Development (Mr. Munro) has not seen fit to appear in the House this afternoon on this issue. It may be that he is still pondering his political future after the events of the weekend before last. However, I would have liked to hear from the Minister personally with respect to Bill C-49. It is also disillusioning, Sir, when we have to wait for several minutes before we get two Ministers of the Crown sitting in their seats so that the motion for second reading could be properly moved and seconded. I guess it just goes to show the importance which the Government attaches to these issues.

When we consider the COPE agreement and the resolutions of various outstanding comprehensive land claims, Sir, we know that it is an agonizingly slow process. I am disappointed with the rate of progress which has been made over the last five years or six years in particular. When the present Minister of Indian Affairs and Northern Development took on his responsibilities in 1980, he put out a press release wherein he said he was going to resolve these outstanding land claims in a

matter of six months. So far to date, since he has been in that portfolio, this is the first claim which has reached the point of resolution. And there are many more yet to come.

I do not know why this is so, Sir, but I can guess at several reasons. It might be inherent difficulties involved in the negotiation of land claims. It might, however, be deliberate stalling on the part of the Government. Alternatively, it might be ministerial incompetence. I will leave it for others to make that determination.

However, we have the COPE agreement before us now and we find ourselves in the position that it is virtually a *fait accompli*. We have the agreement before us today which has been ratified by the Cabinet, agreed to by the Government, and which has been ratified by a substantial 80 per cent majority of the Inuvialuit. Whatever we do with it in this House at the present time, we are unable to alter it in any substantial way, or in any way whatsoever, as far as I can determine. Therefore, it falls upon us to allow the passage of Bill C-49 without undue delay and that is the course of action which we on this side propose to undertake.

I want to say a few words about the public perception of this agreement in the area involved, the western part of the Northwest Territories, in the Delta area. The agreement is generally regarded by everyone as something which is second or third best. Most people would have liked something else but I suppose they can live with this if they really have to. That is the type of attitude which people have about it.

They are also tired of talking about it. Negotiations have gone on for so many years and caused so many dissensions that what we have now is what might be called "an agreement by attrition". People are so tired of talking of it, going into it, renegotiating it and then going back again, that they more or less are ready to accept anything that is put before them. It is not the first time I have seen this happen with the present Government.

There are some things to be said in favour of the Inuvialuit settlement. In my personal opinion, I feel it is better than the James Bay settlement. It is still a lengthy document but it is a little easier to read than the James Bay settlement. It is complex but not as complex. The provisions in it tend to be a little more specific. I believe we will have some problems with interpretation in the years to come but I do not feel the problems of interpretation will be as bad as those experienced with the James Bay agreement. The Inuvialuit settlement agreement does not envisage further legislation which will have to be passed several years hence.

You will recall, Sir, the passage just a few days ago of the Cree-Naskapi Act which was something contemplated within the James Bay agreement but which took some additional eight years to negotiate. In the meantime things were left up in the air. That situation is not contemplated in the Inuvialuit agreement, although it might arise. That is something we cannot tell at the present time.

I believe that the negotiating process ran into many difficulties because of the secrecy involved. The Government insisted that virtually everything be done behind closed doors. It did not want the general public in on it. It chose the people with whom it wanted to negotiate, kept everyone else out of the negotiations and would not tell them what was going on. I do not believe this is the right approach. The public somehow always finds out in the end what is going on and what is going to affect them. The process in my opinion, should be open so that mistakes do not occur, or so that they can be nipped in the bud.

I will give you, Sir, some examples of avoidable mistakes which happened during the COPE negotiations. First of all, going back to the time of the agreement in principle, way back in 1978, there was the question of sand and gravel. As you are probably aware, Mr. Speaker, sand and gravel is most important in an area of permafrost. When one is doing civil work such as constructing roads in a municipality, one cannot use cut and fill techniques. It is all fill. One must dump four feet or five feet of gravel on top of the permafrost in order to preserve the frozen nature of it. Therefore, sand and gravel is very important.

Under the original agreement, the municipalities found themselves without access to sand and gravel. Had we not had that secretive process, that mistake would not have been made and we would not have beaten our heads together for months on end over a question of sand and gravel, a question which could have easily been resolved during the course of the negotiations. Subsequently we had the problem with the overlap in the Aklavik area, the overlap between the Inuvialuit claim and the Dene-Metis claim where two sets of people have traditionally used the same area. That would not have happened had the negotiations, or the partial result thereof, been made public as we went along. Instead, once people found out what was proposed to be written into the final agreement, everything blew up in the air because this matter had not been properly considered and those other people with a very real interest in that area of land had not been brought into the negotiating picture.

• (1610)

Another very good example of this is the 10 per cent differential which I understand was put in expressly at the request of the federal negotiator. I understand that other people involved in the secret process told him that if he did that, all hell is going to break loose. He would not believe them and that is precisely what happened when people found out what was to be in the so-called final agreement. All that could have been avoided had the Government undertaken negotiations in a proper open manner rather than trying to keep everything secret. The issues to which I referred have now been resolved, but they need not have arisen in the first place.

This Government's penchant for secrecy extended even after the final agreement had been initialled. Even though the other party to the agreement was quite willing that the document be made public, the Government insisted on secrecy. It would not even let Members of this House have access to a copy of the

agreement. I find that deplorable. It is not the way for a government to act.

When people found out what was in the proposed final agreement, they complained, as they knew they had to, in order to get things changed. Senator Austin went up to the delta and made promises to all the people in that area that they would be able to present their case in some kind of public debate on the issue. But the proceedings from there on in remained secret, and Senator Austin's promise was proven to be just another Liberal promise: worthless.

There is with this agreement one unresolved and very important problem. It does not involve that many people but it rests on a principle. The prior rights of all the people of that area have not really been recognized and dealt with properly. One particular case is that of Canadian Reindeer and one Mr. William Nasogaluak. The reindeer herd, which had been owned and controlled by the Government of Canada for many years, was sold quite a few years ago to Mr. Nasogaluak. He was and is a very enterprising gentleman. He made a viable commercial success of reindeer herding in northern Canada, something that had never been done before. The idea had been started by the Government but it had never been commercially successful until it got into private hands. When that reindeer herd was sold to Mr. Nasogaluak it was quite evident that the Government had transferred to him the right to graze those reindeer within the reindeer grazing preserve established by Order in Council. Quite a proportion of that land had been transferred to COPE without consultation with Canadian Reindeer or Mr. Nasogaluak.

I consider this to be shabby treatment of a Canadian citizen by a shabby government. It is incumbent upon the Government of Canada to work out a deal with Canadian Reindeer, not tell them to work out some deal with COPE. They made their original deal with the Government of Canada. If the Government refuses to do this, it would be my suggestion that Mr. Nasogaluak has an extremely good case in law because I think the Government has broken its contract with him. Certainly he has an extremely good moral case.

The Minister of Indian Affairs and Northern Development has gone out of his way in this agreement to protect the prior interests of oil and mining companies, as well as the Government itself; but when it comes to an Inuvialuit, he finds himself completely out of the picture. This has to be resolved.

To go back to the agreement proper, it has some good points. It is not my job as a Member of Her Majesty's Loyal Opposition to overly dwell on the good points; they have all been presented to this House by the Parliamentary Secretary, the Hon. Member for Abitibi (Mr. Gingras), so I will concentrate on some of the points that are not quite as good.

I think those bad points were summarized for me by an old pensioner, an Inuvialuit himself, whom I visited in the old folks' home in Inuvik—shortly after the signing of the agreement in Tuktoyaktuk. He said that the only thing the agreement means for hims is that once a year he will receive in the mail a little piece of paper that is going to tell him how wealthy he is. That is all he is going to get out of it. He is not going to get a piece of land, a house or any money for the few remaining years he has to live. All he can see himself getting out of it is this piece of paper telling him he has lots of money. But where is it? There are no dollar bills for his pocket. He does not get a cheque; he gets nothing.

That is the other side of the story. In my opinion, this results from the rather socialistic and collectivist nature of the agreement. I can see why we have that type of agreement dealing with collectivities rather than individuals. First of all, that is the policy of the present Government of Canada and especially that of the Minister of Indian Affairs and Northern Development who ran as a left-wing candidate in the recent Liberal leadership convention. Negotiatiors and advisers to native organizations are frequently of this bent. It is unfortunate, but I guess of necessity native organizations very often become mirror images of the bureaucracies with which they have to deal.

In the Inuvialuit community, many individuals have excelled in many fields, such as industry, trade and commerce, in the arts and many others. I venture to suggest that there are more millionnaires per thousand of population among the Inuvialuit component of our population than any other. But in the negotiating process over many years these people were generally concerned with their own affairs. They did not really get involved in the long, slow process. As a result, the individual point of view was lost because people who are individualistically inclined were going about their own business. It is only when the final agreement was initialled that an action group was put together.

• (1620)

I would like to present some of the views of that Inuvialuit action group to the House. We know that 80 per cent of the population found in favour of the agreement and voted in that way. However, there is still one-fifth of the population with a different point of view. That point of view deserves to be heard. There was concern about the institutional nature of the agreement. One has only to look at a list of the institutions which are to be set up pursuant to the agreement. There are six or seven community corporations, each with a game council. There is the Inuvialuit Regional Corporation, the Inuvialuit Land Corporation, the Inuvialuit Development Corporation, the Inuvialuit Investment Corporation, the Inuvialuit Environmental Impact Review Board, the Inuvialuit Environmental Impact Screening Committee, the Inuvialuit Research Advisory Council and the Inuvialuit Wildlife Management Advisory Council. There are two of those, one for the Territories and one for the Yukon. There is the Inuvialuit Comprehensive Settlement Arbitration Board and various panels made up under that Board. There is the Inuvialuit Approval Authority, the Inuvialuit Game Council, the Porcupine-Cariboo Management Board, the Fisheries Joint Management Committee, the Yukon North Slope Annual Conference, the Inuvialuit Social Development Fund and its trustees, the Inuvialuit trust, the Inuvialuit Land Administration and the Inuvialuit Land Use Planning. There are two sub-groups of that, one for the Territories and one for the Yukon.

You can see from that, Mr. Speaker, that it is a very institutionalized approach to life. It was a concern that any profits derived from economic development ventures or disposition of land or anything else would be eaten up in administrative costs. The 20 per cent of the people who opposed the agreement argued in favour of a cash settlement with some cash coming into the hands of individuals. They wanted guaranteed hunting and trapping rights. Other Inuvialuit wanted individual title to land rather than collective title to land. I think it is incumbent that the other side of the argument be heard at this time as well as the majority view.

Under this agreement, the 2,500 beneficiaries will share in some 5,000 square miles of 71-A land—that is land with mineral rights—and some 30,000 square miles of so-called 71-B land to which the mineral rights are not attached. This land will be free from the power of expropriation by any government other than the federal Government. It will also be free from taxation. However, that does not mean to say that improvements made upon the land will be exempt from taxation.

Just to put it in perspective, the land part of the over-all settlement area, a lot of it being water, is about the same size as the Provinces of Newfoundland, Nova Scotia and New Brunswick, and you can throw in Prince Edward Island for good measure. That is the type of area we are talking about under this agreement. In addition to that there will be cash payments of over $152 million over the period of time up until 1997. There is also the economic enhancement fund of $10 million, which was the buy-out for the 10 per cent bid differential which the Parliamentary Secretary has already referred to, and a social development fund of some $7.5 million. That brings the cash payments up to a total of $169.5 million, if my arithmetic is correct.

In addition to that, through one of their institutions the Inuvialuit have the right to borrow at an 8 per cent rate of interest to a maximum outstanding amount of $87.5 million. In financial terms you can see that the settlement is reasonably generous.

There are some additional concerns with this Bill which I have raised previously so I do not want to go into a great deal of detail about them. However, I would like to have them on the record. First, there is a very unusual nature of the tenure to some of this land. I foresee difficulties in the future. If you cannot sell something, do you really own it? That is a question which has always bothered me. There are constraints put on the disposition of some of this land. I do not know what could happen if you wanted to mortgage some of it to get funds with which to develop the land. I do not know whether that is possible. Just the other day we dealt with that problem with respect to the Cree-Naskapi Act and the necessity of writing provisions into the Act so that mortgages could be held on the land. I do not know if we are going to run into similar difficulties here.

There is a very complex regulatory process set up pursuant to this agreement. There are a number of advisory boards in addition to the regulatory system which presently exists. It is going to slow things down and make it very difficult and expensive to go through this process. I suspect that at some point in the future people will look back and realize that they have tied themselves up so badly that they cannot then do the things they want to. That possibility also arises.

Another criticism which I have of the Bill is that there is nothing in it immediately for the elderly people. The old people had tough times in the past because it was pretty hard to make a living 50, 60 or 100 years ago in the Arctic areas before we had proper transportation and the other things we have today. Some of the old people went through some rough times and I do not see them getting anything out of this agreement. In my opinion, the old people should benefit more than anyone else. They should at least receive a half decent pension. The younger folks have education and the opportunities which we have in Canada today. I would prefer that the old people get something out of this rather than being neglected. That is what it looks like is happening to me.

Let us take another brief look at the proposed corporate structure. It is important to do this. Several things happened with the Alaskan settlement which was made some time ago. The old couple who were living in an old shack somewhere out in the bush before the settlement are still there with a fish net. Their lot does not seem to have improved very much. The settlement in Alaska created a new class of elite. The people who are involved in the corporate structure sit in their cork-lined boardrooms, draw big salaries, deal with millions of dollars and have a great old time. Somehow that has not filtered down to the little people.

Many objections have been brought up in Alaska. Tom Berger has been appointed to look at the agreement. That is something we want to avoid in Canada. If we make an agreement we do not want to have to say 15 years later it was a mistake. It is pretty important to study this. If you take the agreement and try to put all these institutions and bodies corporate in order, it comes out in kind of a spider's web pattern. The Inuvialuit Regional Corporation is stuck in the middle. One way or another it controls all the other organizations. It controls the Inuvialuit Development Corporation and the Inuvialuit Investment Corporation. Those two are set up to receive the cash payments. The Inuvialuit Land Corporation controls that too in a roundabout way as well as a direct way. The Inuvialuit Land Administration, which reports directly to the regional corporation, administers the land which is held by the Inuvialuit Land Corporation. Presumably it appoints directly the administrators and the ILC does not get to appoint the administrator.

• (1630)

Although in theory the community corporations are supposed to have some control over the Inuvialuit Regional Corporation, in reality I expect that it will work out the other way around. Even that is contemplated in the agreement. For instance, 71A/1 lands are supposed to be under the control of the various Inuvialuit community corporations, but the disposition or the control is always subject to the Inuvialuit Regional

Corporation. The trust, which is the repository of the funds that may be made available to individuals, is also subject to a substantial amount of control by the Inuvialuit Regional Corporation.

We can see that whoever controls and exercises this power within the Inuvialuit Regional Corporation will exercise power and control moneys of a magnitude undreamt of by anybody like myself. It will be a fantastic amount of control and power available to whoever manages to usurp that organization.

If that control is misused, then we can expect discontent. There is always a problem when a collective approach is taken, as we see in this agreement and in the Bill, instead of an individual approach to matters. Of course, there is some potential for abuse in every way it is done but I believe that by using the collective model or socialist model, that potential for abuse is exacerbated. All one needs to do is to see the various states in the world today. We find that those that have adopted that model can be far more abusive of the citizens of those countries than those that take an individualistic approach.

That is the gist of my presentation this afternoon. In conclusion, I repeat that the agreement is finished. What we have to do now is to try to make it work. That will be pretty tough. I suspect that making it work will be just as difficult a task as negotiating the agreement in the first place, if not more difficult. I simply want to add my rejoinder again, that I hope that the little people will not get shafted as has happened before. I fervently hope that we do not find ourselves, five decades down the road, standing up again in the House and saying that this did not work, let us try to renegotiate it again. I sincerely hope that this agreement works out to the benefit of all the people who live in the settlement area.

Mr. MacLellan: Mr. Speaker, I rise on a point of order. I would like to seek unanimous consent of the House to revert to tabling of reports from standing and special committees on behalf of the Justice and Legal Affairs Committee. The Chairman consulted with both opposition parties and received their approval on this. I would ask at this time if the House would give its unanimous consent.

Mr. Deputy Speaker: The House has heard the proposal put forward by the Parliamentary Secretary. Is it agreed?

Some Hon. Members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

JUSTICE AND LEGAL AFFAIRS

PRESENTATION OF SECOND REPORT OF STANDING COMMITTEE

Mr. Russell MacLellan (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I have the honour to present to the House the second report of the Standing Committee on Justice and Legal Affairs.

[*Editor's Note: For the above report, see today's Votes and Proceedings.*]

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the Hon. Member for Winnipeg-Assiniboine (Mr. McKenzie)—Canada Post Corporation—Auditor's terms of reference. (b) Weekend overtime; the Hon. Member for Hamilton-Wentworth (Mr. Scott)—Museums and Art Galleries—Canada Museums Construction Corporation—Fund raising campaign. (b) Minister's correspondence; the Hon. Member for Winnipeg North (Mr. Orlikow)—Bilingualism—Education of immigrant children. (b) Native Indian children—Access to aboriginal language education.

GOVERNMENT ORDERS

[*English*]

WESTERN ARCTIC (INUVIALUIT) CLAIMS SETTLEMENT ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. Campbell (Cardigan) (for the Minister of Indian Affairs and Northern Development) that Bill C-49, an Act to approve, give effect to and declare valid the Agreement between the Committee for Original Peoples' Entitlement, representing the Inuvialuit of the Inuvialuit Settlement Region, and the Government of Canada and to amend the National Parks Act in consequence thereof, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Deputy Speaker: The Standing Orders do not provide for questions and comments following the first three speakers.

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, I am pleased to have the opportunity to participate in the debate on Bill C-49 which gives effect to the agreement that was reached between the Government of Canada and the Inuvialuit of the Northwest Territories, reaching into the Yukon.

First, I would like to extend my congratulations to the Inuvialuit and the Minister. Our Party supports speedy passage of this legislation and the implementation of the agreement. While we support the speedy passage of this legislation, we want to note the very slow and painful process that has generally marked land claims and aboriginal claims negotiations and settlements in Canada over the past few years. That is especially true with regard to comprehensive claims.

It has been noted that this is only the second comprehensive claim to be settled, the first being the James Bay Agreement. I think every Member of the House is aware of the frustration and problems that were involved in terms of implementation of that agreement, problems regarding the flow of funds, with regard to relations between the Government of Canada, the Government of Quebec and the new establishment of government by the James Bay Cree and Inuit.

I have particular concern in this Bill over Clause 3 which is really at the heart of the principle of the settlement of claims in the present government policy. Clause 3 states:

All native claims, rights, title and interests, whatever they may be, in and to the Territory, of all Inuvialuit, whatever they may be, are hereby extinguished—

Our Party has a great deal of concern over the idea that aboriginal claims must be extinguished before any settlement can be reached on those claims. Aboriginal people have been moving toward the concept that an aboriginal right *per se* is something that cannot be extinguished. Rather, it is something that should be recognized. Having recognized it, the Government of Canada or the province or territory should negotiate for use with that aboriginal people. We should be involved in a process of recognition of rights rather than seek to terminate those rights. The termination of rights smacks too much of a real estate process. Real estate processes do violence to the concept of land that the aboriginal peoples of Canada have. Their relationship to the land is more basic and cultural and spiritual, in such a way that a real estate process often does violence to it. For that reason we support them in their concern to find some other approach rather than out and out extinguishment.

I note that the Minister has said he would explore alternatives to extinguishment. I hope that an alternative can be found and that that alternative can be applied to the Inuvialuit as well as to other aboriginal peoples. We were very concerned about the slow progress in the settlement of comprehensive claims in British Columbia, for example, when the Haida, Heltsuk and Nuu Chah Nulth submitted claims both to their land and to some offshore resources. It took months and it stretched into years before the Government even accepted these claims for negotiation. This slowness in processing is very discouraging for aboriginal peoples. It is one of the reasons this is only the second agreement to be reached. I suppose it returns to the fact that the Department, through the Office of Native Claims, is really the judge, jury and executioner in terms of the entire aboriginal claims process.

• (1640)

Aboriginal people coming up against the Department find that it is very easy for them to be stonewalled. When they are stonewalled, they have no real process of appeal. We would like to see the entire claims process opened up and made more fair, in a way that aboriginal peoples would know that they had certain rights and processes to follow by law instead of being at the good favour of the Government.

When claims are recognized and accepted for negotiation, the Government is very slow in its different processes. For example, we are concerned about the Kaska Dene in northern British Columbia. They received only a quarter of the funding which they recognized as being necessary if they were to do an adequate job of researching their aboriginal claim. Having received only a quarter of their funds, their entire claim process is now in some difficulty. We must recognize that it is a very expensive process to establish what is a claim, to establish traditional patterns of land use and occupancy, and to establish traditional hunting, fishing and food-gathering processes. The research involved is very expensive. Having established a pattern of research, it is important that there be continuity, that it not be interrupted. As the Kaska Dene received only a quarter of their funding, and unless further funds flow fairly quickly, they will have some difficulty maintaining continuity. There is a possibility of fairly rapid development of the mineral, timber and hydroelectric resources in their area. It is important that they be able to conduct the research now rather than have to wait. Also they are in a situation where some of their traditional lands overlap some of those under claim by the Council of Yukon Indians. It is important that they have funding now so that they can conduct the necessary research to solve any overlap situations on a fair and equitable basis between themselves and their good friends in the Council of Yukon Indians.

The Special Committee on Indian Self-Government recommended that there be a new claims process. This is something that we in our Party would heartily endorse. It recommended a claims process wherein the Department was not the judge, jury and executioner, a claims process which recognized the legitimate claims of Indian peoples and other aboriginal peoples in settled areas. Presently there is a concept, which the Government follows, whereby it says that aboriginal claims in settled areas such as in southwestern British Columbia have been superseded by law. In effect, what we are saying by that process is that aboriginal rights, claims and title have been superseded by might. Might makes right is what the concept superseded by law means. We should open up the process to recognize that if people had basic aboriginal rights 200 years or 300 years ago and if they never negotiated those rights away, they are still intact. The concept that they can be superseded by law really says that they have been taken away by force. That is not a concept of justice to which most Canadians would want to subscribe.

Another area which we would like to see changed in a future land claims policy would be the removal of the present separation between settlement of land claims and settlement of

political issues. For aboriginal people, political rights are an integral part of the claims which they are seeking to put forward. Also the Special Committee on Indian Self-Government, through a long series of hearings, established very clearly that aboriginal peoples had political rights and exercised those political rights long before the coming of European colonists to this continent. Those political rights are the essence of their aboriginal rights. To talk about an aboriginal land claims process which neglects those political rights does violence to their whole concept of the land.

The Union of British Columbia Indian Chiefs has a slogan: "The land is the culture". Basically, land, culture, spiritual values and political rights are interrelated among aboriginal peoples. To say that we are willing to negotiate land rights here but that we are not willing to discuss political rights which have to be resolved in a separate forum, is to do violence to the basic understanding of aboriginal peoples of themselves and of their relationship to the land.

We support the whole concept that political rights should be involved in the settlement of aboriginal claims. Coming from British Columbia, I am concerned that while the federal Government moves very slowly in the settlement of claims, the Government of British Columbia is actively stonewalling and preventing the claims.

For a number of years now significant progress on a number of claims had not been possible until the Province of British Columbia moved on the claim of the Nishga people. The process has been very slow and very painful. Anything the federal Government or the Canadian public could do to move the reactionary, right-wing Government of British Columbia toward a more positive recognition of aboriginal claims would be helpful. It would help to solve a long-standing injustice. It would help Indian people of British Columbia to take their rightful place in the culture and economy of British Columbia.

We want to see the claims process speeded up. It should recognize the rights of aboriginal peoples in Canada. Whether it be the Indians, the Metis or the Inuit, they should have their rights recognized. They should have a decent land base from which they can operate economically so that they will no longer be at the bottom statum of society in terms of the economy. There is no reason that being a member of the aboriginal peoples should be equated with poverty. However, that is the situation in Canada, because in effect these people have been robbed of their rights.

It is important to institute a new and more speedy land claims policy which will not extinguish those rights but will recognize them. This policy should not try to separate those rights from their political rights. It should see them as being integral and it should recognize their rights to a decent economic base.

With those few remarks, I am pleased that the Inuvialuit have made some progress in the negotiation of their claim with the federal Government. They negotiated, as most aboriginal people have had to do, under considerable pressure. I congratulate them on their settlement. Like all Members, we hope that it works for their betterment. We look forward to speedy passage of this Bill.

• (1650)

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): Is it the pleasure of the House to adop the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Herbert in the chair.

The Deputy Chairman: Order. House in Committee of the Whole on Bill C-49, an Act to approve, give effect to and declare valid the Agreement between the Committee for Original Peoples' Entitlement, representing the Inuvialuit of the Inuvialuit Settlement Region, and the Government of Canada and to amend the National parks Act in consequence thereof.

On Clause 2—*Definitions*

Mr. Nickerson: Mr. Chairman, I assume that this is the opportunity for me to ask questions of a general nature. The document entitled Inuvialuit Settlement Agreement dated March 27, 1984, the one I have in my hand, and I would expect the Parliamentary Secretary to be familiar with it, is this the agreement that was voted on by the Inuvialuit?

[*Translation*]

Mr. Gingras: If the Hon. Member will wait a few moments, the officials will soon be here.

In the meantime, I would like to point out to the Hon. Member for Western Arctic (Mr. Nickerson) that I quoted a figure of 91,000 square kilometres earlier, which is 35,000 square miles, according to my calculations. I do not know whether the translator said 91,000 square kilometres—

[*English*]

Would the Hon. Member please repeat his question?

Mr. Nickerson: Mr. Chairman, the document entitled Inuvialuit Settlement Agreement, dated March 27, 1984, the one that I have in my hand, and with which the Parliamentary Secretary should be familiar, is that the agreement that was voted on by the Inuvialuit?

[*Translation*]

Mr. Gingras: I can assure the Hon. Member that the people voted on the basis of this document, Mr. Speaker.

[*English*]

Mr. Nickerson: Which agreement was signed by the Minister of Indian Affairs and Northern Development and by the COPE representatives and everybody else at the grand signing

ceremony? Was it this document, the one to which I have referred, or was it another document?

[*Translation*]

Mr. Gingras: Yes, it was the document entitled "The Western Arctic Claim. The Inuvialuit Final Agreement", which is dated June 5, 1984.

[*English*]

Mr. Nickerson: Mr. Chairman, that is precisely what I thought. The document that was voted on and ratified by the Inuvialuit was this document, the one dated March 27, 1984. The one that presumably was signed by the parties to the agreement—and we have just been told by the Parliamentary Secretary that that was indeed the case—was a different document from the Western Arctic claim, the Inuvialuit Final Agreement. That is the title of it. Is it a different document altogether. There are several discrepancies between these two documents. How can it be held that the document that was in fact signed was the one that received the approval of the Inuvialuit?

[*Translation*]

Mr. Gingras: I can assure the Hon. Member that every minor differences between this document, which comes from the Department, and the one on which the Inuit voted was agreed upon by all concerned.

[*English*]

Mr. Nickerson: Mr. Chairman, although I am not going to pursue it at this time, I would suggest that it could leave some doubts in the future as to the validity of this agreement when you have people voting on one agreement and then signing yet another agreement. I want to make one observation on the same point. Members of Parliament had circulated to them the Western Arctic claim, the Inuvialuit Final Agreement. Then we had a separate sheet of paper, not attached to this document at all, with the signatures thereon. Why is a copy of the agreement not available, the one which was presumably signed, with the signatures attached thereto? Why do we have a separate sheet of paper, which really does not say what it is all about, floating around with the signatures on it?

[*Translation*]

Mr. Gingras: I am most surprised at the nature of the question asked by the Hon. Member, Mr. Speaker. The only difference between the copy which will be distributed and the copy which we have here today is in the format. This page will be inserted inside the document, like this. I do not know how this is done technically, but I know that when the document is distributed, the signatures will be inserted inside, like this, and will form an integral part of the document. I must point out that the difference between this document and the other one is that this one is the legal document.

[*English*]

Mr. Nickerson: Mr. Chairman, how many beneficiaries are there under the Inuvialuit Settlement Agreement?

[*Translation*]

Mr. Gingras: Mr. Speaker, there are now approximately 2,500 registered Inuvialuit.

[*English*]

Mr. Nickerson: Mr. Chairman, how many of the beneficiaries under this agreement are already receiving benefits pursuant to the Alaskan settlement?

[*Translation*]

Mr. Gingras: There are four, Mr. Speaker.

[*English*]

Mr. Nickerson: Mr. Chairman, perhaps the Parliamentary Secretary misunderstood my question. I think that there are considerably more beneficiaries under this agreement, who are at the same time receiving benefits pursuant to land claim settlements made outside of Canada, particularly in Alaska. Very many of the Inuvialuit originated in what is now Alaska and came into what is now Canadian territory in the early part of this century. I wonder if the Parliamentary Secretary could reconsider that figure.

The Deputy Chairman: Because I have to interrupt the proceedings, maybe the response could be given when we resume discussion on Clause 2 at six o'clock. It being five o'clock, it is my duty to rise, report progress and request leave to consider the Bill later this day.

Progress reported.

• (1700)

[*Translation*]

The Acting Speaker (Mr. Herbert): It being five o'clock p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

The Acting Speaker (Mr. Herbert): Shall all orders and items preceding item No. 127 stand, with unanimous consent?

Some Hon. Members: Stand.

The Acting Speaker (Mr. Herbert): Stand.

PUBLIC BILLS

[*English*]

PUBLIC SERVICE EMPLOYMENT ACT

AMENDMENT RESPECTING STAFF OF MEMBERS OF THE HOUSE OF COMMONS

Mr. Blaker: Thank you for recognizing me on a point of order, Mr. Speaker. You may recall that on June 4 of this year, the House considered a Private Member's Bill, Bill C-215, standing in the name of the Hon. Member for Thunder Bay-Atikokan (Mr. McRae). As debate continued during Private Members' Hour, it was proposed by the Hon. Parliamentary Secretary to the President of the Treasury Board (Mr. Foster) that the subject matter of the Bill be referred to the Committee on Miscellaneous Estimates. There was then a subamendment standing in the name of the Hon. Member for Beaches (Mr. Young). That subamendment was in fact passed by the House unanimously.

In order to continue with this effort of assisting the staff of Members of Parliament, the proposal would now be for you, Mr. Speaker, to seek the consent of the House, the consent of the Hon. Member for Prince Edward-Hastings (Mr. Ellis) on behalf of the Official Opposition, as well as the consent of the Hon. Member for Beaches. To the best of our understanding, there would be unanimous consent to accept the amendment made by the Parliamentary Secretary to the President of the Treasury Board that the Bill be withdrawn and the subject matter referred to that committee.

The Acting Speaker (Mr. Herbert): The House has heard the proposal made by the Hon. Parliamentary Secretary. Does the House give its unanimous consent?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): The question is as follows: Mr. McRae (Thunder Bay-Atikokan) moved that Bill C-215, an Act to amend the Public Service Employment Act (staff of Members of the House of Commons) be now read the second time and referred to the Standing Committee on Miscellaneous Estimates.

Mr. Foster moved an amendment thereto that the motion be amended by deleting all the words after the word "that" and substituting the following therefor: Bill C-215, an Act to amend the Public Service Employment Act (staff of Members of the House of Commons), be not now read a second time but that the order be discharged, the Bill withdrawn and the subject matter thereof referred to the Standing Committee on Miscellaneous Estimates.

Mr. Young moved: That the said committee submit a report to the House of Commons within a period of 10 days.

The question is on the amendment as amended. Is it the pleasure of the House to adopt the amendment?

Mr. Evans: Mr. Speaker, I rise on a point of order. It was my understanding that the question being put to you for unanimous consent by the Hon. Member for Lachine (Mr. Blaker) was that the subject matter be sent to a committee without time restrictions or that the amendment moved by the Hon. Member for Beaches (Mr. Young) be treated as though it were never made.

The Acting Speaker (Mr. Herbert): The problem the Chair would have is that the amendment as amended has already been approved by the House in that form. In effect, I would submit that it would require a change to eliminate that time restriction.

Mr. Young: Mr. Speaker, I believe that what the Parliamentary Secretary has said is absolutely right. The time remaining to us between now and Friday obviously does not amount to 10 days. If the motion to have the Bill referred to committee presents any difficulty to the House at all, then to accommodate that concern, I would be prepared—I am not sure what form it would take and I do not wish to get into a procedural hassle—to move an amendment to strike the requirement of 10 days, if that is a proper procedure.

Mr. Domm: Mr. Speaker, it is the understanding of the Official Opposition, through discussions with our colleagues, that we would prefer that the amendment be deleted and if the Chair feels that the proper way to do that would be to pass a motion in the House deleting that amendment, then we would concur with that ruling.

The Acting Speaker (Mr. Herbert): The Chair is in some difficulty procedurally. In fact, the irregularity is such that all I can suggest at the moment is that there might be a disposition to give unanimous consent to eliminate the amendment to the amendment, it being the requirement for the submission of the report within 10 days. Unfortunately, the Hon. Member who proposed this particular motion is not present at this time. It imposes some difficulty on the Chair, but if Hon. Members of the House wish to give unanimous consent for this rather unusual procedure without setting any precedents, then under the circumstances, perhaps the Chair would be willing to accept that unanimous consent. In that case, the amendment would be amended by deleting the amendment to the amendment and the Chair would then read only the amendment without the amendment to the amendment. Is that clear? It is not clear to me but if it is clear to the House, I shall read the amendment as amended.

Perhaps in order to save time, may I assume that the House is giving its unanimous consent?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): Is it the pleasure of the House to adopt the amendment?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): Agreed and so ordered.

Just to clear everything up, the question is on the motion as amended. Is it the pleasure of the House to adopt the motion as amended?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Herbert): Accordingly, the order is discharged, the Bill withdrawn, and the subject matter thereof referred to the Standing Committee on Miscellaneous Estimates.

Order discharged and Bill withdrawn.

MOTIONS

[*English*]

CANADIAN WHEAT BOARD

ADVISABILITY OF CHANGING NAME AND EXPANDING RESPONSIBILITIES

Mr. Stan J. Hovdebo (Prince Albert) moved:

That, in the opinion of this House, the government should consider the advisability of (*a*) changing the Canadian Wheat Board's name to the Canadian Grains Board (*b*) expanding the Board's responsibility by placing the major grains—barley, corn, flax, oats, rapeseed, rye, soybeans and wheat—under its jurisdiction and by giving the Board full responsibility for marketing all feed grains delivered to primary elevators in Canada.

He said: Mr. Speaker, I am pleased that the other matter was cleared up in so short a time.

The agricultural industry across Canada is in trouble. In the last three or four months, there has been an increase of almost 150 per cent in the number of farm bankruptcies. At the rate we are going, there will be fewer and fewer farms across the country every year to the point where the agricultural industry is bound to suffer. It is too bad that an industry the workforce of which at one time made up approximately 90 per cent of the population of Canada is now down to a workforce of 5 per cent of the population and dwindling fast.

The situation is particularly bad because the industry could support many, many more farmers than it is now supporting. The consolidation that is going on may be good for the individual farmer but is not good for the country as a whole. Therefore, although this particular motion deals with one small part of the problem, I feel that it is important to put this motion before the House and have it discussed as part of the solution to the problem.

This particular motion deals with only one part of the agricultural industry, that part of the agricultural industry which is the growing of grain on the Prairies. That grain is the key to a great portion of the money from foreign exchange which Canada earns every year. Therefore, it is very important that we have a stable structure which will allow grain to be gathered, shipped and sold. That is the duty of the Canadian Wheat Board.

• (1710)

The mandate of the Canadian Wheat Board is to buy the grain, sell it at the best possible price and turn over as much of that sale money to the farmer as is possible. That is the key to the Wheat Board. It operates in the best interests of the farmer, not in the best interests of a variety of other people who handle the grain between the farmer and the consumer.

The global problem is that we do not have a system in place which allows income security for farmers. To some extent, I suppose I am being remiss in my duty in treating only a small portion of the problem rather than the total problem. A couple of weeks ago my colleague, the Hon. Member for Yorkton-Melville (Mr. Nystrom), brought forward Bill C-232 which dealt with parity of prices for farm products. That Bill was sent to committee to be discussed. The very fact that that Bill was sent to committee indicates that the House recognizes that agriculture generally is in trouble and that we must take a good global look at what should be done.

If the Minister of Agriculture (Mr. Whelan) were here today, he would stand and say that agriculture in Canada is doing better than agriculture in any other country in the world. Then he would list all sorts of good things which he is doing for agriculture or which the Government claims it is doing for agriculture. Let us look at a few of the things which the Government says it is doing.

It claims that the farmers are being well financed and are better off because the Farm Credit Corporation is in place. It can be interpreted that way, but it can also be interpreted that the interest rates of the Farm Credit Corporation are probably the biggest factor in the number of farm bankruptcies.

In the last year the Government has dealt with freight rates. That is a very important factor in the bringing of grain to market. How did the Government deal with it? It increased those rates. If we take a look at that process to find out what the rates will be in the next few years, we will see that the increase has only started and that there will be many more increases. Every one of those increases puts farmers in the position in which there will be a much smaller chance of

making a living. Many more farmers will leave their farms because they will not be able to make an adequate living.

Both opposition Parties have often asked the Minister of Energy, Mines and Resources (Mr. Chrétien), the Minister of Finance (Mr. Lalonde) and the Minister of Agriculture if they would relieve some of the pressure on farmers by taking the tax off fuel. They tell us that it sounds like a good idea, but they will not do it. The Government has made no effort to improve the situation as far as farmers are concerned.

That seems like a rather convoluted approach to a motion which deals directly and specifically with the Canadian Wheat Board, but I am trying to put forth the idea that what we need in all approaches to agriculture—if we are to deal with tax on fuels, freight rates and interest rates—is an income security structure which will allow farmers to know that they will get the best possible return for their labour. We are talking about a structure which the farmer can recognize as fair. That was the basis of the development of the Wheat Board initially and it is still the basis of its operation. It seems incongruous that what works well for wheat should not be extended to other crops.

For example, at this moment we probably have the best example in years of what can happen to grain if there is not a structure which protects the farmer. Last fall when farmers began selling rapeseed and canola, they received approximately $5 per bushel. Since that time, the price has increased to as much as $16 per bushel. Most of that grain was sold by farmers at $5, $6, $7 or $8 per bushel. That grain was stored. Recently it was released into the market at $16 per bushel. Who received the profit? Not the farmers who planted the grain, took the risk, hauled it into town and sold it to pay for their production. The people who received the advantage of the increase were those people who speculated on the price of grain. They bought the rapeseed and held it. They did nothing. They did not work. It was no effort for them. Sometimes they did not even hold the grain. They simply held a piece of paper for a six-month period and then sold the grain at $16 per bushel. They received a profit of approximately $10 per bushel. Had that money been turned into the system, as it would have been had the grain been sold under the Wheat Board, it would have been spread out among the farmers who produced rapeseed last year.

I grew up on a farm before the Wheat Board was established and I can remember very vividly my father selling wheat at 75 cents per bushel in the fall. At that time he hoped that he could hold on to at least half of his grain in order that he could sell it for $1.75 in the spring. In the spring, the Winnipeg Grain Exchange would have manipulated the market to the point where the grain which they had held and had bought from the farmers for 75 cents per bushel in the fall would have increased in order that the Grain Exchange could make $1 per bushel. Again, that profit was made with no effort and no risk. The grain was bought and they sold it when they had manipulated the price of grain upward. That was the reason the Wheat Board was established, by the Conservatives. The same thing is going on right now.

My motion suggests that the Government take a look at extending the structure, which now controls wheat, barley and oats sold for the export market, to cover other grains in order that other farmers are not ripped off in the same manner as they have been in the past; as they were with the change in canola grain costs from $5 to $16 per bushel. Possibly the return would have been less than $16 per bushel, but if some farmers could afford to keep enough to receive $16 per bushel, they would be the only ones in that whole block who probably did well.

• (1720)

What I am really doing in this motion, Mr. Speaker, is plunking for fairness and against speculation. Farmers who did not grow up in the days when speculation ran rampant, do not realize how well they are served by the Wheat Board. Many of the younger farmers feel that they could go out on the market themselves and do better. I would challenge any of them to do so. A number of years ago we had a rather long discussion on the possibilities of putting all of the feed grains on the open market. The result of those discussions was very interesting. Although a portion of the feed grain is sold on the open market, Mr. Speaker, there still is a certain amount of it sold through the Wheat Board. It is not surprising that when the Wheat Board does well, when it sells well on the export market, the open market then does well, because what is happening is that the Wheat Board is taking off the domestic market a certain amount of feed, which allows the prices to go up. That would not happen if that dual system was not in place. Prices for the cattlemen in years when the Wheat Board sells a lot of grain overseas would not go up the way they do. And in those years when the Wheat Board does not sell well overseas, the price of grain goes down, which is good for the cattlemen but not for the producer of feed. That kind of up and down roller-coaster approach to agriculture is what we had back in the 1930s, but it is not what we want now. It is still happening with canola. It would be a good approach to put before the grain growers of Canada at least an opportunity to take a look at how that kind of market would work.

The Winnipeg Grain Exchange is a well established group of people. It claims it is helping the farmers. It buys as low as possible and sells as high as possible. In the process it makes money. It gets that money from either the consumer, because he pays more for his grain, or from the producer, because he receives less for his grain. No one can argue with that. The grain exchange will tell you that sometimes it loses but, obviously, on the average it does not, because if it lost or even if it just balanced out, the grain exchange would soon disappear. Therefore, it is there to make as much profit as possible, and that profit must come either from the producer or from the consumer. The grain exchange will tell you how good it is for the market, but it has never proven that it is anything other than a parasite on that market because it takes money out of the pockets of the farmers and the consumers.

The Canadian Wheat Board, Hon. Members will say, is a good operation. It buys its grain from the farmers and sells it on the world market. It returns as much of that profit as

possible to the farmer. Why is it then not possible to take every grain which is produced and put it through the same kind of structure so that the farmers receive the maximum return from their efforts and labour? This habit of living off the farmers should not go on. What is happening, as I said at the beginning of my remarks, is that we have a situation which becomes less fair as time goes on, to the point where fewer and fewer farmers are going to survive. It is very disappointing to realize there are places where a few years ago ten farmers lived quite well on what now only support two farmers. The surprising part of it is that statistics show that the amount of income tax paid by the farmer who is now ten times as big as he was before, is actually less than paid by the farmer next door to him with the half section or the section. We are developing an agricultural system in the grain country which is not providing for as many people as it possibly could, and that is not good for the country.

Let us take a look at the organizations and the global structure of agriculture and try to develop some sensible and logical ways of making sure that the farmer will get enough to survive on. One of the ways we might help is to take a look at the Wheat Board and at least develop a stable structure for our marketing.

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, I appreciate the opportunity to speak on the motion which has been put before the House by the Hon. Member. I wondered, listening to the Hon. Member speak, how many farmers who operate in the free market system would still be alive if it is true that they are all broke. However, that is not the case. The Hon. Member has put forward a reasonable argument for his motion and I understand that the strong argument for the motion is the concept upon which the Wheat Board has operated since its beginning, that is the concept of pooling, of sharing, so that the price at the beginning of the year for the farmer is the same as at the end of the year. That process—of which we are very proud—was put in place by a Conservative Government to meet a problem which was in place some 50 years ago. Of course, many things have changed since that time, but something which has not changed is that the Canadian Wheat Board has served the western farmers well.

I want to put forward a couple of suggestions to the Hon. Member. First, we object to his suggestion that the name of the Canadian Wheat Board be changed. Every farmer, whether old or young, recognizes the good service of the Canadian Wheat Board in this country. The Canadian Wheat Board has an international reputation of being able to sell the farmers' grain at a reasonable and often better price than other countries have been able to get on the international market. I know that the Hon. Member is somewhat jealous that the Progressive Conservative Party brought in the Canadian Wheat Board. Of course, every time he gets on a political platform in Saskatchewan, I know he has trouble swallowing the fact that a Progressive Conservative Government brought this Canadian Wheat Board into being. That is probably why he wants to change the name. He is not satisfied to just bring other grains into the market and leave the name the same. He would rather change the name and hope that the New Democratic Party could then take some credit for it. We take exception to that for two reasons: first, it was brought in by an excellent government some sixty years ago, and, second, the international reputation of the Canadian Wheat Board is well known; there is no need to change the name and try to get other countries in this world to understand that we now have a new operation in Canada which is attempting to sell wheat, oats and barley in that market.

• (1730)

That is one part of the motion with which I have difficulty. The second part is this. The Hon. Member was not clear, and I would like to have asked him this question. If the NDP were in power would they impose this on Canadian farmers? We all know their record of defending western farmers when it came to a change in the Constitution. Their leader was all too willing to side with the Prime Minister (Mr. Trudeau) and impose a Constitution. When it came to the National Energy Program, the NDP could not run up behind the Government quickly enough to impose that on western Canada. Therefore I ask if they would impose this on the farmers of western Canada if they were in power.

I say to you, Mr. Speaker, that this Party would not do that. We want to try to get farmers to work together rather than against one another on how to market their grains. This was the difficulty we faced during the Crow debate. The solution to the problem is that if the farmers of western Canada make the decision that they want to market canola, rapeseed or flaxseed through the Canadian Wheat Board, then we ought to respect that decision. But that is not the message the Members of my Party have gotten from their constituents. The question is still open. In fact, when the wheat pools did a survey in 1981 they found the majority of farmers were opposed to this move.

Today many farmers have the opportunity to judge the performance of the Canadian Wheat Board. The most important crop in this respect is canola. It is a cash crop to many farmers. They are not interested in getting an initial price; they want the cash up front. Canola is not the sole crop for most farmers. It is grown as a cash crop because in the West, particularly on the Prairies, a farmer does not have the opportunity to grow a variety of crops. He is limited to a certain number, and that is one of the reasons that most of the canola growers in western Canada are satisfied with the present system.

The assumption that if you grow canola and sell it at the beginning of the year the price will be less than at the end of the year is just that, an assumption. In some years that is the case, in some years it is not. The assumption that the grain companies are always the winners, along with the speculators on the Winnipeg Grain Exchange, if you want to call them that, is not true. They establish a market, a price, which in turn establishes freedom. The strongest argument by farmers opposed to putting these grains under the Canadian Wheat Board is that they want some element of freedom.

Then we have the argument of the feed grain users, the cattlemen, hog and poultry growers. They also question the value of having feed grain under the Canadian Wheat Board. This was the case up until 1974, when the decision was made to allow feed grains some freedom. The question is still open as to whether that is the way it should stay, or if it should revert to the Canadian Wheat Board. The 1981 survey showed that 55 per cent of the farmers in western Canada wished the system to remain the same as it was in 1974. I have to say again that I respect that decision.

There is a point I think the Wheat Board ought to take very seriously. If they want the feed grains under their jurisdiction they ought to show some flexibility. Many farmers along the southern part of the Prairies have been able to find markets in the U.S. for their feed grains at substantially higher prices than they could in their own locales. Yet the Wheat Board turns down every one of those export permits. That is totally unfair and it does not show the kind of flexibility which is needed in the interests of western farmers, should the Hon. Member's motion turn into reality and all feed grains go under the jurisdiction of the Wheat Board. Farmers say it is nice to have the advantage of pooling and sharing, it is nice to have these experts out in the world selling their grain, but then they are faced with this situation and they wonder about the flexibility of the Wheat Board.

I think it is clear that while the Member's motion has something to offer, it is an open question which farmers ought to be discussing. They ought to be giving their elected representatives their views on whether the system should change, but there is no way it ought to be imposed upon them.

There are arguments on both sides of the coin, both of which are very important, such as imposing a name change on the Canadian Wheat Board. Cash cropping is important to many western farmers, but they will not be able to do that under the Canadian Wheat Board. Western farmers are concerned that the initial prices set for grains are far too low given the international market. They question the kind of service they would have if everything was under the jurisdiction of the Wheat Board. These things have to be addressed, so rather than move too quickly on this motion, there are many other things we should look at. I have in mind things like the Bracken formula, things like producer cars, revisions to the Crow rate, updating of the elevator system, branchlines, West Coast and East Coast efficiency in moving grain, and the opportunity to have value added industries on the Prairies such as meat, grain and canola processing. These are all very essential things which we must move on very quickly, perhaps even more quickly than on the suggestion the Hon. Member is making.

[*Translation*]

Mrs. Éva Côté (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the motion before the House today proposes that the government should consider the advisability of changing the Canadian Wheat Board's name to the Canadian Grains Board and expanding the Board's responsibility by placing the major grains—barley, corn, flax, oats, rapeseed, rye, soybeans and wheat—under its jurisdiction and by giving the Board full responsibility for marketing all feed grains delivered to primary elevators in Canada.

Mr. Speaker, this motion may have substantial repercussions on the Canadian grain and oil seed industry and on the producers, organizations, government and non-government boards and private companies that constitute the industry. At the present time, the Canadian Wheat Board, and I may add, Mr. Speaker, that in 1985 the Board will be celebrating its fiftieth birthday and I think it would be appropriate to wish the Board, somewhat in advance, a very happy birthday and offer it our best wishes for a successful future.

• (1740)

The Board is the only marketing body for wheat, oats and barley grown in the Prairies and destined for export or for human consumption in Canada. The Board may also sell feed barley, oats and wheat on the domestic feed grain market. The Canadian Wheat Board's primary purpose is to sell as much grain as it can at the best possible price and to maximize returns for Prairie wheat, oats and barley producers.

Although the Canadian Wheat Board plays a major role in the Canadian grain industry, we must not forget that the industry includes a wide range of government and non-government bodies that work together to transport grain to Canadian exporters and consumers. I shall, if I may, take a few moments to talk about the principal members of the Canadian grain industry. I shall, of course, leave enough time for the Hon. Member for Medicine Hat (Mr. Hargrave) to make a few comments before six o'clock, because I would be very interested to hear what he has to say.

Producers are the most important group in the industry. Without them, the Canadian grain industry would not exist. Grain is produced in all Canadian provinces. According to the 1981 Census, and this is very important, Mr. Speaker, Canada had 162.8 million acres of farm land in 1981 with 76.5 million acres being farmed and 24 million acres in fallow, most of the land being used for growing grain and oil seeds. Still in 1981, 127,359 farming operations stated they grew wheat, 81,417 oats, 102,190 barley, 33,543 corn, 12,819 rye, 12,083 flax, 10,655 soya beans and 14,804 canola. This shows how diversified grain production is in this country. Farmers in all provinces stated they grew at least one of these grains or oil seeds. The four provinces where most of these farmers are concentrated are, of course, the Prairie provinces: Manitoba, Saskatchewan and Alberta, and Ontario. Quebec, British Columbia, New Brunswick, Nova Scotia and Prince Edward Island also have a substantial number of grain operations.

According to estimates, total profits from grain and oil seed amounted to $7 billion in 1983. Grain producers are therefore a major force in determining the structure, components and functioning of the grain industry. Although the Canadian

Wheat Board is a federal body and is subject to federal laws, it is above all an organization that is concerned with selling wheat, oats and barley on behalf of Canadian producers. Over the years, producers have established the marketing system they want to facilitate grain sales. In his motion, the Hon. Member is suggesting that the Government consider the advisability of changing the name of the Board. Mr. Speaker, I think most Hon. Members would agree that it would be very high-handed of the Government to want to set unilaterally the conditions for the sale of a specific grain or oil seed.

We recall that in the seventies, producers decided, by referendum, to maintain a free market for canola. Today, canola is sold on the free market. Rye and flax grown in the Prairies are also sold on the free market. Grain corn produced in Ontario, Quebec and Manitoba is also sold on the free market. Oleaginous grains marketing boards do not sell all the harvests of producers, as do the Canadian Wheat Board and the Ontario Wheat Producers Marketing Board. This board is responsible for buying and selling the wheat grown in Ontario, except for wheat sold among producers for agricultural purposes. The Ontario board must seek the best market price for any Ontario-grown wheat, in accordance with well-established marketing principles. There is another kind of board, such as the Ontario Soybean Producers Marketing Board which negotiates for producers rather than representing them.

Just to say a few words about the Ontario Soybean Producers Marketing Board, it was established in 1949 to improve marketing conditions for Ontario-grown soybeans. Every year it negotiates the conditions of soybean sales to dealers. However, the producer sells his harvest directly to a processor, a cattleman or a grain agency. Cooperatives and companies which buy and sell grains in their own name also provide worthwhile services for the Canadian Wheat Board and the Ontario Wheat Producers Marketing Board. Cooperatives and private companies own and operate primary and terminal elevators as well as sales outlets for farm and processing equipment.

Mr. Speaker, I think I do not have enough time to explain to the House the ideal way in which the Canadian Wheat Board and the Ontario Wheat Producers Marketing Board operate. Keeping in mind the outstanding business done by grain producers and the quality of services offered over the years by the Canadian Wheat Board to all the producers who joined together within organizations or institutions to market their products, it does not seem advisable, as suggested by the Hon. Member of the Official Opposition who spoke before me, to change anything in the structure of the Canadian Wheat Board.

In Canada, there are also grain companies, the first and foremost being farmer co-ops. There is no need to insist on the value of the Saskatchewan Wheat Pool, the Alberta Wheat Pool, the Manitoba Pool Elevators, the United Grain Producers in the Prairies, United Co-ops in Ontario and the Coopérative fédérée in Quebec. It is my view that all those groups, working for the welfare of grain producers, have demonstrated their worth.

Mr. Speaker, I would like to leave some time to the Honourable member for Medicine Hat (Mr. Hargrave), who wishes to speak on the matter, but I want to state that the motion put by the Honourable member for the new Democratic Party is rather well stated, although I wonder if all the possible ramifications have been examined. Although farmers are not unanimous, and indeed other interested groups, and this has been a fact for a long time, the same motion has been put forward on various occasions by the New Democratic Party. In fact, the same member introduced a motion that was almost identical in 1980. It has been said that his motivation was sincere, which I do not doubt. But since he keeps reviving the idea, it seems to me that his party is not aware of all the evidence pointing to the practical problems that the implementation of that concept will raise. Books and treatises have been written on the pros and cons of a marketing board and other systems. And although the Canadian and provincial governments are giving much attention to the issue, the choice finally should rest with producers. They are most directly involved. As has already been mentioned in the debate, there is no evidence that the establishment of a national Board would get significant support accross the nation, and even among the main crop growers. Clearly producers still want some flexibility in their operations.

However, Mr. Speaker, it is clear to us that after 49 years of existence, the Canadian Wheat Board has been fulfilling its mandate. I was happy to hear the honourable member from the Official Opposition, who spoke before me, state the Canadian Wheat Board was an internationally famous agency that was a credit to Canada and Canadian grain growers.

● (1750)

[*English*]

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, the Hon. Member for Prince Albert (Mr. Hovdebo) has put forward a Private Members' Motion in two parts. The first part is to change the name of the Canadian Wheat Board. Let me quickly and simply say that I cannot support that, primarily because of the implications that flow from the second part of his motion. That is what I propose to comment on briefly.

The second part of the motion proposes to expand the board's responsibilities by placing the major grains; barley, corn, flax, oats, rapeseed, rye, soybeans and wheat under its jurisdiction and by giving the board full responsibility for marketing all feed grains delivered to primary elevators in Canada. Of course, by implication, that is primarily in western Canada.

Let me say that I cannot support this proposal that would put our domestic feed grains delivered to our western country elevators completely under the authority of the Wheat Board as the Wheat Board's total responsibility.

This proposal quite properly invites comment on our so-called domestic feed grain policy. This most important issue, especially for western Canada, was deliberately and skilfully avoided during the six-month Crow debate last year. It is an issue that should the debated publicly and here in Parliament, along with the so-called Canadian Livestock Feed Board, when an appropriate occasion should develop.

All domestic feed grains may now be delivered to our western country elevators by producers with the appropriate permit book. But for livestock feeders to get that feed grain out of the elevators for local livestock feeding is quite another matter.

Of course, the Board's policy is to eventually ship all or nearly all of the feed grains for export. It can be purchased from the country elevators after the necessary permit is obtained from the Wheat Board, but at substantially higher prices than is available for deliveries of that same feed grain, even after allowing for a modest elevator charge.

It must surely be obvious that our domestic feed grain policy must be thoroughly reviewed and changed significantly to serve its biggest total market for that feed grain. Surely that is our total livestock feeding industry, essentially cattle and hogs, especially in western Canada.

It should be obvious to all of us that the greatest potential value-added industry for our grain sector in western Canada is not our flour milling, our meat packing and processing industry or even the oil seed crushing industry. It is by far the total livestock feeding industry for cattle and hogs and utilizing huge amounts of western barley and oats right in western Canada. That is by far our most important value-added industry in agriculture in western Canada.

If we are going to change our feed grains policy in the West, let us allow our country elevators to serve this industry by taking it in for local storage and also selling it locally on an open market, right out of the same elevator.

The well known and outdated corn competitive pricing formula should be scrapped. If a new feed grain pricing formula is necessary it could be related to the barley export price worked back to the country elevators.

The proposal by the Hon. Member for Prince Albert would be the kiss of death for this tremendous potential for a total livestock feeding industry all across western Canada. Let us make some changes in our feed grain policy, but let us make those changes work for our western agricultural future, where the feed grains are produced and where the value-added industries are logical and can be done most efficiently.

Mr. Robert Bockstael (Parliamentary Secretary to Secretary of State): Mr. Speaker, Motion No. 127 seeks government consideration of the advisability of changing the Canadian Wheat Board's name to the Canadian Grains Board and expanding the Board's responsibility by placing the major grains under its jurisdiction and by giving the Board full responsibility for marketing all feed grains delivered to primary elevators in Canada.

In essence, the motion seeks the universal adoption of the Board marketing system for the grains marketed commercially in Canada and consequently the elimination of the open market system which continues to be used for many of the major grains sold for domestic use in this country.

Public controversy over the relative merits and shortcomings of these two marketing systems has waxed and waned with strong feelings held on both sides, ever since the Board marketing system was first employed as a temporary measure to tide over a period of market uncertainty at the end of World War I. Thus, the debate on this motion is simply the revival and continuation of the debate on an issue which has not been resolved to the satisfaction of all producers over the past 60 years.

Let us review that debate. It should be recognized that the development of the Canadian Wheat Board marketing system was related closely to the importance of wheat exports to the economy of the West and the history of efforts in western Canada to develop a marketing agency to deal with its major customers abroad. It had little to do with the appropriate marketing systems for sales within Canada. In considering the motion which is simply a continuation of the historic debate, the debate over the best marketing system for grain is often influenced by the nature of grain or oil seed under discussion, the type of markets to which this is to be sold and whether domestic processing is an important part of that market. A further development of this debate relates to the discussion over domestic marketing of feed grains in Canada.

The decision by the Government to modify the marketing system for domestic feed grains in 1974 was mainly in response to problems perceived by users of food grains in Canada with respect to price equity and assurance of supply. At that time some producers again considered that the Government should place the marketing of all western feed grains under the jurisdiction of the Canadian Wheat Board. Others considered that the open market system should be retained both for sales within the Prairie region and in the rest of Canada.

Some believed that the Canadian Wheat Board should be the only seller of feed grains to parts of the country outside the Prairies and that the Livestock Feed Board of Canada should be the sole buyer. However, the price would have to be negotiated between the two boards and no effective method for doing this could be found. Consequently, a new policy was developed to provide a national market for feed grains with prices established by the full interplay of supply and demand. This provided all users in Canada with access to feed grains in all regions of Canada.

The marketing system was changed to provide direct access to western supplies by users in all parts of Canada through the open market. Subsequently, arrangements were developed involving the Canadian Wheat Board and the Livestock Feed Board of Canada on a basis for sales of Canadian Wheat Board grains into the domestic feed market at corn competitive prices. This is a very condensed review of facts concerning

the evolution of the open market and the board marketing systems.

• (1800)

[*Translation*]

However, the hours provided for the consideration of private members business has now expired. Pursuant to the order of Thursday, June 14, 1984, the House now resumes the consideration of Government Orders.

The Acting Speaker (Mr. Herbert): Order, please! Pursuant to Standing Order 58, I now leave the chair for the House to go into a Committee of the Whole.

GOVERNMENT ORDERS

[*English*]

WESTERN ARCTIC (INUVIALUIT) CLAIMS SETTLEMENT ACT

MEASURE TO ESTABLISH

The House resumed consideration in committee of Bill C-49, an Act to approve, give effect to and declare valid the Agreement between the Committee for Original Peoples' Entitlement, representing the Inuvialuit of the Inuvialuit Settlement Region, and the Government of Canada and to amend the National Parks Act in consequence thereof—Mr. Campbell (for the Minister of Indian Affairs and Northern Development)—Mr. Herbert in the chair.

On Clause 2—*Definitions*

The Deputy Chairman: At five o'clock when we interrupted the discussion, Clause 2 was before the committee and the Hon. Member for Western Arctic had put some questions.

[*Translation*]

Mr. Gingras: Mr. Chairman, I want to make a correction to the answer I gave earlier concerning the number of Inuvialuit covered under the Alaska agreement. They are included in Canada if they are not party to other claims within Canada, but for those Inuvialuit who are registered under the Alaska agreement, practically . . . those are "cash basically, cash payout" settlements and, generally speaking, the number is insignificant compared to the problem which would have faced the department or the agreement with respect to discrimination against people who receive $6.88 or $7 a month, or about $600 a year, I believe. I wanted to correct the answer I gave earlier to the Hon. Member for Western Arctic (Mr. Nickerson).

[*English*]

Mr. Schellenberger: Mr. Chairman, I do not want to butt in on the questions of the Hon. Member for Western Arctic, but the answer of the Parliamentary Secretary begs a further question as to what were the numbers. He did not give the numbers. Also, what kind of research was done to determine the cross-over between the two countries, between Canada and the United States? How much and what kind of research was done?

[*Translation*]

Mr. Gingras: Mr. Chairman, there were 179 all told, more or less, and according to the research that was done, it was noted that even Old Crow Dene were covered under the Alaska agreement. As to the kind of research it was done by inscription. Concerning the settlement of native people claims, under the terms of the ONC settlement, it does not matter whether they are beneficiaries under other treaties outside Canada, the important thing is to know whether they are beneficiaries under another treaty within Canada, in which case it would not be allowed.

[*English*]

Mr. Schellenberger: I am to assume by the answer of the Parliamentary Secretary that an individual could be the beneficiary of the COPE agreement as well as a beneficiary of the agreement in Alaska. If the Government is not concerned about an individual being the beneficiary of a claim other than the one in Canada, it is possible for a person to be a beneficiary of both claims—one in Canada and one in Alaska.

[*Translation*]

Mr. Gingras: The hon. member is quite right. Undeniably, the act makes it possible for a person to be a beneficiary of two claims, provided they are not both in our country.

[*English*]

Mr. Nickerson: Mr. Chairman, my questions relate to a different subject. If the Hon. Member for Wetaskiwin wants to pursue this particular point, I will defer to him.

Mr. Schellenberger: Mr. Chairman, I have one further question. I have always been concerned that there could be a transfer of beneficiary for a person who followed herds in the North for the purpose of hunting. Any individual could claim that in fact he had travelled in both countries. Therefore, it would be very important for our Government not to provide benefits to an individual who in fact was a resident of Alaska, even though he perhaps hunted in this country. That would not seem to be fair.

I would assume that the Government and the negotiators have found out the principal residence of individuals and whether the people involved in the COPE agreement agreed that they ought to be beneficiaries. If that has been done, I have no concern about individuals being beneficiaries in both areas. However, it does not seem fair that Canada should be so gracious and generous as to provide an individual with a principal residence in Alaska who received settlement there with the same agreement here. The people in the North are beneficiaries of the agreement.

Mr. Gingras: Mr. Chairman, I should like to refer to paragraph 5(1) of the agreement which reads:

The Inuvialuit are best able to determine who should be eligible under the Inuvialuit Land Rights Settlement—

Paragraph 5(2) reads:

A person shall be eligible to be enrolled as a beneficiary if, as of the date of the Settlement Legislation, that person is a living Canadian citizen—

An individual is eligible if he can vote here, was born here, or qualifies under any of the other conditions listed on page 4 in the section entitled "Eligibility and Enrolment".

Mr. Nickerson: Mr. Chairman, I have some questions dealing with Annex E which appears in the two separate documents before us.

The Deputy Chairman: I draw the Hon. Member's attention to the fact that we are discussing Clause 2 and that the subject he wants to discuss will be coming up at a later date.

Mr. Nickerson: Mr. Chairman, I do not want to let the opportunity pass. Normally there is a general discussion on Clause 2. Rather than go on to a clause because there is an interrelationship between several clauses in the Bill and several paragraphs in the agreement, if it meets with the approval of the Chair, I would prefer to do it all now.

If the Parliamentary Secretary would compare Annex E, which is a map of the north slope of the Yukon, as it appears in the Inuvialuit Settlement Agreement, with the one in the Inuvialuit Final Agreement, he will see a significant change has been made in the drafting of the maps. I am given to understand that the Government of the Yukon approved the map as it appeared in the inuvialuit Settlement Agreement. However, if we look at the Inuvialuit Final Agreement, which is presumably the one that will come into law, we find that the dividing line between the western portion of the north slope and the eastern portion of the north slope has been moved quite a bit eastward and that an additional area in excess of 100 square miles is to be included in the western portion.

Could the Parliamentary Secretary tell us why this discrepancy exists? Why has that change been made as between the two agreements?

[*Translation*]

Mr. Gingras: Mr. Speaker, what I find in this book entitled "Inuvialuit Settlement Agreement" is not a map but rather a sketch; and in reply to the hon. member's enquiry, I can assure the committee that it is the description which appears in Part XI which shall prevail over any sketch. And in the French text, they refer to the north slope of the Yukon—approximately. I can also assure the committee that from now on in any future document, the map will match the description exactly, and the dividing line will follow the Babbage River, as indicated on page 5 of the Bill, line 5: "to its intersection with the right shoreline of the Babbage River".

• (1810)

[*English*]

That is the right definition of the boundary of the national park. It is the centre line, the right side of the river Babbage. The description in the Bill takes precedence over the sketches. Be sure that what is in the law is not in the sketch. Maybe I see a difference between them, but I can assure the Hon. Member that in the final distribution we will have the correct point on the map.

Mr. Nickerson: Mr. Chairman, it looks like we are going to have three to choose from. I have read the description of the western portion pursuant to the two agreements, Section 12(5) in the Inuvialuit Final Agreement, and it would appear to me just by looking at this map that the correct map or sketch, as the Parliamentary Secrectary cares to call it, is the first one if you go by the description in Section 12(5) of the Inuvialuit Final Agreement. Therefore, I would suggest that the map which corresponds to that is to be found in the Inuvialuit Settlement Agreement and not the map that is to be found in the Inuvialuit Final Agreement.

When things are brought before Parliament, we should not have these discrepancies. The Department should do its work in a more accurate fashion. The western portion of the north slope is to be set aside as a national park. If you contrast that description to the description found in the Bill that establishes the national park you will see there is a considerable difference in the description of this land. Major changes have been made. Why has this been the case?

[*Translation*]

Mr. Gingras: Mr. Speaker, it is not on the floor of the House that I could determine whether the river really appears on the sketch where it should be, but I can assure the House that the description of the Northern Yukon National Park in the Bill is really the official text which I could read . . . but it is so technical . . . I can assure you that that is what we have right here. However the sketches which appear in the Schedules of the Act or the Schedule of the Agreement are not official. But I cannot, on the basis of these technical descriptions, determine where the river should be.

[*English*]

Mr. Nickerson: Mr. Chairman, it is not the accuracy of the map or the sketches, but the difference in the legal description of the land in the first instance in the agreements and in the second instance in the Bill before us that is of concern. I will not pursue that at the present time.

I have one further question. On page 5 of the Bill, line 22, there is reference to an approximate latitude of 69° 22′ 20″. Apparently geographers in the employ of the Government of the Yukon have questioned whether that indeed is the correct latitude to have placed there. Can we be given an absolute assurance that no misprint is present in the Bill and that 69°22′20″ is indeed the correct figure that is supposed to be there?

[*Translation*]

Mr. Gingras: Mr. Speaker, I cannot answer this question just now. I should have to fetch my theodolite and go and check in the field whether it is exactly 69° 22′ 20″. How can the Hon. Member ask me to assure him that it is indeed 69° 22′ 20″ and not 69° 22′ 21″? Mr. Speaker, let us not... I should like to find out what is the point the Hon. Member for Western Arctic is trying to make. Then, and only then, could we reply to his question. Does he doubt the accuracy of the Agreement or does he think that the negotiators tried to fool the Inuvialuit? I should like to find out at the very beginning. Otherwise, I could not assure the Hon. Member that my theodolite is well fixed on this.

[*English*]

Mr. Nickerson: Mr. Chairman, there is no question of deliberately misleading. What we are doing today is establishing in law the boundaries of the Yukon North Slope Park. People who have gone over this description in the Yukon, in the employ of the Government of the Yukon, question whether that indeed is the correct latitude. I was just making sure that we do not pass into law something that is erroneous. That is the point behind it. We will go on to—

[*Translation*]

Mr. Gingras: Mr. Speaker, before the Hon. Member switches to another subject, I would like to clarify this point. In Canada, we have a General Surveyor who does the surveying of the land. He then submits his report and tells us where the boundary will be. This description is accepted by the parties involved, the Yukon Government, the Canadian Government and the other interested parties. Then, I am asked in this House whether the land measurement are accurate. Mr. Speaker, I do not know whether you have ever been to the Northwest Territories or the Yukon, but if you ask me whether or not the boundary is in the right place, I cannot answer this question. I rely on what the General Surveyor of Canada says.

[*English*]

Mr. Nickerson: Mr. Chairman, nobody is questioning The Survey General, not the general survey but the Survey General. We are questioning whether there is another misprint in the Bill. It has come to light that the Bill contained misprints when it arrived before Members of Parliament. There is a possibility that there might be another misprint in the Bill. Can the Parliamentary Secretary tell us how many square miles are contained in the national park that is proposed to be establish pursuant to this Bill?

[*Translation*]

Mr. Gingras: Mr. Speaker, we could perhaps start from the description and walk around to determine exactly how many square miles there are. I did this when I was at school.

I do not know the figure in square miles or square kilometers, but one thing is certain, the area of the Park lies within the boundaries specified in the document.

[*English*]

Mr. Nickerson: It is almost incomprehensible, Mr. Chairman, that the Government should come before us today to establish a new national park and not be able to tell us how many square miles are in it. It is evident that the Government has not done its homework on the matter that is before us today. I am very disappointed in the performance of the Government.

• (1820)

I have another question to ask which deals with a matter I brought up in my presentation on second reading of this Bill. It deals with a reindeer grazing preserve and the rights to graze reindeer in certain areas of land that have now been transferred to the COPE jurisdiction. May we have the assurance of the Government that it will deal honestly and faithfully with the owners of the reindeer herd so that those owners do not find themselves at a loss as a result of the passage of this Bill?

[*Translation*]

Mr. Gingras: Yes, Mr. Speaker.

[*English*]

Mr. Nickerson: Mr. Chairman, I am very pleased to hear that, because the treatment that has been meted out to these people so far has left a great deal to be desired.

My final question deals specifically with Clause 8, but I might as well ask it now since you have been so lenient with me, Mr. Chairman. The coming into force of this Bill is to happen on a day fixed by proclamation. I wonder if we could be advised of when the Government contemplates that proclamation will take place?

[*Translation*]

Mr. Gingras: Mr. Speaker, if we could pass this Bill quickly this evening, the Senate would have it for consideration tomorrow. In fact, they have already looked into it today. I believe that the Bill could become law before the end of the week.

[*English*]

Mr. Nickerson: Mr. Chairman, what the Parliamentary Secretary is saying is that he would expect the Bill to come into force upon the giving of Royal Assent. That is the normal way of doing things when a coming into force clause is not included in a Bill. If he is telling us that that is the intention of the Government, why has a coming into force clause been included in the Bill at all? The only time such a clause is included is when something must be put into being before the Bill can become law; something that usually takes a matter of several weeks, several months or, on occasion, several years to happen before the Bill is proclaimed and comes into law. The answer he just gave to my question simply does not make sense.

[*Translation*]

Mr. Gingras: Mr. Speaker, I do not know the specific reason why no date was mentioned in this Bill. Many of the Bills passed by the Government of Canada specify in their final

clause that they will come into force on the day of their proclamation. I cannot anticipate the wishes of the Senate or of His Excellency the Governor General and say when the Act will be proclaimed. I am still waiting for the Bill to be passed, and I hope that the people in the Western Arctic who have accepted this agreement will be happy to see it enacted.

[*English*]

Mr. Nickerson: Mr. Chairman, that is precisely why I asked the question. The people in the area affected would like to see this Bill passed into law. It is rather passing strange that there should be such a coming into force clause in this Bill, a clause which would enable the Government, even with the passage by both Houses of Parliament and the giving of Royal Assent, to delay having this Bill actually become law and the terms of the agreement become effective. That is precisely the reason why I asked the question. It is very apparent that the Parliamentary Secretary does not know why it was necessary to include that particular clause, and neither can he give us any indication of when the Bill might come into force and have the strength of law.

[*Translation*]

Mr. Gingras: Mr. Speaker, I still do not know what the Hon. Member for Western Arctic is trying to say. We have here an agreement signed by the people of the area, who are partly represented by the Hon. Member, and of whom a great majority have voted in favour of this agreement, which clearly provides that the Government agrees to have legislation passed to bring the agreement into effect. I really do not know what the people of Western Arctic will tell him. There may be a few people in his constituency who are against this Bill, but this does not mean that the majority of the people are against it. I would even say that the majority of the people are in favour of it, and I hope that, during the summer, they will have an opportunity to say so to the Hon. Member.

[*English*]

Mr. Nickerson: Mr. Chairman, this is becoming an exercise in stupidity. I am asking questions and receiving no answers whatsoever. I am simply receiving stupid statements that do not make any sense whatsoever. Precisely what I am saying is that the people of the western Arctic, after many, many years of negotiations, want this Bill to come into force. All I am asking the Parliamentary Secretary is why it will not come into force upon Royal Assent, which is normally the case with a Bill which does not include a coming into force clause? This clause is included in the Bill. Why is it included in the Bill? Why does the Government contemplate some form of delay and how long will that delay be? These are very simple questions.

[*Translation*]

Mr. Gingras: Mr. Speaker, Clause 8 specifies that this Act shall come into force on a date to be fixed by proclamation.

The Deputy Chairman: Shall Clause 2 carry?

Some Hon. Members: Agreed.

Clause 2 agreed to.

Clauses 3 to 8 inclusive agreed to.

Clause 1 agreed to.

Preamble agreed to.

Title agreed to.

The Deputy Chairman: Shall the Bill carry?

Some Hon. Members: Carried.

Bill reported, read the third time and passed.

* * *

• (1830)

[*English*]

INTEREST ACT

MEASURE TO AMEND

The House resumed from Thursday, June 7, consideration of the motion of Mr. MacLaren that Bill C-36, an Act to amend the Interest Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Scott Fennell (Ontario): Mr. Speaker, I would like to take a few minutes to review a few problems which regard the Interest Act and to relay a few of my concerns with regard to the Bill. First, I would like to state that mortgage interest rates have been the disaster of the eighties. Interest rates have caused very unsettling conditions for the housing market and have created an unsettling condition for Canadian citizens who want ot own homes. This Bill is not solving the problem. The problem is deep and, as I have previously mentioned, home ownership on a percentage basis has declined from in excess of 68 per cent during the last seven years. My concern is that homes are something which every Canadian citizen should be permitted to own, live in and enjoy.

Part of the trouble with the housing industry has been brought about by the Government. At the present time the Government is consuming approximately 92 per cent of savings. That affects the interest rates. The Hon. Minister of State for Finance (Mr. MacLaren) tells us every day that Canadian interest rates are tied to American interest rates. If the management of this economy had been better, I believe that we would have been in a better condition and we would have retained the equity which fled the country between 1977 and the present time. Another problem is housing starts, which are currently at 50 per cent of demand. It is interesting that every time 1,000 additional housing starts are created, 2,300 additional jobs are created.

This Bill was partially brought about as a result of the change in the Bank Act which permitted federal banks to become involved in mortgage financing. Prior to that, mortgages were principally handled by trust companies, building

associations and similar vehicles. The change in the Bank Act permitted the banks to become involved. Prior to that time, because there was not the variation in rates that there is today, the traditional understanding was that in order to cancel a mortgage there would be a three-month bonus to the mortgagor. During the recent period of dramatic increases and falls in interest rates, the three-month bonus was hidden in the body of the mortgage. It was used as another explanation for the penalty the person would have to pay to readjust a mortgage which would be based on the interest rate which was in effect at the time it was to be rearranged. Therefore, if a person took out a 20 per cent mortgage and the rate dropped to 12 per cent, that person would be required to pay 6 per cent on the commuted value of the mortgage over the life of the mortgage. That has created a misunderstanding. The public has been faced with the tremendous burden of serious penalties. Those penalties were imposed upon them and hidden in the body of the mortgage document. That has caused financial losses to a number of people.

I know of a number of people who wanted to move in order to upgrade their homes. When they attempted to sell their home, they found out that they had lost $3,000 to $6,000 in penalties on which they had not counted. Some of those people had received information which was incorrect, not from the lender but from the general public. At least this Bill spells out what they will encounter. However, I do not believe it is fair. It is legitimizing the clauses which were included in mortgage documents by the banks and the trust companies to protect themselves against great losses from a change in the interest rates. We must keep in mind that the banks have billions of dollars of non-interest bearing deposits. The banks can better afford losses than can the individual home owner.

We need to have mortgage interest stabilization. This subject has not been addressed nor has it been dealt with. However, we require stabilization to encourage home ownership which will bring it back up to the 70 per cent level. If that were done, it would create at least 100,000 additional housing starts per year, which would take close to one-quarter of a million people off the unemployment ranks. If we could get six of those, we could solve the major effect of unemployment in Canada. I do not believe it can be done by the Liberal Government. It has been unimaginative in its legislation. It has done nothing to help the people of Canada. Farmers have suffered and home owners have suffered.

On Friday, I spoke on Bill C-37. That legislation was intended to protect the mortgagee against an increased rate upon renewal. I gave statistics which indicated that the Bill would do very little for those individuals unless they had a five-year mortgage on a 10 per cent rate. If rates went up to 18 per cent they would get the difference between 12 per cent and 18 per cent, for a net of 6 per cent. In that case, the mortgage insurance plan would work, but it is being implemented at the wrong time.

During this period there have been some companies which have been extremely helpful. I would like to mention them because I have had hundreds of complaints from people who could not afford the penalty which was imposed. I have had co-operation from a number of institutions. There are three institutions in particular with which I have had some success. One is National Trust. I went to the regional vice-president and he, in turn, sent me to the regional manager. I had success with the Canada Trust which, through its executive vice-president, gave me some consideration. I had great help in several cases from the Bank of Montreal. But the examples I give you were in the minority. There were many other financial institutions which just said, "Tough bananas. Tell your constituents to lump it". Those institutions were totally unfair and unrealistic with these people. However, I did want to mention the three institutions I had success with because they were a great help to my constituents. They were fair to them and have assisted them.

• (1840)

The Hon. Member from British Columbia—I cannot think of his riding—has brought out the fact that we have to provide somehow long-term mortgages with reasonable interest rates. There was a committee hearing today at which, unfortunately, I was not present. The hearing related to agri-bonds to help lower interest rates for farmers. A possible expansion of that may be one route which could be taken. I have not investigated this route nor have I reviewed it, but possibly through that system we could experiment with providing long-term interest rates so that when a man bought a home he could buy a 20—year mortgage, as he was able to do in the past. In the United States until recently, that 20-year mortgage meant that the rate you established when you bought that home lasted for the full life of the mortgage, and at the end of 20 years your mortgage would be paid off unless you refinanced. We must provide some stabilization in the interest market along those lines in order to help people to own homes.

What this Bill provides is a rate differential between the mortgage and the prevailing rate. As you know, mortgage rates are traditionally at a higher rate due to the risk factor. And there is a risk in a mortgage as compared to a money instrument. But the interest rates are higher. Part of the mortgagor's risk was taken into consideration through this higher interest rate. I feel that we should maintain the three-month penalty. I understand that it cannot be done. I understand there must be some compromise between the three-month penalty and something to assist the large mortgagors, but possibly a formula cold be developed where all mortgages, no matter of what length, could have a three-month penalty. On top of that there could be an additional penalty of one-half month for each 1 per cent variation in interest rate, up to a maximum of a six-month penalty. The reason I suggest this is that it is a compromise to help the mortgagors and it will help the mortgagees. It is something which would work for both of them. The mortgagor would know that the maximum penalty he is going to suffer is six months. At least we have gone from the potential of three months at the low end to a six-month maximum penalty at the high end.

I believe this is a plan which should be investigated in committee. I will bring it forward myself in committee. I am

delighted to hear the Minister of State for Finance agree that there could be some compromise plan which would help all people.

We cannot afford this interest rate variation, the peaks and the lows. It can be stabilized if we get economic growth back in Canada, but I have seen no Bills go through this House which will encourage economic growth in the medium and small business sector. I must admit that our present upswing has been basically caused by the multinationals, particularly the automobile industry which is selling bigger cars. Chrysler came out with a new product which it is producing in Canada. That is the only thing which has brought us around. I noticed an article in the local Whitby Chamber of Commerce bulletin which says that bankruptcies were down this March from last March. My answer to it was to keep in mind that there have been so many bankruptcies over the last four years that there are fewer businesses to go bust. That is a critical problem with which we are dealing here in Canada. We need more entrepreneurs to create business and in turn to create jobs. Nothing has come down the pipes from this Government which is going to create jobs. It has made some minor adjustments in the Income Tax Act, of which I approve, but they are minor adjustments. They have made some minor adjustments in the research and development allowances for tax relief. But there is nothing to say to the Canadian people, "This is a great country. We will be behind you. We will simplify your life and make it easy for you to become an entrepreneur and to be successful".

To be competitive with the rest of the world we must put some things in place now. I do not think we have time to do so before we recess. We will not block this Bill any more, but we would like to discuss it extensively in committee. We would like to find another solution, because the average citizen, when he reads this Bill and reads his mortgage document, would not understand what the cost is going to be. Give him a fixed sum of money based on certain interest variations. Do not leave it the way it is, because the mortgagee would not know he has a chance of losing his home if the interest rate goes up beyond a certain point.

I appreciate the opportunity to speak on this Bill, Mr. Speaker. I am concerned about Canadian ownership and I would like to see this Bill in committee so that we can review it and come up with a solution.

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, in speaking briefly to Bill C-36, an Act to amend the Interest Act, I would first of all like to read briefly from the explanatory note to the Bill as it appears in Clause 2 on page 1a of Bill C-36, and I quote:

> Clause 2: These amendments would require certain terms of mortgages on real property to be disclosed if any interest and certain charges are to be payable on or with respect to any money secured thereby. These amendments would also provide a new statutory right to prepay moneys secured by mortgages on real property and further provide that prepayment charges can be recovered only if they are disclosed in the required manner.

That is one of the items in the Bill before us, Mr. Speaker, and of course this Bill is very limited in its impact, but it does do some things. It can perhaps be said that it is an example of the classic definition of a Liberal, which is that a Liberal is a person who believes in reform as long as it does not cost him or her anything; in other words, the impression and perception of change without any real substance. From now on, thanks to Bill C-36, an Act to amend the Interest Act, when a home owner finds himself or herself, due to a change in rates, faced with the choice of prepaying moneys secured by a mortgage on real property, he or she will have less call to complain legitimately about the cost. He will at least be required to be told in advance what the cost of any penalties will be. In that sense it will be a plus in terms of the fact that it is a public relations job for the banking industry and the trust companies. Home owners may still get shafted, but at least they will have the right to see the shaft coming. It is also, to be fair, a concession to the rights of the public and consumers to know. That is a plus, albeit perhaps a minor plus, to the Bill.

• (1850)

No one can oppose it and no one in the House will be opposing it. There will perhaps be some attempts at change, slight adjustments, but the Bill is of course doing nothing, nor does it pretend to, to solve the interest rate crisis looming once again before Canadians. Interest rates have again been rising in the last few weeks to the same astronomical levels which caused the electoral defeat of the Conservative Government in 1979. They refused to act at that time to protect Canadians, just as the Liberal Government has been refusing to act to protect Canadians in the last few months. They failed even more miserably going back to the period of the absolutely devastating rates of 1981 and 1982.

My colleagues and I in the NDP made a number of proposals over the last few months, and I do not intend to repeat them now. There is no point. We will be raising this subject again, and our proposals to attempt to deal with the interest rate crisis, with the electorate over the next few months. I do not think anything I could say now would convince the Government or the Official Opposition to act in a way other than the way they have acted over the last five years. Their record has been one of failure.

In any case I will not take up any more time of the House at this juncture except to say that here we are getting the appearance, but no real action. It will not stop anyone from being shafted, but at least they may be able to see the shaft coming. I suppose that is a bit of a plus and we ought to be thankful for small mercies.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I want to address a very few remarks to this Bill which will be going from here to committee. I think that is the very least that should happen to it. The Bill is symbolic of what is wrong with this Government. What is the Liberal Government's approach to the question of the right of people to prepay interest on their mortgage loans? It is this abomination, this bureaucratic, mind-boggling, impossibly complicated abomination. We have to say to ourselves that we are simply passing this legislation in the last stages of a dying Parliament because

this is the best shot the Liberal Government can give to a very serious problem. When I look at this Bill it is obvious that it will take every Rhodes scholar who ever came from Canada to explain what the Liberal Government had in mind with respect to this legislation.

The Bill removes a very simply concept with respect to existing prepayment provisions. Everyone in this country understands that after five years a mortgagor has the right to prepay the amount of his loan with three month's interest as a bonus. Under this legislation the whole thing is now committed to regulatory law. It makes you wonder what these people are thinking about.

I was interested to hear the NDP point of view again with respect to interest rate policy. I remember when the NDP stood cheek by jowl with the Liberal Party in their traditional role of support. At election time they always try to make sounds as if they were moving separate and apart from the Liberal Party, but they were there to help bring down a government at a time when they said the interest rates were at an unacceptable level. They were there standing by the President of the Treasury Board (Mr. Gray) when he said that anyone in government who had any principles would resign if interest rates exceeded 14 per cent. That is what he said he would do if he were part of any government which allowed interest rates to escalate to what? I think they were 13 per cent at the time I was part of the Government. There they were, the Liberals and the NDP, conspiring together. This is outrageous, the NDP said, and supported the Liberals in bringing down our Government. Now they are trying to dissociate themselves from the Government. But where were they when interest rates went up to 22 per cent? These people were still supporting the Liberals on every important vote.

I only mention this to put things into perspective, because I think the previous speaker may have left the impression that somehow he was "Simon Pure" with respect to the matter of support of the Liberal Party. I do not want to put too much of a blot on the record of the NDP by bringing these facts out. But we should remember these facts, because the people of Canada remember what that Party did to a sane and reasonable government with a sane approach to the interest problems of this country.

There is apprehension and concern on the part of the average Canadian about the future of interest rates in this country. People across Canada with mortgages on their homes have every right to be concerned. Interest rates in the U.S. will have an impact here. The Minister of State for Finance (Mr. MacLaren) has been very vocal about the suggestion that we are the slave of what happens down in the U.S. and we have absolutely no ability to protect Canadians. If American interest rates go up, we stand ready, aye ready, to follow. Well, we know what is happening in the U.S. and we know what has happened with this Liberal Government. Interest rates went up to 22 per cent, a fantastic level. We know the hardship that caused many people. We know they were put in an impossible situation. Now the Liberal Government has spoken with the approval of its new leader. I am sure Mr. Turner must have been consulted on whether this Bill should go forward in its present form. If I were Mr. Turner, I would be looking at the legislation package for the end of the session and saying, I will take that one, and kill that. I will take this one, and kill that. I am sure the Government has gone through that consultation process. If they have not, Mr. Turner will still not be able to say that this belongs to another government, another era, and he had no part of this. He is leader now, this legislation is his best shot on mortgage interest policy in this country, and I hope that when the election takes place this summer we will not have the unfortunate scene of Mr. Turner trying to say, "well, this is all part of the Trudeau era, I have other ideas." It will not wash. Mr. Turner is in control of the Party and if he said this Bill was not to go through, it would not go through.

We have some very serious concerns about this legislation. It is muddying the waters. The people of Canada should not expect these proposals to be anything more than a panacea for the difficulties they face. In fact, I suggest it is going to complicate their lives. People who have mortgages will not have their expectations met. It was pointed out by a number of my colleagues that this legislation has serious defects. No one has any objection to disclosure; what the people of Canada want is a simple formula which will let them know what their rights are on prepayment. They do not want some cockamamie piece of paper which says that some bureaucrat somewhere in the bowels of Ottawa is going to devise a set of rules to allow them to somehow know what their rights are or what their mortgage interest rates are going to be. We now have smoke and mirrors. This Bill personifies pretty well what is wrong with the Liberal Government. It is beyond belief that the government Members would bring this Bill forward at this point in time in the session. We will let them have their best shot. We will put it through to committee. We will be asking some hard questions in committee. We will expect the Minister to be there with his officials to explain what this means and how this is going to be of any assistance at all to the mortgage holders of Canada. There is concern.

• (1900)

One way that the people of Canada will be able to get good legislation through with respect to various problems is to have a real change. They do not want a cosmetic change or a Liberal Party with a new leader. They want a new administration that is going to deal in a responsible manner with respect to two elements. A Progressive Conservative Government will let people know what their rights are, in very simple legislative terms, in terms of prepayment of their mortgages. Not only will the people know, the people involved in the mortgage business will have a very clear legislative direction.

All the people sitting on the Liberal benches will be able to watch Parliament after the next election from their living rooms in their own home constituencies. I want them to understand that we tried to tell them that this legislation is not adequate to meet the problems faced by people with escalating interest rates on the mortgages on their homes. We tried to be constructive. We tried to tell them to come to their senses before it was too late. We will pass this legislation if the

Government wants to ram it through with its majority. We will deal with the matter. We are not going to be obstructive. It seems to me that this is an indication that the Government has run out of ideas and perspective. It is out of touch with the Canadian people. If the Government had consulted with the Canadian people and found out what they were saying, this abomination would never have been presented to Parliament for swift consideration. We tried to tell them what to do and we tried to be helpful. Regrettably, Mr. Speaker, this is their best effort. We will have the matter go to committee, at which time we will have some questions to ask and some positions to put forward. If this is the best they can offer, it is a sad commentary on the kind of Government they are presenting to the Canadian people.

Mr. Deputy Speaker: Are there questions or comments? For debate, the Hon. Member for Kootenay East-Revelstoke.

Mr. Sid Parker (Kootenay East-Revelstoke): Mr. Speaker, I too wish to participate in debate on Bill C-36, and Act to amend the Interest Act. Clause 2 of the explanatory notes reads:

> These amendments would require certain terms of mortgages on real property to be disclosed if any interest and certain charges are to be payable on or with respect to any money secured thereby.

I listened with interest to the Member for Saskatoon West (Mr. Hnatyshyn). It was interesting to note that he tied the New Democratic Party with the Liberals. In fact the newly elected Leader of the Conservative Party was a director of the Bank of Commerce. The newly elected Leader of the Liberal Party also served as a director of the Bank of Commerce.

Mr. Hnatyshyn: You are wrong.

Mr. Parker: Well, one of the major banks. There are very close ties in industry as well as in banking.

Mr. Hnatyshyn: Get your facts straight and come back later.

Mr. Parker: There are ties with one of the major banks. We see some very close ties there. Until we start to address the problems with regard to mortgages and interest rates, those are the kinds of ties that will have to be addressed. We see political Parties tied with major banks and major industries through directorships. How is the ordinary individual going to get anyone to stand up in the House and really address the question of interest rates?

The Conservative Party and the Liberal Party are the same. They are the same as they are in British Columbia where the Liberals and the Conservatives sit together and call themselves Social Credit. This afternoon we are debating interest rates. It is a token program introduced by a dying Government in the last stages of our session. It is a token program to address this very urgent and pressing requirement of the Canadian people. Mortgage interest rates must be addressed in a positive way. There is only one way it can be done, that is, through the Bank of Canada. Mr. Bouey of the Bank of Canada and the Canadian Government must come up with a policy setting out mortgage rates as they were after the war when the Veterans Act was passed and special consideration was given to mortgage rates. If it could be done then, it can be done now.

As elected people we can sit down and develop a program through the Bank of Canada. Our problems lie in the fact that the Leader of the Official Opposition and the newly elected Leader of the Liberal Party have histories of sitting on the boards of directors of major industries and major banks in Canada. We must recognize that Canadian people need affordable housing. Interest rates must be such that when mortgages are taken out the people will have confidence that they will be able to carry them through.

We talk about interest rates. We talk about the various governments and their policies and we talk about equality. Where is the equality in people not being able to live in affordable housing in Canada with proper interest rates? Where is the equality in someone being forced out of his home because of a Government that does not recognize that a person's home is his sanctuary? There must be a program put in place to meet those financial needs. Mortgage interest rates must be kept at affordable levels. There is virtually no protection of any long-standing nature in this Bill. When are we going to present something concrete which will allow people to enter a long-term mortgage with the confidence that they will be able to fulfil that agreement?

Until we address that problem and separate the Leader of the Official Opposition and the newly elected Leader of the Government from their ties with the corporate structure and the banking industry, we are going to be faced with this kind of problem. This Bill will not address that. We strongly oppose this kind of measure which really has no significance to any of our people.

Mr. Deputy Speaker (Mr. Dionne): Questions or comments? Debate? Is the House ready for the question?

Some Hon. Members: Yes.

• (1910)

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Mr. Hnatyshyn: On division.

Motion agreed to, Bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Evans: Mr. Speaker, I rise on a point of order. We on the Government side are fully prepared to move on to the next order of business as indicated by the Government House Leader, which I believe would be the Bank Act, Bill C-30. However, I understand that the Hon. Member for Mississauga South (Mr. Blenkarn) wants to talk on that. As a result, I believe there were discussions to the effect that, notwithstanding the House Order on extended hours passed some time ago, we should call it nine o'clock at this time.

Mr. Hnatyshyn: Mr. Speaker, I do not want the House or anyone to be under any misapprehension. The Government House Leader (Mr. Pinard) clearly stated the order of business today. I responded by saying that it was satisfactory.

There has been no consultation or discussion about dealing with any other items of legislation. Of course, we are prepared to proceed on the basis of having some advance knowledge about government Bills that are supposedly coming up. There was no back-up Bill with respect to the Bank Act.

The Government House Leader was quite clear and unequivocal. He has not consulted with me about any other legislation. To be quite frank, I asked him what would happen if we finished before nine o'clock and he said that will be the end of the day.

I do not want it to be laid at my Party's doorstep that we are not prepared to work. We are prepared to work in the interest of Canadians morning, noon and night. We will consent to it, but it is not because we are not prepared to sit here.

Mr. Deputy Speaker: Order. I gather that there is unanimous agreement to adjourn the House at this time?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed by unanimous consent to have been adopted. Accordingly, this House stands adjourned until tomorrow—

An Hon. Member: The late show?

Mr. Deputy Speaker: I am sorry, but there can only be debate on the adjournment motion if Hon. Members are here to debate. Of course, it is not for the Chair to indicate what the wish of the House is at the moment. My interpretation of what the Hon. Parliamentary Secretary said, which seemed to be confirmed by the Hon. Member for Saskatoon West (Mr. Hnatyshyn), is that the House now ajdourn for the day.

Accordingly, this House stands adjourned until tomorrow at two o'clock p.m., pursuant to Standing Order 2(1).

The House adjourned at 7.14 p.m.

HOUSE OF COMMONS

Wednesday, June 27, 1984

The House met at 2 p.m.

• (1405)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

EMPLOYMENT

SPECIAL EMPLOYMENT INITIATIVES PROGRAM—APPLICATIONS NOT ACKNOWLEDGED

Mr. Girve Fretz (Erie): Mr. Speaker, as a Member of Parliament I am accustomed to making representations on behalf of my constituents in order that they may take full advantage of government programs, especially job-creation funds.

I also appreciate receiving courteous treatment by Ministers of the Crown. I regret to say, however, that my efforts to secure funding for deserving projects under the Special Employment Initiatives Program have not been well received. In fact I have sent in many requests for various projects and have not even received a reply.

I recognize that the Minister was a busy man in his quest for the Liberal Party leadership. But I understand that matter has been taken care of and we have a new temporary Prime Minister. Would the Minister now see to it that I receive an answer to my queries? A yes or a no would be sufficient. I do not mind being refused; however, I resent being ignored. My colleague, the Hon. Member for Okanagan-Similkameen (Mr. King), has had the same type of problem. Perhaps the Minister will see to it that the dust is brushed off our files and acknowledgements are sent to us post-haste, to show his good faith.

* * *

CANADA POST CORPORATION

TRIBUTE ON ISSUANCE OF UNITED EMPIRE LOYALISTS COMMEMORATIVE STAMP

Mr. Bill Vankoughnet (Hastings-Frontenac-Lennox and Addington): Mr. Speaker, it is not often that an opposition Member makes a statement which is complimentary to a Crown corporation such as Canada Post, but today I should like to take this opportunity, on behalf of my constituents and millions of descendants of the United Empire Loyalists across Canada, to pay tribute and show our appreciation to Canada Post for issuing a beautiful United Empire Loyalist stamp.

Some Hon. Members: Hear, hear!

Mr. Vankoughnet: I should also like to express appreciation to all those responsible for their approval to launch this bicentennial stamp on July 3, 1984, in the historic Township of Adolphustown, which is on the Bay of Quinte, the site 200 years ago of the landing of Major Peter Van Alstine and his party of Loyalists. This was also the boyhood home of Canada's first Prime Minister.

It is most fitting that this commemorative stamp be issued from Adolphustown, as on July 17 Her Majesty Queen Elizabeth II will officially open the Loyalist Parkway which runs through this, the smallest township of Ontario.

Despite its size, Adolphustown is recognized as one of the most important settlements in what was called the Midland District and is now part of eastern Ontario. The settlement of Adolphustown has played a major role in the history of Ontario as well as of Canada. Therefore, it is most fitting that this Loyalist stamp be launched from Adolphustown.

Some Hon. Members: Hear, hear!

* * *

IMMIGRATION

SPONSORSHIP OF LANDED IMMIGRANTS

Mr. Jesse P. Flis (Parkdale-High Park): Mr. Speaker, every Canadian citizen and every permanent resident may, if he or she is residing in Canada and is at least 18 years of age, sponsor an application for landing made by one relative regardless of age or relationship to him or her, where he or she does not have a spouse, child, parent, grandparent, brother, sister, uncle, aunt, nephew or niece who is a Canadian citizen, who is a permanent resident, or whose application for landing he may otherwise sponsor.

The problem occurs when the Canadian resident wishes to sponsor a younger member of the family, such as a brother or sister, niece or nephew. If the Canadian resident has a parent or grandparent still living, he or she is advised that the elderly relative may be sponsored but not the latter.

This is an unreasonable condition in that elderly parents or grandparents are not always in a position to emigrate to Canada due to age, health, or attachment to familiar surroundings. This condition of the Act denies the Canadian resident the right to have a close family member join him or her in Canada, resulting in emotional stress and hardship in many cases.

S.O. 21

I have some constituents near retirement age who are in need of companionship and emotional support from family members, and who have been good citizens, yet are denied the comfort they deserve in their later years. While the Department of Employment and Immigration is sensitive to family reunification, it is my hope that the Minister will review present legislation and make amendments to this legislation to give these Canadians compassionate consideration.

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CANADA POST CORPORATION

FAILURE TO PROVIDE DOOR-TO-DOOR DELIVERY IN BRITISH COLUMBIA

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, there is an urgent need to expand door-to-door postal service to many growing communities across Canada, but Canada Post has not conducted a survey to establish qualification for door-to-door delivery since 1975. Communities in my riding, including Sooke and Ladysmith, have, according to Canada Post standards, qualified for this service since 1976. Saanich also qualifies and has not received door-to-door service.

I understand there has been a directive to cut 73 person-years from Vancouver Island and Powell River postal staff by the end of 1985. This will mean that communities which presently have service may have it reduced, and those which have qualified for almost a decade will not be given consideration. It will also increase the already high and unacceptable unemployment level. This directive must be rescinded and, in addition, a survey must be conducted so that there can be equality among the various communities in this region of British Columbia in the receipt of postal service.

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[*Translation*]

HOUSE OF COMMONS

FAREWELL MESSAGE BY MEMBER FOR BEAUHARNOIS-SALABERRY

Mr. Gérald Laniel (Beauharnois-Salaberry): Mr. Speaker, since I have decided not to run in the event a general election is called and also because the House is adjourning for the summer at the end of this week and on Thursday I shall be travelling with the Minister of Veterans Affairs to Charlottetown, I want to take this opportunity to say goodbye to all my colleagues in the House.

Mr. Speaker, after twenty-two years in Parliament, I think my decision is certainly justified, but I want everyone to know that it is as hard to leave as it is to enter politics. One becomes very attached to the task of serving the people and to the duties of an elected representative, which include sitting in this Chamber and watching history being made every day. There are also the friendships that develop between colleagues and transcend differences of opinion, political parties and ideologies.

Mr. Speaker, I too have developed a great fondness for Parliament and this House where, for nine years, I was one of those who sat in the Chair, and where for five of those years I was Deputy Speaker. Mr. Speaker, I personally want to thank you and your predecessors for the consideration you have always shown me.

I want to thank the entire staff of the House with whom I have had an excellent working relationship and whose services were many.

Finally, a special word of thanks to all my colleagues for the spirit of kinship we shared. I want to thank the Prime Minister, the Leader of the Official Opposition, the Leader of the NDP and their predecessors, and also the Member for Yellowhead.

The best of luck to the new Leader of the Liberal Party and future Prime Minister of Canada.

My best wishes to all, my dear friends, and until we meet again.

* * *

• (1410)

[*English*]

POLITICAL PARTIES

LIBERAL PARTY LEADERSHIP CAMPAIGN—CANDIDACY OF MINISTER OF ENERGY

Mr. Doug Lewis (Simcoe North): Mr. Speaker, politics is a partisan battle, but respected politicians exhibit grace and compassion when they win and when they lose. The Minister of Energy, Mines and Resources (Mr. Chrétien) exhibited incredible grace and compassion before, during, and after the Liberal convention. The President of the Liberal Party stated that he was number one in the hearts of the delegates. However, his Cabinet colleagues continue to stab him in the heart.

The Minister of Labour (Mr. Ouellet) put the knife in before the convention when he abandoned the Minister of Energy, Mines and Resources to support John Turner. His colleagues continue to twist the knife. The Secretary of State (Mr. Joyal) has questioned his loyalty and impartiality. He suggests the Minister is too emotional for the job. The Minister of National Health and Welfare (Miss Bégin) stated that the Minister of Energy has no class. The Minister of Finance (Mr. Lalonde) was ready to move to Turner at the convention, but did not have to because he was so far ahead on the first ballot.

As Liberal MPs battle for internal power they signal to the country the rot into which the Liberal Party is sinking. Having conned the Minister of Energy into thinking he had a fair chance in the leadership battle, the least his colleagues in the

Liberal Party can do is to start to treat him with some dignity and decency.

Some Hon. Members: Hear, hear!

Mr. Chrétien: Do you want me to cross?

* * *

[*Translation*]

INDUSTRY AND COMMERCE

CAMPAIGN PROMOTING PURCHASE OF CANADIAN PRODUCTS

Mr. Jean-Guy Dubois (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, regarding the comments we are hearing from the opposite side of the House, I appreciate the remarks about the Minister of Energy, Mines and Resources (Mr. Chrétien). However, when they start talking about loyalty, I would like to talk about their Leader, who, if we consider his loyalty to Mr. Claude Wagner and to the Right Hon. Member for Yellowhead (Mr. Clark), was the first one to start back-stabbing! I suggest Progressive Conservative Members think about that for a minute.

However, Mr. Speaker, my comments today were to be about the campaign launched at noon by the Minister of Regional Industrial Expansion (Mr. Lumley), the Minister of Consumer and Corporate Affairs (Mrs. Erola) and the Minister of Labour (Mr. Ouellet) under the slogan: Think about it, think Canadian. The purpose of the campaign is to promote Canadian products and urge Canadians to buy products manufactured here in Canada at competitive prices. The launching was attended by the Canadian Manufacturers Association, the Retailers Association, many businessmen and people from the Canadian Chamber of Commerce, who said they were very pleased to be taking part in this campaign to promote Canadian products. This initiative by the Government of Canada is certainly something to be pleased about, and Canadians should be urged to think Canadian whenever purchasing products for their own use. The slogan "Think about it, think Canadian" is well suited, Mr. Speaker, to the present Government of Canada, and I am sure that Canadians will also think about it at the next election . . . and think about the Liberal Party of Canada.

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[*English*]

TOURISM

IMPORTANCE OF GOOD WEATHER FORECASTING

Mr. Mel Gass (Malpeque): Mr. Speaker, today I would like to address an area of concern to me which affects the tourist industry in Canada. The tourist industry is a rather seasonally based industry which is affected by many factors. To have a successful year, tourism must rely on weather conditions. Being actively involved in the tourist industry on Prince Edward Island during the summer months, I certainly know the importance of good weather to the industry. Our particular tourist industry on Prince Edward Island relies on good summertime weather to encourage tourists to come to the area. In light of this, I would like to discuss the importance of weather forecasting to the tourist industry.

● (1415)

There must be more emphasis placed on sunshine. I realize that weather forecasters must project the weather as it exists, but I cannot help but feel that there has always been an emphasis placed on the negative aspects of weather conditions. Emphasis should be placed on the positive aspects of the weather, such as the percentage of sunshine in a forecast.

Weather forecasters seem to deal with determining the negative factors of the weather. The probability of precipitation is determined, rather than the amount of possible sunshine for the day. For example, a broadcaster will say that there is a 10 per cent chance of rain, rather than a 90 per cent chance of sunshine. I feel that visitors to Canada would, either consciously or subconsciously, be more encouraged to travel to various locations in Canada by hearing the percentage of sunshine forecast, rather than the percentage of rain forecast. I feel very strongly that our weather forecasters should emphasize the positive rather than the negative.

Some Hon. Members: Hear, hear!

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INDUSTRY

PETROCHEMICAL TASK FORCE REPORT—GOVERNMENT RESPONSE

Mr. Ray Skelly (Comox-Powell River): Mr. Speaker, last Friday the Minister of Regional Industrial Expansion (Mr. Lumley) finally tabled the Government's response to the petrochemical industry task force report which was received five months ago. Five months is a long time to wait and, unfortunately, the Government has offered nothing that would give any encouragement to the industry, or to the tens of thousands of Canadians who could benefit directly through the new jobs that would be created if the recommendations of the task force were followed.

If the task force recommendations were implemented, 75,000 to 175,000 new jobs could be created by 1990. In addition, billions of investment dollars were ready to be earmarked for investment in Canada. These dollars may potentially be lost unless the Government is willing to move in a positive direction on the recommendations of the petroleum industry task force.

Neither the Government nor the Conservative Party has indicated that it is prepared to provide the positive incentives necessary to assist the petrochemical industry so that it may survive and grow in Canada. I urge the Government to reject its present shabby response to the needs of such an important

industry, and to reassess and support the thrust of the recommendations of the petrochemical industry task force report.

ORAL QUESTION PERIOD

[*English*]

FINANCE

EXCHANGE VALUE OF DOLLAR—BANK OF CANADA GOVERNOR'S STATEMENT

Hon. John C. Crosbie (St. John's West): Mr. Speaker, in the absence of the Minister of Finance, the Quebec lieutenant who is out protecting his position, I would imagine, and in the absence of the Prime Minister, and in the absence of any Acting Prime Minister—

Mr. Chrétien: Over here.

Mr. Crosbie: I am glad to see that the acting sub-lieutenant for Quebec is here. My question is directed to the Minister of State for Finance. No, my question is now directed to the Minister of Finance. I have been saved by the bell.

The Minister of Finance will know that confusion compounds the lack of confidence that now exists in the Government. At Charlottetown yesterday the Governor of the Bank of Canada, Mr. Bouey, said this about interest rates:

> The rise in rates has not been sufficient to prevent a significant decline in the exchange value of the Canadian dollar to the point where it presents a new risk to our progress on inflation . . . it is because of the substantial inflationary risk involved that I have never favoured depreciation where it could be avoided or at least limited.

Mr. Minister, the dollar has declined 6 per cent since March 7, the time when you said you were not staying up nights worrying about the dollar being at 81 cents U.S. You do not have to worry about that any longer.

Mr. Speaker: I would like to assure the Hon. Member that the Chair is only remotely concerned, because I am sure that the Hon. Member knows that he is addressing the Chair.

Mr. Crosbie: Yes, Mr. Speaker, the Minister apparently disagrees with the point made by the Governor of the Bank of Canada about the significant inflationary impact of the depreciation of the dollar. Does the Minister disagree with Governor Bouey's statement of yesterday? If so, which view now governs Canadian monetary policy? Nothing could be more important to the country today.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I think the last person who should be talking about confusion is the Hon. Member for St. John's West. Yesterday I referred to the contradiction between the stand taken by his own Leader, who has said "Let the dollar go down", and the stand taken by the Hon. Member, who has said that this was a counsel of despair and that there was no question that such a policy should not be followed. If there is any confusion it must be within the Conservative Party. One thing I can tell the Hon. Member is that there is no confusion in the minds of the Canadian public about the position, lack of position, or contradictory positions taken by the Conservative Party on fundamental economic issues at this time.

● (1420)

As far as the statement of the Governor is concerned, I had an opportunity to read the speech before it was made. That speech has my full support and agreement.

Mr. Crosbie: Mr. Speaker, I would set the Hon. Minister's mind at ease on this issue of confusion. In the present situation, the only possible alternatives are to have a lower Canadian dollar or higher interest rates. We opt for a lower Canadian dollar, and not higher interest rates which will ruin economic growth in this country.

INTEREST RATE LEVELS—GOVERNMENT POLICY

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my supplementary question is directed to the same Minister. The statement which was made yesterday by Mr. Bouey, which the Minister said he approved, implies that the new risk of inflation through a lower dollar will be opposed by higher interest rates. Will the Government, which has permitted three interest rate increases in the last three months, now permit additional interest rate increases, which will lose tens of thousands of jobs for Canadians and stop the piddling recovery which is under way?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, if the Hon. Member for St. John's West is correct, I must say that it will not be the first time that the poor man has had to swallow himself in the course of the last few months—between his contradictary statements and those of the Opposition Leader. I am sorry that he has lost once more in the fight with his Leader. I wish him better luck.

As far as the question of the Hon. Member is concerned, he knows very well our position in that regard. It is to have the lowest possible interest rates in this country while ensuring that the Canadian dollar is not subject to speculative devaluation.

Mr. Crosbie: The Minister is saying that the Government will permit more interest rate increases. It is the old policy with the same old gang—Pierre Elliot Turner doesn't give a hang. That is what the Minister is saying. I thank him for that. Interest rates will be allowed to go up.

UNITED STATES DOLLAR RELATIONSHIP

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my final supplementary is directed to the same Minister. The Minister claimed yesterday that Canada's dollar had depreciated only against the U.S. dollar, and had appreciated against other currencies. The Governor of the Bank of Canada rejected the Minister's argument when he said: "We really

have to focus our attention on the U.S. dollar relationship". Does the Minister agree with Governor Bouey's statement that we really must focus our attention on the U.S. dollar relationship, which repudiates as nonsensical the Minister's own views?

Also, will the view of the Governor of the Bank of Canada prevail rather than the views of the Minister which were given to the press yesterday? Will the Minister tell us, after four years and three months of economic failures, of higher interest rates and a lower dollar, when the Government will call a halt and give the Canadian people a chance to make a choice as to who they want in charge of their affairs?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the problem with the Hon. Member is not only does he not understand a number of issues, but he cannot read properly. The speech of Governor Bouey stressed the importance of our relationship to the U.S. dollar, indeed, because 70 per cent of our exports and imports are with that particular country.

The Hon. Member must recognize, as Governor Bouey has mentioned many times, that when talking about the relative value of the Canadian dollar we must take into account the value of the Canadian dollar not only *vis-à-vis* the U.S. dollar but also *vis-à-vis* other currencies. The situation at the present time is not that the Canadian dollar is weak *vis-à-vis* all other currencies. In fact all other currencies are weakening *vis-à-vis* an extremely strong U.S. dollar which is supported by high interest rates and which is attracting capital from around the world at the present time.

These are the facts of life which indicate that all other major currencies have known a significant decline against the U.S. dollar in the last several weeks. But, comparatively, as I mentioned yesterday, the countries which have known the smallest decline *vis-à-vis* the U.S. dollar have been Germany and Canada. That decline has been at the same level. All other major industrial countries have known a larger decline, including the Swiss franc, which is recognized internationally as a very strong currency, and the Japanese yen. All those currencies have declined more *vis-à-vis* the U.S. dollar than the decline of the Canadian dollar. My friend should know that.

• (1425)

Mr. Crosbie: So what? Mr. Bouey says it does not matter.

Mr. Lalonde: If he does not know that, I invite him again to read the facts and the statistics, and perhaps some day he will learn.

Mr. McGrath: Mr. Speaker, the Minister talks about the facts of life. The fact that he seems to forget is that every time interest rates go up, unemployment goes up. That is what the Minister does not understand.

Oral Questions

THE ECONOMY

EFFECT OF INTEREST RATES ON UNEMPLOYMENT

Hon. James A. McGrath (St. John's East): Will the Minister of Finance tell the House what he intends to do to offset the unemployment effects of increasing interest rates? If the Minister does not act now, then he is forcing this Parliament to leave here and leave behind it 1.5 million Canadians without jobs, and without hope.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I would like to use the Opposition's own argument, including the argument of the Hon. Member's own dear friend and colleague, the Hon. Member for St. John's West, who likes to refer very often to the United States, to indicate to my friend that the fact that we have higher interest rates at a particular time, or increasing interest rates, does not necessarily mean that we have higher unemployment taking place. Look at the United States, to use the argument of the Hon. Member for St. John's West, where it has not occurred automatically. On the contrary. The decision of investors, in particular, depends on many factors, not only on whether there is an increase in interest rates but also on whether there is going to be a demand for their products, whether they are going to have greater productivity from their workers, and whether their export capabilities are going to be favourable. The Hon. Member knows that. The best evidence of this is the latest survey carried out by Statistics Canada compared to last October.

Last October the large businesses in this country had foreseen a decline in investment in real terms by 3 per cent. In May they foresaw an increase in real terms by 2 per cent. That was a change of 5 per cent in real terms over and above inflation during that period, even though interest rates in May were higher than they were in October. Therefore there is no automatic relationship.

I do not like interest rates to go up. I regret that they have increased in the last several months. We have done and are continuing to do everything we can to keep that increase at the minimum possible level, and this is going to continue to be our policy.

Mr. McGrath: Mr. Speaker, the Minister knows that high interest rates completely stifle recovery. He knows that to be a fact.

COMPARISON WITH UNITED STATES

Hon. James A. McGrath (St. John's East): I would like to ask the Minister, then, if high interest rates are not directly related to high unemployent, to explain this—when the Minister brought down his Budget in February he said " . . . we shall create new opportunities for Canadians to find good, satisfying, permanent jobs". At that time the unemployment rate was 11.2 per cent. Now it is 11.7 per cent. Unemployment is going up in Canada and going down in the United States. Will the

Minister explain that to this House and to the 1.5 million Canadians who are left out there without jobs?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I should be happy to explain this at length to the Hon. Member if he gives me a chance. I may remind him of previous statements I have made on the subject, both here in the House and elsewhere. The Hon. Member will recall the figures released by Statistics Canada each month, and he will realize that the number of jobs has increased. He is talking about rising unemployment but he has omitted to mention the increase in the number of jobs created in this country over the past year, and even within the last few months. If the Hon. Member would take the trouble to look at the facts, he would realize that the number of jobs created in recent months in this country has increased, and I am confident that their number will continue to rise in the months to come.

[*English*]

EFFECT OF INCREASED MORTGAGE INTEREST RATES

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my question is also directed to the Minister of Finance. The Minister knows, obviously, from his response to the questions just asked, that the interest rate issue is perhaps the most serious question confronting the Canadian economy. The Minister also knows, I am sure, that as a result of last week's increases in the bank rate, the five-year mortgage rate has risen to 15 per cent from 12.5 per cent in January. This puts housing out of the reach of another 100,000 Canadians. It means that a person who renews a $75,000 mortgage over five years will have to pay $8,000 more today than that same person would have had to pay in January. It means that the housing starts which were predicted at 170,000 at the beginning of the year will not reach 135,000, and we are going to have 75,000 more people out of work.

● (1430)

Given that the Bank of England has now stated categorically that it cannot follow the U.S. lead in interest rates and it will establish an independent policy in Britain, why is it that the Canadian Government cannot do likewise on behalf of Canadians?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member refers to five-year rates because he prefers to choose the highest possible rate. He knows that if you want a three-year or one-year mortgage you will get a lower rate than the ones he mentioned. He must realize that there are some choices in the market for interest rates you are ready to pay and the risk you are ready to take. He also knows that in the last several days this House passed, thank God, a mortgage rate protection plan. This will ensure some protection for borrowers who want to buy a house against future increases in interest rates in years to come.

As to the specific point raised by the Hon. Member, I will study with interest the position of the Bank of England. But I must remind him that some European countries tried a similar approach a while ago and they had to reverse their position completely, 180 degrees. They ended up having to pay a very, very high cost indeed. I only have to remind him of the experience of socialist France which tried a similar approach of going it alone at a particular time. They had to pay a tremendous economic price for the policy choice they made. They had to reverse course completely a year later, and they are still paying for it.

MINISTER'S POSITION

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I do not understand how the Minister can evaluate an economic price and draw the conclusion that those unemployed will not have to pay a tremendous economic price for the policies of this Government, or that those people who will not be able to renew their mortgages will not have to pay a tremendous economic price as a result of the policies of the Government.

The Minister knows full well that since 1981 interest rate increases have resulted in over 500,000 jobs being lost, and 30,000 businesses, along with 80,000 individuals, going bankrupt. There are now over a million more people in poverty in Canada than there were in 1981. Given that, how can the Minister stand in his place and say that he is prepared to support Gerald Bouey's insane high interest rate policy at the expense of the lives of Canadian families?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): The Hon. Member for Hamilton Mountain is good at rhetoric, but he is not so good at analyzing the facts. I may remind him that the point is not whether we can do our own thing and ignore the rest of the world in which we live. The Hon. Member was quoting figures on unemployment in Canada. I may remind him that in France, for instance, after following a direction that differed from that followed by the rest of the industrialized world, at a given time, they finally created a situation where, unless I am mistaken, the French franc has decreased in value by about 90 per cent over the last two years. I may also remind him that the present unemployment rate in France is higher, not lower, than it was two years ago. It has gone up. So the point is not whether unemployment is too high today, or whether interest rates are too high. I realize the unemployment rate is too high. I realize that interest rates should be lower. I am doing everything I can to bring these rates down to the lowest possible level. However, I shall certainly not adopt policies that will result in more unemployment and in devaluating our currency, which happened in a number of European countries as a result of pursuing policies that appeared to be expedient in the short term but soon proved disastrous. I shall certainly not take the lead of the New Democratic Party in this instance.

[*English*]

POSSIBLE CONSEQUENCES OF REDUCING INTEREST RATES

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, notwithstanding the hardship inflicted upon average Canadians who cannot find employment, pay their mortgages, and who will be faced with poverty from now until the day they die, the Minister is saying he will do nothing. Is it not reasonable to assume that if we strengthen the Canadian economy by lowering interest rates and making it possible for people to buy in Canada those things they need, by following that course of action independent of the United States, we will be able to stimulate Canada's economy, make it possible for people to go back to work, and in that way strengthen the Canadian dollar?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I am afraid that the Hon. Member must have missed some translation. I spent a few minutes explaining to him that my position and that of the Government is to avoid creating more hardship for the Canadian people by following short-sighted policies which are going to boomerang on the Canadian economy and the Canadian people. I told him what happened to some European countries which tried this trick. They thought they could do it by resorting to that kind of magic short-term expediency, and they ended up in more serious trouble than they were in before. We are not going to follow that kind of snake-oil remedy the NDP is recommending, thank you very much.

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CANADA SPORTS POOL CORPORATION

REQUEST FOR MORATORIUM ON FUNDING

Mr. John Bosley (Don Valley West): Mr. Speaker, in the absence of the President of the Treasury Board I will put my question to the Acting Prime Minister. Will he give this House an absolutely firm and iron-clad guarantee today that no further funds will be advanced to the Sports Pool until the House of Commons has had, at the very least, a full, complete and proper accounting of every penny spent to date?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member knows that the statute passed by this Parliament provides for the possibility of an advance of funds to the Sports Pool. That is provided under the authority of Parliament, and the decision as to whether funds should be advanced and how much, will be made by the Government. The Government will assume its responsibilities in that regard.

REQUEST FOR PARLIAMENTARY ACCOUNTING

Mr. John Bosley (Don Valley West): Mr. Speaker, the Minister is emerging as one of the four horsemen of the new Liberal apostasy. Since we now know that only the Liberals could open a casino and lose their shirts, my question is very simple. Every $10 million advanced to this corporation, money which will be lost, represents lost job potential for young people in the order of 3,000 to 4,000 jobs. Given what is known about the contracts, the Minister's own people and staff who have been hired, the situation regarding the advertising contracts, and the impossibility of this operation making a penny, will the Minister tell the House why the House of Commons should be prevented from getting a proper accounting of everything done to date before that Minister, on behalf of the people of Canada, puts more money into the Sports Pool, to be lost?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I have difficulty understanding why the Member keeps on trying to make a fool of himself with allegations like the ones he is making. The authority given by this Parliament is clear. The Hon. Member knows that when you start a lottery it takes time to build up a clientele and profits.

Mr. Nielsen: It is not supposed to be a lottery.

Mr. Lalonde: This has been the case with all games like this, whether it was the Olympic lottery or the provincial lotteries. We are facing difficulties, and competition, and restrictions which the provincial lotteries have imposed. The Hon. Member is aware of that. We are going to make sure that we are going to have the funds available to make this project a success.

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INDUSTRY

PURCHASE OF CANADIAN GOODS PROGRAM

Miss Aideen Nicholson (Trinity): Mr. Speaker, in the absence of the Minister of Regional Industrial Expansion my question is addressed to the Parliamentary Secretary. In view of the fact that imports of manufactured goods in Canada represented approximately $64 billion in 1983, can the Parliamentary Secretary say what level of import substitution, particularly in manufactured goods, he expects to be achieved by the domestic marketing program launched today, and how soon he expects the program to be reflected in new jobs?

[*Translation*]

Mr. René Cousineau (Parliamentary Secretary to Minister of Regional Industrial Expansion): Mr. Speaker, it would be very difficult to comment in terms of the figure of $64 billion mentioned by the Hon. Member. However, I can assure the House that if Canadians could increase their purchases of Canadian made products by 1 percent, this would mean thousands and thousands of jobs for Canadians.

● (1440)

[*English*]

CANADIAN UNITY INFORMATION OFFICE

COSTS OF QUEBEC ANALYSIS CONTRACT

Hon. J. Robert Howie (York-Sunbury): Mr. Speaker, my question is for the Minister of Justice. I think he is temporarily out of his seat.

Mr. Crosbie: He is temporarily out to lunch.

Mr. Howie: Mr. Speaker, I have been informed by the Minister of Supply and Services that $97,680 was paid to Contrefort Incorporated on behalf of the Canadian Unity Information Office for an opinion poll taken last year of young people in Quebec to determine their political attitude to the Liberal Party and its leaders. Will the Minister, who reports for the Canadian Unity Information Office, tell the House if he approves of this use of public funds and how such an expenditure is justified?

Hon. Mark MacGuigan (Minister of Justice): Mr. Speaker, given the information that the Hon. Member was supplied with in error by my colleague—

Some Hon. Members: In error!

Mr. MacGuigan: —I would hardly have expected him to do other than to ask a question about it in the House. In fact there has been no such survey made as mentioned by the Hon. Member, and which he quoted from my colleague's letter. In fact the contract which that Company, Contrefort Incorporated, has with the Government through CUIO is not for surveys at all. It is for analysis. They produce a document called *Dossier Quebec*. To show the hon. gentleman that their work is open and above board, as indeed everything in the Government is, although this is not normally reviewed I will undertake to make a copy of this available to the hon. gentleman so that he can verify it for himself.

Mr. Howie: Mr. Speaker, I thank the Minister very much for this very revealing information. I can understand his difficulty in working with the Minister of Supply and Services, who appears to be relatively inefficient.

REQUEST THAT ANALYSIS CONTENTS BE MADE PUBLIC

Hon. J. Robert Howie (York-Sunbury): As the Minister has indicated, will he release the contents of the analysis so the information can be examined and evaluated by all Members of Parliament on behalf of their constituents who have paid for an analysis which appears to be extremely partisan?

Hon. Mark MacGuigan (Minister of Justice): Mr. Speaker, on the assumption that what I would make available to my hon. friend would become public anyway, I will be glad to make it public.

LABOUR CONDITIONS

YOUTH UNEMPLOYMENT—GOVERNMENT POSITION

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my question is for the Minister of Finance. This month another batch of students are out on the streets looking for jobs that do not exist. Many of them will be living off their families, or lining up at food banks. What does the Minister intend to do about this intolerable situation? Does he accept the statements of the Minister of State for Youth that over 800,000 young Canadians are unemployed now and that this situation will remain? What is he going to do about this? Is this the Liberal election platform for youth?

Hon. Céline Hervieux-Payette (Minister of State (Youth)): Mr. Speaker, last week when we released our report, *Focus on Youth*, we realized that there was indeed unemployment at the rate of 18.5 per cent and that this does not include those who are not looking for jobs and would need to be trained. In the last Budget of the Minister of Finance, $150 million was set aside, and $30 million is now going to be devoted to a youth training option which I feel is certainly a beginning to finding a solution for those people who are unskilled and have a hard time finding a job.

MANITOBA GOVERNMENT'S INITIATIVE

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my supplementary question is for the Minister of Finance. It concerns economic policy. By adopting a "jobs first" policy the NDP Government in Manitoba has reduced youth unemployment from 21 per cent to 10 per cent in one year, while the unemployment rate has gone up in other provinces, as the Minister knows. Why does the federal Government not adopt a similar kind of economic policy and put jobs first as a national priority? Why is this happening only in Manitoba? Why should it not be for young people right across Canada?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I can understand that last gasp by the NDP. I welcome initiatives being taken by provincial Governments across the country. There have been a number of provincial Governments which have taken some initiatives. Some have taken more than others. It shows that when federal government and provincial government programs get together and go in the same direction, they produce good results. I remind my hon. friend that in Manitoba, as in other provinces, federal Government programs are at work and are quite effective. As I said, we have allocated more money than ever in our history for the support of young people in need of jobs or training. It runs into billions of dollars.

When provincial Governments agree to do their share in addition, and to contribute to this effort, it will obviously have better results. I would hope that Conservative Governments in the other provinces will take a leaf from Manitoba's book and help the federal Government reduce unemployment all across the country. The Hon. Member knows that the Government

has put economic recovery and growth and job creation at the top of its priorities.

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CANADA POST CORPORATION

FIRING OF EMPLOYEE WHO CONSULTED WITH MEMBERS OF PARLIAMENT

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, my question is for the Minister responsible for Canada Post. Ad Varma, an employee rated by Canada Post Corporation as outstanding in his ability, quality of work and output, has been fired by Michael Warren for consulting with Members of Parliament in regard to waste and mismanagement within the Corporation. This employee has been assessed as carrying out his assigned projects with the highest degree of industrial engineering, expertise, enthusiasm and skill, which clearly indicates that he is fully qualified to make comments and recommendations.

As employees should be encouraged and rewarded for coming forward with information, will the Minister take immediate steps to have Mr. Varma reinstated, and take the necessary steps to provide an appropriate committee with an order of reference to conduct a full and complete investigation into the problems—

Mr. Speaker: The Chair has concern about a very specific case. Such a question should be on the Order Paper. However, if the Minister wants to comment, he may.

An Hon. Member: It was on the front page of *The Star*.

Mr. Speaker: Order. We are trying to follow certain procedures. I have been given a very long list of names from the Official Opposition today. There is no way I can possibly do justice to it. However, if the Hon. Member will quickly get to his point it will help.

Mr. McKenzie: We usually do not put questions on the Order Paper about someone being fired, Mr. Speaker.

Will the Minister have a proper committee set up so that we can hear witnesses under oath, including Mr. Varma and Mr. Warren, to study the problems within Canada Post?

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, the President of the Canada Post Corporation, Mr. Warren, has already responded to all the allegations made by Mr. Varma before a Parliamentary Committee. I do not see how it could be useful to refer the matter to another Parliamentary Committee. Mr. Varma has not raised any new points and the information he released has been checked and proved to be unfounded, on most counts.

[*English*]

Mr. McKenzie: I want to point out to the Minister that nothing was checked, investigated or answered by Mr. Warren in committee.

UNION POSITION

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. A. M. Davies, the former special representative of the Executive Vice-President and Chief Operating Officer of Canada Post Corporation, stated in November, 1983, that he supports everything that Mr. Varma says and is just as concerned as Mr. Varma, and the line supervisors confirm what Mr. Varma says. He also stated—

Mr. Speaker: I am trying to be fair with the Hon. Member. He is raising a very specific case. I have indicated certain guidelines with regard to supplementary questions. If the Hon. Member insists on a long quotation on a supplementary, could he not just ask his supplementary?

● (1450)

Mr. McKenzie: The union is in a position to strip Michael Warren of his credibility. What will the Minister do about this problem of the union stripping Mr. Warren of his credibility? Will he please reconsider appointing a committee and have all the witnesses called in under oath to examine the charges made by Mr. Varma and other employees of Canada Post?

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, I think the Hon. Member's conclusions are rather strange. He started by trying to defend the position of one specific employee, and he then proceeded with considerations of a general nature, namely that the entire union is involved in this conflict with Mr. Warren. I have the impression that it is a personal matter between Mr. Varma and the Hon. Member.

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[*English*]

AGRICULTURE

FARM PRODUCTS MARKETING AGENCIES ACT—INTRODUCTION OF TOBACCO AMENDMENT

Mr. Bud Bradley (Haldimand-Norfolk): Mr. Speaker, my question is directed to the Minister of Agriculture. It pertains to the proposed amendment to the Farm Products Marketing Agencies Act, which would include tobacco. I do not have to relate the importance of this issue to the Minister; he is well aware of it. He is also well aware of the commitments that have been made in the past and of the many rumours that are presently passing around. Is the Minister prepared to tell us when the proposed amendment will be introduced in the House?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I hope tomorrow.

Mr. Bradley: I thank the Minister for that, finally. We have been waiting since December. I am sure that we have heard promises of this type before, and the word "hope" bothers me.

PASSAGE OF AMENDING LEGISLATION

Mr. Bud Bradley (Haldimand-Norfolk): Mr. Speaker, would the Minister tell us if this Bill has been approved and printed? Is it in the hands of the Government House Leader and has he been asked, or is he willing to negotiate with our House Leader? Is it his intention that this amendment be passed before the week is out?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the Hon. Member sounds as if the whole House is in full agreement. If he can come to me and say: "We are in full agreement and we will give immediate passage to this Bill", I can go to the House Leader and say that the opposition Parties are in full agreement with this Bill. The Bill is being printed—

Mr. Lewis: What Bill?

Mr. Whelan: The Bill is being printed at the present time. It was only approved yesterday, and the Bill should be in the hands of the House Leader later today.

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[*Translation*]

PENITENTIARIES

REQUEST THAT SOLICITOR GENERAL PAY SPECIAL ATTENTION TO DANGEROUS CRIMINALS

Mr. Gilles Marceau (Jonquière): Mr. Speaker, my question is directed to the Solicitor General. I would like to ask the Minister if, following a recent court judgment, he intends to be particularly careful about dangerous criminals who, as a result, may be put back into "circulation" in greater numbers. Second, regarding individuals who are released under mandatory supervision and commit offences or escape, does the Minister intend to take any special action in this respect? I should like to know whether Bill C-35 deals more specifically with this question and whether the Minister will want the Bill to be passed before the end of this session?

[*English*]

Hon. Bob Kaplan (Solicitor General of Canada): Mr. Speaker, we only have two days to go. This is a very important piece of legislation which would permit us to keep violent offenders longer behind bars.

I have written to both my opposition critics. The Conservative Party indicated that they support the legislation and that their critic would be prepared to give it three-stage passage this week. Unfortunately the NDP have taken the position that the Bill is too tough on violent offenders, and they are seeking amendments to this legislation that would reduce its effectiveness so as to make it practically useless. That is where we stand.

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AGRICULTURE

FARM FLOOD DAMAGE IN SASKATCHEWAN AND MANITOBA

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is directed to my friend, the Minister of Agriculture. He is no doubt aware of the very serious flooding problem in northeast Saskatchewan. I had a chance to see some of it on the weekend. The northwestern part of Manitoba is affected as well.

In my province the provincial Government is putting up a paltry $8 million to help the farmers, which is about $10 an acre. Has the Saskatchewan Government made an official request for federal government aid in terms of the designation of that area as a disaster area? Will the Minister also tell us whether there will be any federal assistance for the hard pressed people of northeastern Saskatchewan?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I received a telegram yesterday or the day before from the Minister of Agriculture in Saskatchewan, pointing out the need of farmers. However, what is needed is an official declaration by the Premier of the province to the Prime Minister of Canada, calling it a disaster area. As of yesterday I have not seen that.

If they go through that formula and it then goes to the President of the Privy Council, the House Leader, under the national disaster plan, I would think that that is the procedure they should be following. I had not seen that as of yesterday.

Mr. Nystrom: I am rather surprised that the provincial Government has not done this, because it really is an emergency.

Mr. Hnatyshyn: The facts are wrong. They have had it since March 16. You are not telling the truth.

REQUEST FOR ASSURANCE OF ASSISTANCE

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, despite the laxness of the provincial Government, can the Minister assure the people in northeast Saskatchewan that there will be some federal assistance, and can he assure the people in that part of the province that that aid will be coming very quickly, because they need that assistance right away?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, if they have declared it a disaster—

Mr. Hnatyshyn: You have had it since March 16. You are not telling the truth.

Mr. Whelan: I saw the telegram from the Minister of Agriculture in Saskatchewan that I have in my office, asking for assistance.

Mr. McKnight: What about March 16?

Mr. Whelan: In the press they called it a disaster area, but I have not seen any official declaration sent to us that it is a disaster area. That is all that I am saying. I have not seen it. If it is there as of yesterday, I have not seen it. Any declaration that is made by any province is considered. I do not know of any declaration of a disaster area that is too big for a province to look after, that the federal Government has refused.

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ENERGY

PETROLEUM INCENTIVES PROGRAM GRANTS FOR EXPLORATION IN ARCTIC

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources. I am sure that he is aware that the funds for PIP grants for exploration in the Arctic are mainly derived from Canadian consumers of petroleum products through the PGRT paid at the gas pumps. He must also be aware that much of the equipment being used in that exploration activity is bought, hired or contracted offshore, as his brochure shows very clearly.

Would the Minister tell us why Canadian generated funds should be used to subsidize offshore drilling equipment and offshore shipbuilding, when there is a Canadian product and Canadian shipbuilding on shore which those Canadian funds could be used to help?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Mr. Speaker, the PIP grants are a subsidy that we gave to the companies for drilling on Canada Lands in the North and in the Maritimes. Each contractor who drills is trying to get equipment at the cheapest cost possible so that the PIP grants will not be overspent. There is no law that forces anybody to use only Canadian equipment.

A lot of Canadian equipment has been used in the North or the offshore, and some other equipment was leased out there because there are a lot of rigs available at a cheaper cost in the world market at this time due to the surplus of rigs. The contractors, or companies, are trying to drill at the lowest cost possible so that the taxpayers will not pay too much money for the grants.

AVAILABILITY OF MOBILE ARCTIC DRILLING PLATFORM

Mr. Donald W. Munro (Esquimalt-Saanich): The Minister must know and, if he does not, his colleague will tell him, that the Mobile Arctic Island Drilling Platform is available. It is a Canadian product and a Canadian innovation which employs Canadians.

We have been urged to buy Canadian. Why is the Minister awarding PIP grants to companies that do not buy Canadian? Why does he not put it into law?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Mr. Speaker, if it is Canadian built I think it would be easy for them to be competitive in getting contracts. There is no law that forbids Canadians or drilling companies to get their equipment abroad. There are some Canadian rigs operating in the North Sea. This is a worth-while situation, and they all compete to get the work.

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AGRICULTURE

ATLANTIC PROVINCES FEED FREIGHT ASSISTANCE PROGRAM

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Minister of Agriculture. In 1976 there was a commitment made through the Domestic Feed Grain Policy of Agriculture Canada that feed freight assistance to the Atlantic provinces and eastern Quebec would continue unless a high degree of self-sufficiency was achieved. Assistance has been substantially reduced, and Maritime farmers are now less sufficient than they were in 1976. In light of the eroding position of Maritime livestock and poultry producers *vis-à-vis* other parts of the country, what steps is the Minister planning to take to stop this erosion and put our maritime producers in an equitable position with producers in other parts of the country?

• (1500)

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the Hon. Member knows that the President of the Maritime Farmers Association was in Ottawa last week. He had meetings with agriculture officials and with the Canadian Livestock Feed Board officials. They are trying to put together certain recommendations that will amount to an expenditure of somewhere between $2 million and $5 million. I do not know whether that will be satisfactory to them, but it should offset some of the inequity that exists in that plan at the present time.

PROPOSAL ADVANCED BY MARITIME FARMERS' COUNCIL

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I have a brief supplementary question for the Minister of Agriculture. I am sure the Hon. Minister is aware that, unless steps are taken, our livestock and poultry producers will not be able to survive. Will the Minister give favourable consideration to the Maritime Farmers' Council proposal which, among other things, asks that a system be implemented to make payment of feed freight assistance benefits to producers so that they will have a positive effect on local feed grain and forage production marketing in the Maritime area? This would be in addition to the cash the Minister has indicated would be made available.

Tabling of Documents

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, all other proposals are being considered both by my Department, Agriculture Canada officials, and by the Canadian Livestock Feed Board. The recommendations have not all come together yet, but I would hope they will in the next day or so.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Tuesday, June 26, 1984, meet the requirements of the Standing Orders as to form.

ROUTINE PROCEEDINGS

[*Translation*]

EXTERNAL AFFAIRS AND NATIONAL DEFENCE

PRESENTATION OF FIRST REPORT OF STANDING COMMITTEE

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I have the honour to present the first report of the Standing Committee on External Affairs and National Defence on Bill C-32, an Act to establish the Canadian Institute for International Peace and Security, with all the amendments made during these very busy months.

Therefore, I have the honour to table that report in both official languages.

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

* * *

[*English*]

AGRICULTURE

TABLING OF DOCUMENT ENTITLED "REPORTS ON RESIDUES MONITORING PROGRAMS"

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I wish to table in both official languages copies of a document entitled *Reports on Residues Monitoring Programs* for the fiscal year 1983-84.

PETITIONS

MR. WISE—INCREASE IN VIOLENT CRIME

Hon. John Wise (Elgin): Mr. Speaker, I have the pleasant responsibility and duty today to table two petitions signed by the citizens of St. Thomas in The Constituency of Elgin.

The first petition reflects the opinions of my constituents regarding the increase in violent crime that we are presently encountering and also the very light sentences that are being handed out, in particular to repeat offenders. I sincerely hope that the Minister of Justice (Mr. MacGuigan) will give serious consideration to the opinions of my constituents.

MR. WISE—DISTRIBUTION OF PORNOGRAPHIC MATERIALS

Hon. John Wise (Elgin): Mr. Speaker, my second petition is signed by the citizens of St. Thomas in the Constituency of Elgin. This petition, like the first one, reflects the opinions of my constituents regarding the harmful effects of pornography on our society. Again, I sincerely hope that the Minister of Justice (Mr. MacGuigan) will give serious consideration to my constituents' wishes by restricting the distribution of pornographic materials to society.

MR. DARLING—INSTALLATION OF RAILWAY CROSSING LIGHTS

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I have a petition to the honourable the House of Commons in Parliament assembled. The petition of the undersigned residents of Morrison Ward, Town of Gravenhurst, in the Province of Ontario, who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide a remedy, humbly sheweth that at mileage 102.98 of the Newmarket Subdivision of the Canada National Railway, intersecting the Sparrow Lake Road "C", two persons have been killed by trains while crossing the tracks in motorized vehicles and that motorists believe that visibility of approaching CNR trains is made difficult by the topographical nature of the crossing.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to enact legislation for the installation of railway crossing lights at the aforementioned intersection. And as in duty bound your petitioners will ever pray.

MR. SCOTT (VICTORIA-HALIBURTON)—USE OF CNR LAND

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, it is my duty and pleasure to present a petition signed by a number of my constituents in the Village of Fenelon Falls in the Township of Fenelon. They all have property adjoining the now abandoned Canadian National track bed from Lindsay to Haliburton. They hereby formally attest to their objection to the track bed abutting their respective properties being used for public bike recreational trails. They ask that they be allowed input into the use of this land before it is disposed of.

MR. FLIS—HUNGER STRIKE OF POLISH CANADIANS

Mr. Jesse P. Flis (Parkdale-High Park): Mr. Speaker, I have the honour to table a petition by 693 undersigned residents of the constituency of Parkdale-High Park and other parts of Ontario who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide a remedy. The undersigned citizens strongly support the hunger strike staged by three Polish Canadians, and urge the Canadian Government to help the spouses and children of the strikers to join them in Canada. And as in duty bound your petitioners will ever pray.

MR. STEWART—RIGHT TO WORK IMPEDED

Mr. Ron Stewart (Simcoe South): Mr. Speaker, the petition of the undersigned residents of the Province of Ontario who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners in the certain assurance that your honourable House will therefore provide a remedy humbly sheweth that qualified Quebec pipeline welders have been working throughout the rest of Canada while the actions of the Government of the Province of Quebec are impeding the ability of non-Quebec resident welders to obtain work in that province.

Wherefore we humbly ask for your assistance in seeking redress for these grievances which violate our rights as guaranteed by the Charter of Rights and Freedoms. And as in duty bound your petitioners will ever pray.

MR. HEAP—IMMIGRATION POLICY

Mr. Dan Heap (Spadina): Mr. Speaker, I have the honour to present a petition from some 1,500 residents of the City of Toronto who petition this Parliament to recognize that Canadians recognize family reunion as an integral part of Canadian immigration policy, that sons and daughters over 21 years of age are not recognized as part of the family for purposes of immigration, and that for many Canadian immigrant families unmarried sons and daughters do not cease to be part of their families simply because they attain the age of 21, resulting in the fact that many Canadian immigrant families are denied reunion and are suffering hardship.

Wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to direct the Minister of Employment and Immigration (Mr. Roberts) to amend the present immigration regulation so that a sole remaining unmarried son or daughter of a Canadian resident shall be admissible on the same basis as minor children. And as in duty bound your petitioners will ever pray.

[*Translation*]

BANK ACT

MEASURE TO AMEND

Mr. Dennis Dawson (Louis-Hébert) moved for leave to introduce Bill C-254, an Act to amend the Bank Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Dawson: Very briefly, Mr. Speaker, this is a Bill to amend the Bank Act with a view to protecting people who stand surety by co-signing a loan or extending a line of credit. It is self-explanatory.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

● (1510)

[*English*]

INDIAN SELF-GOVERNMENT ACT

MEASURE TO ESTABLISH

On the Order: Introduction of Bills:

June 22, 1984—The Minister of Indian Affairs and Northern Development—Bill intituled: "An Act relating to self-government for Indian Nations".

Mr. Speaker: I am obliged to call to the attention of the Minister that we have not yet received the royal recommendation. When it has been received, the Minister will be able to proceed with this Bill. Possibly it can be cleared up shortly.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 681, 730, 818 and 870.

Order Paper Questions

[*Text*]

CBC—LOGO AND CORPORATE SIGNATURE

Question No. 681—**Mr. Clark (Yellowhead):**

1. (a) Which agency or agencies or person or persons, and working in what city or cities, conceived and designed the logo and corporate signature of the Canadian Broadcasting Corporation (b) what amount and on what date was each agency paid for these and any related services?

2. What means were employed by the Corporation to protect its logo and corporate signature from use by others either within, or external to, Canada?

3. Is the Corporation represented by any subsidiaries, agents or offices in other countries and, if so, in which other countries and by what other subsidiaries, agents or offices?

Hon. Francis Fox (Minister of Communications): I am informed by the Canadian Broadcasting Corporation as follows:

1. (a) Burton Kramer Associates Ltd., Graphic Design Consultants, 206 Bloor Street West, Toronto, Ontario, Canada

(b) The contract signed on June 27, 1973 with Burton Kramer Associates Limited called for the payment of $50,000 for the research, design and development of a symbol. The contract also called for assessment and application phases, the fees for which were to be based upon standard design office rates.

No accurate statement of the amounts paid under these later phases can now be provided since the accounts payable records for these related services, dated nine and ten years ago, are no longer in existence. The requirements of the relevant federal legislation which sets out the period of retention of such records, have been met.

2. The Corporation's Trade Mark "C's Design" was registered under the Trade Marks Act on February 28, 1975.

3. The CBC has its own foreign offices in London, England, in Paris, France, in Washington and New York, U.S.A., and has correspondents in Moscow, U.S.S.R., and in Peking, China. In addition, the Corporation is represented by the following agencies and distributors:

—Canadian Standard Broadcast Sales, New York City, U.S.A.;

—D. L. Taffner Ltd., New York City, U.S.A.;

—Tohokushinsha Film Co. Ltd., Tokyo, Japan;

—Representaciones de Television Ltda., Santiago, Chile;

—McCann International Programme Marketing Ltd., Bickley, England;

—Western World Television, Beverley Hills, U.S.A.;

—Premier Performance Corporation, New York City, U.S.A.;

—Viacom Enterprises, New York City, U.S.A.;

—EXCEL, Rio de Janeiro, Brazil;

—Jaguar Distribution Corp., New York City, U.S.A.;

—D. L. Taffner Ltd., Chatswood, Australia;

—American Journal of Nursing Co., New York City, U.S.A.;

—Films Incorporated, Wilmette, U.S.A.;

—Filmakers Library Inc., New York City, U.S.A.;

—International Film Exchange, New York City, U.S.A.;

—Journal Films Inc., Evanston, U.S.A.;

—Pyramid Film & Video, Santa Monica, U.S.A.;

—Time-Life Video, New York, U.S.A.;

—Wombat Productions Inc., Ossining, U.S.A.;

—Pegasus Films, Clwyd, North Wales, U.K.;

—Educational Film Services Limited, Hong Kong;

—Educational Media Limited, Melbourne, Australia;

—Encyclopaedia Britannica (S.A.) (Pty) Limited, Johannesburg, South Africa;

—Filmo Singapore (Pty) Ltd., Singapore.

RATE CHANGES REQUESTED BY NORTHWESTEL INC.

Question No. 730—**Mr. Nickerson:**

1. On March 8, 1984 did NorthwesTel Inc., the Crown corporation which provides telephone services in northwestern Canada, file, with the Canadian Radio-television and Telecommunications Commission, an application for rate changes including the following increases (a) exchange services, rotary service, 37.5 per cent (b) PBX, Key Telephone Systems, Auxiliary Equipment and Misc. Services (i) PBX, 10 per cent (ii) Key Telephone, 10 per cent (iii) Charge for non-published number, 6 per cent (iv) Zenith Service, 40 per cent (v) Additional directory listing, 10 per cent (vi) Centrex service, 5 per cent (c) Locality Rate Areas, Locality Rate surcharge, 6 per cent (d) Mileage Charges (i) Individual services outside of Base Rate Area, 10 per cent (ii) Off-premises extension, 40 per cent (e) Local Coin Service, 150 per cent (f) Message Toll Service (i) Rates within operating and adjacent areas 6.4 per cent (ii) Time and Charge service 78.6 per cent (g) Private Wire Service (i) Teletype circuit rentals, 10 per cent (ii) Equipment rentals, 10 per cent (iii) Local loops, 75 per cent (iv) Installation charges, 10 per cent (h) Telex Service, Equipment rental rates, up to 10 per cent (i) Broadband Service (i) Equipment rental rates, 40 per cent (ii) Toll charges, 50 per cent (iii) Service Charges, 100 per cent and, if so, did the Minister of Finance in his budget speech on February 15, 1984 state, "The existing policy of limiting price increases for goods and services sold by the federal Government, Crown corporations and federally regulated industries will be extended a third year. The price guidelines will be reduced from 5 per cent to 4 per cent for this period."?

2. Will the Government require NorthwesTel Inc. to comply with the price guidelines laid down by the Minister of Finance?

Hon. Francis Fox (Minister of Communications): 1. Yes, an application was filed by NorthwesTel Inc. on March 8, 1984. The rate increases requested are as stated in the question, with the following exceptions:

(b) (iii) PBX, charge for unlisted number, increase 5.8 per cent instead of 6 per cent.

(g) (iv) Private wire installation charges, average increase 11.26 per cent (under restructuring of tariff) instead of 10 per cent.

(h) Telex service, equipment rental rates up to 7 per cent instead of 10 per cent.

Yes, the Minister of Finance did make a statement on this subject in his budget speech on February 15, 1984.

2. When the CRTC decision regarding this application is issued, it will be reviewed within the context of the government's policy of limiting price increases for goods and services sold by the federal Government, Crown corporations, and federally regulated industries.

DPW—CARPETING OF HALLWAYS IN WEST BLOCK

Question No. 818—**Mr. Greenaway:**

1. Did the Department of Public Works contract for the laying of carpeting in the hallways of the West Block and, if so (a) for what reason (b) on whose authority (c) at what cost?

2. Was the contract put out to tender and (a) if not, for what reason (b) if so (i) when and how was the invitation to tender advertised (ii) what were the names of the successful and unsuccessful bidding firms (iii) what price did each bid quote?

3. Does the Department plan to contract for the carpeting of the hallways of any other buildings in the parliamentary precinct?

Hon. Roméo LeBlanc (Minister of Public Works): 1. (a) Public Works Canada contracted for the laying of carpet in the third and fourth floor hallways of the West Block at the request of the House of Commons administration. This installation was rendered as a tenant service paid from House of Commons funds. (b) Director of Logistics, House of Commons. (c) $22,100.

2. Invited tenders were called in accordance with the Government contracts regulations. (a) Not applicable. (b) (i) Contractors were invited to bid with names being taken from the Regional Contractors Index. (ii) and (iii) Carpet Fair Ltd., $22,100. (awarded contract); Armenia Rug, $22,881.73.

3. The House of Commons administration intends in the future to proceed with the installation of carpet on the second floor corridor and on the east corridor of the first floor of the West Block.

EXEMPT STAFF OF MINISTER OF STATE (SMALL BUSINESSES AND TOURISM)

Question No. 870—**Mr. Hnatyshyn:**

1. Are any exempt staff employed by the Ministry of State (Small Businesses and Tourism) and, if so, what are their (a) titles (b) positions (c) names (d) initial date of employment as exempt staff?

2. Do any of the staff mentioned in part I receive income, financial assistance or other benefits related to their employment from sources other than the ministerial budget and, if so (a) which members (b) what are the details of the income, financial assistance or other benefits?

Hon. David Smith (Minister of State (Small Businesses and Tourism)): 1. The Minister of State (Small Businesses and Tourism) currently employs eight exempt staff:

(a) and (b)	(c)	(d)
Executive Assistant	G. Wilson	19/09/83
Research Assistant	R. Weston	07/05/84
Special Assistant	H. Flanagan	15/08/83
Special Assistant	C. Gleeson	05/12/83
Special Assistant	P. Legris	02/04/84
Special Assistant	D. Pfahl	02/04/84
Special Assistant	P. Robson	15/08/83
Special Assistant	J. Innes	29/08/83

2. No.

[*English*]

Mr. Speaker: The questions as enumerated by the Hon. Parliamentary Secretary have been answered.

Order Paper Questions

QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 744 could be made an order for return, this return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that question No. 744 be deemed to have been made an order for return?

Some Hon. Members: Agreed.

[*Text*]

CANADA FILM DEVELOPMENT CORPORATION

Question No. 744—**Mr. Crombie:**

In (a) 1975 (b) 1976 (c) 1977 (d) 1978 (e) 1979 (f) 1980 (g) 1981 (h) 1982 (*i*) 1983 were any film production companies awarded grants or loans under the Canada Film Development Corporation Program and, if so, in each case, what was the (i) name of the company (ii) amount of the grant, loan or subsidy?

Return tabled.

[*English*]

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

Mr. Speaker: Shall the remaining questions be allowed to stand?

Mr. Forrestall: Mr. Speaker, notwithstanding the admonition of the Parliamentary Secretary in recent months in this Chamber with respect to the Government's attitude regarding starred questions, I rise once again and ask him why people living in the Maritimes, shipyards and entrepreneurs in the shipping community, cannot obtain an answer to question No. 699 which was placed on the Order Paper on February 22, 1984, some four or five months ago.

It simply asks for the number of ships, drilling rigs and other platforms described as vessels imported into Canada. It asks how many there have been, how much revenue has been collected and how much it has cost to police. It concerns questions which have been raised consistently in the House with respect to PIP grants and other legislation.

When will we get an answer to this question? Will the Government not concede and simply acknowledge that the practice in this Chamber for over 100 years now has been to respond expeditiously and swiftly to starred questions? Otherwise, there is very little point in having starred questions. The answers to written questions are printed. It is either a useful practice or it is not. The Parliamentary Secretary has consistently said that there is nothing about this in our Standing Orders; but my point of order is as much to appeal to you, Mr. Speaker, with respect to the precedent in the Chamber upon which we rely so frequently for the proper discharge of our duties. Would the Parliamentary Secretary simply indicate whether or not he has any intention of responding to that question during this Parliament?

Mr. Evans: Mr. Speaker, we will try to obtain an answer to that question as soon as possible. As the Hon. Member indicated in elaborating on his point of order, it is a complex question. The Government is moving as fast as it can to obtain an answer for the Hon. Member.

With regard to starred questions, that issue has been raised time and time again. I can only say that the Government tries to act expeditiously on all questions, not just starred questions.

Mr. McKinnon: Mr. Speaker, seeing that the Parliamentary Secretary is in such a good mood, would he be willing to advise me, in terms of the dozen or so times he has told me that he would inquire of the Department of National Defence about question No. 840, what kind of response he obtained? Is it that they are too incompetent to fulfil the requirements of the question? Is there some security reason, or is it simply that the Minister of National Defence has been misleading the country for years?

Mr. Evans: Mr. Speaker, as I indicated to the Hon. Member, we are trying to obtain an answer to that question for him. I know exactly what the question is and what information he is trying to obtain.

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I would ask that all notices of motions for the production of papers be allowed to stand.

Mr. Speaker: Shall all notices of motions for the production of papers stand?

Some Hon. Members: Agreed.

* * *

INDIAN SELF-GOVERNMENT ACT

MEASURE TO ESTABLISH

On the Order: Introduction of Bills:

June 22, 1984—The Minister of Indian Affairs and Northern Development—Bill intituled: "An Act relating to self-government for Indian Nations".

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Mr. Speaker, as I understand it, through an error the royal proclamation was sent by air to the Supreme Court rather than here. It is on its way. In view of that, would it be possible—and I understand unanimous consent might be forthcoming—to revert to Introduction of Bills to have the Bill relating to self-government for Indian nations introduced? I understand that it will be in Your Honour's hands momentarily.

Mr. Hnatyshyn: There is nothing we can do about it now.

Mr. Speaker: We do not have the royal recommendation. I believe the House might be disposed, as soon as it is received, to interrupt proceedings and perhaps give consent to the introduction of the Bill. In the circumstances the Chair's hands are tied.

Mr. Munro (Hamilton East): Mr. Speaker, I now understand there is a disposition to do it at the time it arrives, for which I thank House Leaders of the Opposition Parties.

GOVERNMENT ORDERS

[*English*]

CANADA LABOUR CODE

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-34, an Act to amend the Canada Labour Code and the Financial Administration Act, as reported (with amendments) from the Standing Committee on Labour, Manpower and Immigration.

Mr. Speaker: As Hon. Members are aware, there are five motions standing on the Notice Paper at report stage of Bill C-34, an Act to amend the Canada Labour Code and the Financial Administration Act.

I have examined these motions and have concluded that Motion No. 1, standing in the name of the Hon. Member for Churchill (Mr. Murphy), should be debated and voted on separately. Motions Nos. 2, 3 and 4, standing in the name of the Hon. Member for Fraser Valley West (Mr. Wenman), should be grouped for debate and voted as follows: (a) a vote on Motion No. 2 will also dispose of Motion No. 3; (b) Motion No. 4 will be voted on by itself; and (c) Motion No. 5 should be debated and voted on separately. Is that agreed?

Some Hon. Members: Agreed.

Mr. Speaker: I am putting the first motion for debate at this stage.

Mr. Rod Murphy (Churchill) moved:

That Bill C-34 be amended in Clause 6 by striking out line 16 at page 3 and substituting the following therefor:

"pleted three months of continuous service".

He said: Mr. Speaker, as Hon. Members are aware, the motion before the House would have the effect of saying that women or men who have three months of continuous employment with the same employer would be eligible for the maternity leave and child care provisions as set out in the Act. This would mean that women and their husbands could choose after three months whether or not they wished to take maternity

leave or child care leave. It would affect those women who come under the protection of the Canada Labour Code.

My motion, in effect, is the proposition which was introduced to the Minister when he tabled the Bill in the House in May. What has happened over the last week is that, in collusion with the Conservative Party, the Minister of Labour (Mr. Ouellet) backed down in committee from the promise he made to women across the country, to people who wanted the child care provisions to apply after three months. By moving to a six-month qualifying period many women, many parents throughout this land, will not qualify for the leave.

● (1520)

I will give an example of how this would operate. In committee we had representations from the Canadian Construction Association. They did not want the present law, which provides for maternity leave after 12 months' continuous employment, changed. In my questioning of the representatives of the Canadian Construction Association, they admitted that most of their tradespeople only had three or four months' employment with any one employer. What the provision which the Liberals and Conservatives agreed to in committee will do is this: Women who work in the construction trades will not qualify for maternity leave and neither parent will qualify for the child care provisions. In my amendment I am trying to re-establish what the Minister promised to women and parents across this land when he tabled this Bill. I am trying to undo the harm of the Liberal-Conservative coalition in committee which prevents many women and parents qualifying for this leave.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I wish to speak briefly to this amendment. We spent a week in committee where we heard many witnesses. The first witness we heard was the Minister of Labour (Mr. Ouellet). He assured us that the Bill represented his best judgment as to a compromise between the interests of labour and the interests of employers. At that point I asked whose responsibility it was to protect the interests of society. It is all right to have vested interest groups. I believe it is fair to say that labour is a vested interest group and that employers are a vested interest group. Surely it is the purpose and the place of the House of Commons of Canada and the parliamentarians who serve in this House on behalf of all the people in Canada to have the responsibility and the function of protecting the public good.

As the week unfolded, it became clear that the Bill was not a true compromise between the two vested interest groups. In fact, the Bill as presented to us was clearly a Bill which favoured the vested interests of organized labour. Parts of the Bill favour employees, wherever we find them, but large parts of the Bill dealt with conditions of work that are normally part of the collective bargaining process.

What the Minister of Labour was attempting to do was to take those and, through the legislative process, remove the possibility of collective bargaining. That is something we expect the New Democratic Party to support. I am sure they would support an amendment that said zero months, that there be absolutely no qualifying period; that for employees under the union banner, those that are captive of the union movement, there would be no qualifying period required. The individual employer would be responsible for the costs associated with it.

The only Party that faithfully attended all the hearings and attempted to serve the public well was the Conservative Party of Canada. We truly tried to find the best kind of labour legislation. You can have a piece of legislation dealing with the necessity for some period of continuous employment to be served before an employee acquires a right, in this case the right to 41 weeks of leave. There is one set of conditions which prevails when society pays the cost of that leave. There is a different set of conditions which prevails when the individual employer must pay the cost of that leave. That is one of the flaws in this piece of legislation, that the Government, the Liberal Party of Canada, in conjunction with the NDP, refused to change the Bill to remove the obligation of an individual employer to provide certain benefits that cost money.

Many witnesses before us testified that when you are going to cause individual employers to pay that money—

Mr. Munro (Hamilton East): Mr. Speaker, I rise on a point of order. I wonder if the Hon. Member would let me have a moment or two. With the indulgence of the Hon. Member, because of the time frame, I wonder if the Hon. Member would permit me to present a motion. There has already been unanimous consent indicated that we revert to motions so that we can have the introduction of the Bill providing for Indian self-government.

Mr. Siddon: Can you wait five minutes?

Mr. Munro (Hamilton East): Mr. Speaker, the Hon. Member might be agreeable to doing it now inasmuch as a press conference has been staged with respect to the Bill of which the Opposition Parties are aware and are going to participate. Inasmuch as there is unanimous consent to do so, I wonder if the Hon. Member would mind. It will only take a minute.

Mr. Hnatyshyn: Mr. Speaker, I was out of the Chamber when the Minister rose. I gather that he now has the royal recommendation.

Mr. Munro (Hamilton East): Quite so.

Mr. Hnatyshyn: Accordingly we are prepared to allow the Minister to proceed with the introduction of the Bill now that this deficiency in the procedure has been corrected.

Mr. Manly: Mr. Speaker, I wish to indicate that the NDP is very happy to give its agreement to the introduction of this Bill.

Mr. Deputy Speaker: Is it agreed?

Some Hon. Members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

INDIAN SELF-GOVERNMENT ACT

MEASURE TO ESTABLISH

Hon. John C. Munro (Minister of Indian Affairs and Northern Development) moved for leave to introduce Bill C-52 an Act relating to self-government for Indian Nations.

Mr. Deputy Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Deputy Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: The House will now revert to debate.

GOVERNMENT ORDERS

[*English*]

CANADA LABOUR CODE

MEASURE TO AMEND

The House resumed consideration of Bill C-34, an Act to amend the Canada Labour Code and the Financial Administration Act, as reported (with amendments) from the Standing Committee on Labour, Manpower and Immigration, and Motion No. 1 (Mr. Murphy).

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I am pleased to do that for the House. I am pleased that occasionally we do something unanimously.

The principle to which I was addressing myself was the principle of who pays. The Minister has brought forward a Bill which states that an employer will hire someone who subsequently becomes pregnant. That someone, or the spouse of that someone, is entitled to 41 weeks of leave and the employer is responsible for the benefit costs during that period.

If we are going to require in the laws of Canada that an individual employer pay the benefit costs for someone for a period approaching 41 weeks, the least we can expect is that that person provide some period of continuous service before being entitled to that leave. It was 12 months, 52 weeks. The Government proposed that it be cut to three months or approximately 13 weeks. The committee in its wisdom came to somewhere in between and moved it to a period of 26 or 27 weeks, in effect six months.

I suggest that probably we are still wrong in principle to require the individual employer to carry the cost of that leave. If that period of leave for child care is something that our society values, then I suggest that society in total, through general revenues, some kind of insurance or some other scheme, should pay the direct costs associated with that period of leave. However, the Government was unwilling to so provide.

• (1530)

The Government has supposedly had a change in leadership and a change in direction. It is still a government that is loading a specific cost on to a specific employer that is totally out of the control of that employer. That cost is in the hands of those who seek the leave and if such leave is deemed to be of benefit to society, then it is a cost which should be paid for by society rather than by the individual employer.

Surely, given the fact that the Government insists that the individual employer be responsible for that cost, it is at least reasonable for any employee who is to benefit from that provision to provide the employer with a period of continuous service that is longer than the normal probationary period which attaches to many forms of employment. That is why the committee was virtually unanimous in its decision to amend that provision of the Bill from three months to six months. I would encourage the House to accept the six-month provision. It is not a great provision, it is not a perfect provision, but given the individual responsibility, it is certainly better than the three-month provision.

[*Translation*]

Mr. Jean-Guy Dubois (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I wish to speak very briefly to the amendment to Clause 6, where it refers to Section 59.2 of the Canada Labour Code, proposed by the New Democratic Party. Originally, the Canada Labour Code, as the previous speaker just said, prescribed a period of twelve months, and when Bill C-34 was introduced, this was reduced to three months, more or less as proposed in the amendment by the New Democratic Party.

Very briefly, Mr. Speaker, the groups that testified before the Committee of Labour, Manpower and Immigration, especially those representing management and obviously those representing workers who are all very much in favour of the Bill. In all fairness to the employers, we cannot really say that they are against the Bill but they did use a term, and this term was used by Mr. Masters who is President of or represents a group called Fetco . . . employees who fall under federal jurisdiction and work for a Crown Corporation. He said quite simply to bring in a balanced bill. So, regarding the existing period of twelve months and the three-month period proposed in the Bill, we felt in Committee and also in the Government that to balance the situation and strike a bargain that would be fair to both workers and employers, a period of six months would be entirely reasonable.

I was very pleased to hear my hon. friend from the Progressive Conservative Party say that he wanted the period to be set at six months. I know that on their side, they supported the amendment I proposed on behalf of the Government, which meant that all employees with six months' continuous service shall be entitled to what we provide under Clause 59.2.

Since we were talking about more balanced legislation, in Committee all three Parties tried to deal equitably and fairly with the groups appearing before us. I know that the Progressive Conservative Party was very much in favour of the six-month amendment, and that the Government proposed the six-month amendment since it wanted to expedite this Bill.

As for the three-month proposal, I myself and other Government members believed that going from twelve months to three months was too great a step and that some kind of compromise was preferable. Of course such compromises are necessary whenever a Bill is considered in Committee by the various parties, and I believe that this time we were very successfull, considering both the time element and the number of witnesses that were heard. We were able to reach an agreement among the Parties so that the Bill could be reported back to the House without delay. Mr. Speaker, that is why, if we are talking about balanced legislation, I feel that we should vote against the amendment proposed by the New Democratic Party and that we should proceed with the Bill as amended. I think we should put the question on this Bill unless some of my hon. friends have further comments to make.

[*English*]

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, I will be prepared to have the question put in just a moment. Regarding this particular provision, I think the members of the New Democratic Party are saying that we did not have enough time to deal with this Bill. I believe it is a cry for help. We did not have time for a proper consideration of the Bill or to make better improvements to it.

During the discussion of this particular clause, I for example proposed that there might be some sort of a sliding scale of from three months up to 12 months, and perhaps even have extended benefits on one end or the other. Our real concern is for the formation of families. How does this provision affect mothers and fathers who are bringing children into the world and into their homes? We were concerned, for example, that the provision of 24 weeks and 24 weeks cannot run at the same time or that any part of those weeks cannot run at the same time.

This Bill should have accommodated the fact that a mother goes to the hospital, has a child, brings the child home and that is when she needs the help of the father or husband. Most people cannot afford to take two weeks, three weeks, a month or 41 weeks off work. However, they need that immediate time at home to help get the family started. That is the kind of concern for men, women and children that we were trying to have reflected by an amendment. I feel that if we had had more time, we could have in fact met the needs of individual families and the needs of the creation of families in a more considerable and appropriate manner.

If that is what is being expressed by the motion moved by the NDP, then I am in support of the idea of expressing concern for inadequate amendments that have been made by the Government. We then came up with a compromise and this compromise will have to stand until a Conservative Government can look at this matter in more detail.

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, I will be very brief. A few moments ago one of my Conservative colleagues suggested that the main beneficiaries of this legislation and particularly of this clause were organized workers in Canada. He somehow attempted to infer that members of the NDP, as Conservative members often charge, are in the pockets of organized labour. I would simply point out that the main beneficiaries of this provision in the Bill are the workers in Canada who are unorganized and do not have union protection. That is a fact. If anyone would care to study at least 50 per cent of the collective agreements in Canada, and particularly those for the industrial sector and perhaps even more for the public sector, he or she would find that these kinds of benefits are already in existence.

It should also be made very clear that we are not talking about paid maternity leave. We are talking about leave of absence for reasons of maternity. There is a vast world of difference between the two, particularly in terms of the cost. The original Bill that came before the committee contained a provision the same as that contained in this NDP amendment requiring that the employee must have completed three months of continuous service before becoming eligible for this maternity leave. On the initiative of, and after pressure by, Conservative members on that committee who requested that the provision be extended to six months' continuous service in order to qualify for unpaid leave of absence, the Government acceded to that Conservative pressure. What my NDP colleagues and I are attempting to do with this amendment is to restore this particular clause of the Bill to its original form so that after three months of continuous service, a period of time which I and I believe most Canadians would deem as being fair, employees may be entitled to unpaid leave for reasons of maternity and for child care where it is required following birth.

I think the amendment is fair and I think the concept is fair. We have been waiting a long, long time for it. Particularly, Canadians who do not have the benefit of being protected by a collective agreement and by the benefits of union representation have been long awaiting an opportunity to have fair treatment. Unpaid maternity leave is certainly the minimum they should be able to expect and demand of their elected representatives in this House.

• (1540)

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

Mr. Deputy Speaker: In my opinion, the nays have it.

Some Hon. Members: On division.

Mr. Deputy Speaker: I declare the motion defeated on division.

Motion No. 1 (Mr. Murphy) negatived.

Mr. Deputy Speaker: The House will now proceed to Motions Nos. 2, 3 and 4 which have been grouped for debate.

Mr. Robert Wenman (Fraser Valley West) moved:

Motion No. 2

That Bill C-34, be amended in Clause 20, by striking out line 21 at page 17 and substituting the following therefor:

"(*e*) co-operate, to the best of his ability, with any person exercis".

Motion No. 3

That Bill C-34, be amended in Clause 20, by striking out line 24 at page 17 and substituting the following therefor:

"(*f*) co-operate, to the best of his ability, with the safety and health".

Motion No. 4

That Bill C-34, be amended in Clause 20, by striking out line 39 at page 18 and substituting the following therefor:

"thing constitutes a danger to himself or herself or her unborn child or".

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I would like to take a few minutes to determine whether some of the arguments which were used in committee the other evening might be a little more persuasive in this Chamber today. Hon. Members will recall that the New Democratic Party, in the midst of the time constraints which the Government had placed on the House, chose to keep the Chamber sitting until 5.05 a.m. in the morning for voting purposes. Members will also recall that at 9.30 a.m. that same morning, the committee commenced its hearings once again. That same day we discussed this Bill clause by clause and finished at approximately 1.30 a.m. in the morning.

Members were tired when we reached the proceedings which dealt with possible amendments. It seems to me that the committee did not act with the kind of wisdom which the Chamber has come to expect from committees. Perhaps the Minister, with a good night's sleep under his belt, may have had some occasion to reflect on the instructions which he gave to his voting troops who appeared. They had not heard the witnesses, but as is customary in this Chamber they came to vote.

The Speaker has grouped these three motions for debate and has indicated that there will be two votes in order to dispose of the three amendments. Motion No. 2 and Motion No. 3 have been grouped together.

The most positive feature—and it is a very, very desirable feature—of this piece of legislation is the degree to which it extends the principles which are important to the preservation of health and safety in the workplace. Human life and health are important to all of us. This Bill is an important step foward in the preservation of human life and health in the workplace. The basic principle of that extension is that today we are legislating workers' rights. We are extending to individual workers, to workers collectively and to health and safety committees, certain rights. In Motion No. 2 and Motion No. 3, the Hon. Member for Fraser Valley West (Mr. Wenman) is proposing the logical extension of that mentality. He is proposing that a right should be accompanied by a responsibility. A right which is not accompanied by a responsibility is not as much of a right as it could be or as it should be.

The amendment reads:

(e) co-operate to the best of his ability, with any person exercising—

That indicates that any individual in the workplace has the responsibility to try to the best of his ability to co-operate with worker health and safety committees. The amendment indicates that individuals have a responsibility to their fellow employees and to the public to try to the best of their ability to co-operate and to put into practice good health and safety measures. There could be the best rules in the world, there could be 20 people in the workplace, and there could be the best health and safety committee, yet if one of those 20 workers refused to co-operate with the health and safety committee, what is the purpose of it?

Those of us who have children have said to them: "Do not touch the stove when it is on. Do not touch the burner. Do not grab the kettle when it is full of boiling water". That is a good safety precaution. However, if the children do not obey those instructions and go ahead and touch the stove or grab the kettle, they will get hurt. Quite often a child might not hurt himself, but the child will hurt his baby brother, baby sister, or best friend with that kettle of boiling water.

• (1550)

That is the little chunk of logic, Mr. Speaker, that is missing in this Bill which the Hon. Member for Fraser Valley West (Mr. Wenman) spotted. He asks Hon. Members of this Chamber to approve just the simple piece of logic that a right is stronger and more effective when it is accompanied by a responsibility, in this case, the responsibility to co-operate with health and safety committees and officers. Surely, Mr. Speaker, that is not too much to ask of the Government. That is what Motion No. 2 and Motion No. 3 which we will dispose of with one vote are asking for. I urge Hon. Members of this Chamber to vote yes in order that we can deal with it in a positive way and enshrine it in this legislation.

I really do not know why the Speaker has grouped Motion No. 4 with Motions Nos. 2 and 3 because Motion No. 4 is a very different principle. We are enshrining, Mr. Speaker, in this legislation the rights of individual workers in several ways, the most important of which is the right to refuse to carry out a task which would endanger that worker's life or health. Motion No. 4, Mr. Speaker, extends that right to the unborn child.

If the Minister is going to vote against Motion No. 4, I wish he would stand in this House and tell us why. In committee, Mr. Speaker, he would not tell us why. He would not speak to it at all. He just shook his head no, and members voted against it. Surely, if Hon. Members of this Chamber are willing to give adults certain rights to protect their own health and safety in the workplace, they should also give the right to those same adults to protect the life, health and safety of the unborn child. Who else will act for the unborn child?

It is a tiny amendment, Mr. Speaker, with significant repercussions. Motion No. 4 simply extends the right which we afford to adults, who are capable of taking care of themselves, to the unborn child, who is not capable of taking care of himself or herself. If Government Members do not want that right for the unborn child, surely one of them at least will have the courage to stand in this Chamber and tell us why he or she believes that the unborn child does not deserve that kind of protection.

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, the Conservative amendments under Motions Nos. 2 and 3, while they appear to have no great substance or purpose other than to allow a discussion on these particular clauses in a general way during debate of this Labour Code Bill, cause me some concern. To most people these amendments would sound reasonable, if they were not acquainted with the reality of the workplace. I quote Clause 83(1) (e) of the legislation with respect to Motion No 2:

While at work, every employee shall (e) co-operate with any person exercising a duty imposed by this Part or any regulations made thereunder;—

And with respect to Motion No. 3, Clause 83(1)(f) reads:

While at work, every employee shall (f) co-operate, with the safety and health committee established for the workplace—

The amendment in motion No. 2 reads:

(e) co-operate to the best of his ability, with any person excercising—

The amendment in motion No. 3 reads:

(f) co-operate, to the best of his ability, with the safety and health—

Those amendments sound very reasonable and justified on the surface. However, putting this wording in may have an impact of a nature which causes me some concern. It may force employees to take an unrealistic degree of responsibility for enforcing safety, whereas under every provincial workers' compensation act and regulations, the prime responsibility for enforcing safety properly rests on management because it alone has the right to direct the workforce.

I do agree that an employee has a heavy responsibility for protecting his own life and the life of his fellow employees. However, the prime responsibility must rest upon those who have the power of management. These amendments would tend to force employees rather than management to take the prime responsibility in enforcing safety, to a far greater degree than it is reasonable to expect them to do without placing their jobs in jeopardy. That is the key point.

I would like to give a couple of illustrations. As chairman of an industrial union safety committee and as secretary of a joint management-labour industrial safety committee in my own place of work, Kootenay Forest Products, now Westar, in Nelson, British Columbia, I had to risk my own job a number of times in order to enforce the laws of that province. I had to do so in defiance of warnings and instructions from my employer. While some of us may be a little more gutsy on occasion, I feel it is a little much to expect an average employee to put his job on the line in order to enforce the laws of the workplace, the contract, the province or the country. Most people will just not do that.

I will give an example of a situation under provincial jurisdiction, but it could happen in some industries under federal jurisdiction. It is contrary to the Workers' Compensation Act and regulations in the Province of British Columbia to walk across a moving conveyor or a moving chain. However, in order to keep production moving, workers do that because, contrary to some mythology, the basic purpose of most employees is to put in a good day's work for a good day's pay. Most employees are very conscientious, so conscientious in fact that they sometimes put their lives at risk. The law is very clear in British Columbia. You do not cross a moving conveyor or a moving green chain, but in order to clear up plug-ups, workers are always following the example of their supervisors and jumping up while the machinery is moving to try to straighten out a jam. They take the chance of injury and sometimes the chance of being killed just to keep the production line moving.

On a number of occasions when I saw a worker going beyond what I thought was reasonable—and I was not rigid on that; there has to be some flexibility because our main job is to keep the production flow going—I would simply shut down the machinery and stop the mill. I did that because I could see that some workers were getting too careless and doing that sort of thing too often without forethought. I was threatened with discipline many times but I was prepared, if necessary, to go before the compensation board, take it to the press and to the public in order to draw attention to the lax enforcement of the safety and health laws of that province. Not every employee is willing to do that.

In other cases, my colleague, who used to rotate with me sometimes between being union plant chairman and chairman of the safety committee, has physically picked up employees by the scruff of the neck and threatened them for doing acts which endangered their fellow workers. He was placing himself in jeopardy in order to co-operate to the best of his ability with the decisions of a safety committee and safety management and the laws of the province. He had physically to threaten people, which is a possible Criminal Code violation, in

order to stop some of his fellow workers from threatening the lives of their fellow workers by acting carelessly in order to keep production flowing. These amendments may be with the best of intentions, but that is often the problem.

● (1600)

We have an assembly here which is composed largely of people who do not understand the realities of the real world in heavy, blue collar industry. If you have never done anything more dangerous than stabbing your finger with the end of a paper-clip, you cannot understand the values of and the way things work in the real industrial world. For that reason I think the dual amendment, while I believe it is made in good faith, is a mistake and would compound the problems of safety and health enforcement rather than help alleviate them.

Hon. James A. McGrath (St. John's East): Mr. Speaker, I find it difficult to understand how Motion No. 4 can be grouped with Motions Nos. 2 and 3. Presumably it is for procedural purposes and we will be voting on them separately in any case. I intend to confine myself to Motion No. 4.

This is an important piece of legislation and we have to be careful that we do not rush it through the House. I did not participate in the committee phase of the Bill, but my colleagues did and I believe had sufficient time to focus attention on a number of serious ways in which this Bill is flawed. One of those flaws is addressed in Motion No. 4.

During my examination of the evidence presented to the committee by the National Action Committee on the Status of Women, I was struck by their brief. The chairperson of their employment committee recommended that Clause 85(1)(a) of the legislation be amended to protect not only the woman operating a video display terminal, but her unborn child.

Before I get into arguments supporting that position, we would do well to remember that VDTs are becoming more and more a part of the workplace, particularly the office workplace. We know from statistics that 80 per cent of workers in the service sector are women. If you narrow that down still further to clerical occupations, the percentage is probably higher. All you have to do is go into any bank in this country to see a dramatic exemplification of that fact. We also know that the service sector will probably be the one most affected in the short term by technological change. We now have the introduction of microchip technology in the office workplace through the use of word processors and various other kinds of computerized equipment which, of course, carry with them video display terminals.

What we do not know is just exactly what is emanating from these VDTs. There is a grey area here that science has yet to identify. There is some evidence to indicate that it does constitute a health hazard both to a woman and to the woman carrying a child. Surely, then, the benefit of the doubt should be given and that situation addressed. The amendment proposed by the NAC seeks to correct that situation, and I quote the chairperson of the NAC:

> We would ask that you include a paragraph which would read: Every employer shall, in respect of every workplace controlled by him, provide a 15-minute break to each employee who has completed one hour of work in front of a video display terminal.

She goes on:

> The employer shall provide annual eye examinations by an ophthalmologist chosen by the employee for employees who work on video display terminals and the employer shall pay to the employee the equivalent wage that he would have paid had the employee remained on the job for the period of time spent undergoing the examination.

That deals with the impact of VDTs on the eyes, but what concerns me here is the impact of this relatively new source of radiation on the unborn child. We are not dealing with something new or breaking new ground because it was addressed by the task force commissioned by the Department of Labour. One of the recommendations of that task force was that employers accept the following guidelines concerning VDTs. First, that pregnant women have the right to be reassigned to other positions without loss of pay, seniority and benefits. That is pretty straightforward. They were impressed enough by the arguments they had encountered during the course of their investigation to come to that conclusion. To quote from page 53 of the task force's report, which goes back to March, 1982:

> —the National Action Committee on the Status of Women brief reminded us that standards of what is "safe" can change, as was the case with asbestos. The argument goes that perhaps old VDTs or inadequately maintained VDTs emit more radiation. Or perhaps some sort of synergism occurs in a worksite comprised of several VDTs that could amount to a hazard?
>
> The following excerpts from the many briefs we received show the quandary we found ourselves in. For instance, the Canadian Air Line Employees' Association stated that at Dorval Airport in February, 1981, seven out of thirteen pregnant VDT operators miscarried. The Hospital Employees' Union, Local 180, British Columbia, told us that out of six pregnant VDT operators, two miscarried and of the four babies carried full term, only one was born normal. The B.C. Federation of Labour reminded that four out of seven pregnant VDT operators in the classified ad department of *The Toronto Star* gave birth to babies with congenital defects.

That seems to me to be sufficient evidence to give the benefit of the doubt to the protection of the woman carrying an unborn child who is exposed to a VDT.

It seems strange, indeed a bit of a paradox, that this amendment would be moved by the National Action Committee on the Status of Women. One of the things that group is well known for is its position on the abortion question. But here they join the argument and have put forward the case for the protection of the unborn child, which I think is rather interesting. It reminds me of the fact that medicine is treating the unborn child as a patient in its own right. Indeed, medical science permits doctors not only to treat the unborn child as a separate patient, distinct from its mother, but in certain instances to perform surgical procedures on the unborn child by removing it from the womb without severing the umbilical cord and, upon completion of the surgical procedures, putting the child back in the mother's womb. Usually that stage of the pregnancy is completed. Medical science recognizes the importance of the protection of the unborn child and the right of the unborn child in terms of medical practice. The law is coming around to that recognition as well.

• (1610)

Surely the onus is on us to correct what I consider to be a very serious flaw in this Bill. We must ensure that women are protected from the emissions of VDTs and that pregnant women know that the child they are carrying in the workplace receives this protection also. I believe the problem was addressed quite adequately by the National Action Committee on the Status of Women and is summed up in the amendment put forward by my colleague which I commend to the House.

Mr. Deputy Speaker: The Chair is prepared to recognize the Hon. Member for Fraser Valley West (Mr. Wenman). I doubt that there would be any opposition to his speaking at this time. Nevertheless, I must inquire, since he is the mover of the motion, whether there is unanimous consent to allow the Hon. Member to speak at this time. Agreed?

Some Hon. Members: Agreed.

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, through all of these amendments we are trying to send out a signal that the Conservative Party cares about people. We are serious about public health and safety. We are concerned about public health and safety as it relates to new technology. That is not just the technology of a video display terminal. It could relate to other technologies still unspoken of today and still to be found. That is why it is expressed by the word "thing" in the amendment. If these technological developments may bring damage or threat to the mother, who is the worker in this case, or to the unborn child, we should demonstrate care and concern. If we are wrong in this legislation, all we will do is err on the side of caution.

Doctors tell secretaries who are working before video display terminals to be careful. They say that although there may be no proof yet, they should try to stay away from those display terminals because the unborn child may be affected. We want to provide protection and give that kind of insurance.

In these amendments we are setting a tone which recognizes the health and safety of people. People are the basis of our workforce and our whole productivity. They are significant and important. By passing these amendments we indicate those kinds of things. It will be very regrettable if the Government does not accept those motions and the intent of the motions.

Mr. Rod Murphy (Churchill): Mr. Speaker, my colleague from Kootenay West (Mr. Kristiansen) spoke on Motion Nos. 2 and 3. I would like to speak on Motion No. 4 with respect to the rights of female workers. The amendment basically says that she would be able to refuse work if she had reasonable cause to believe that the operation of the machine or the "thing" constituted a danger to her unborn child.

If we do not have this provision in the Bill we run the risk that arbitration in the future will decide that a woman does not have the right to refuse dangerous work if it does not affect her health but only affects the health of her unborn child. I would prefer that we specifically mention the right of a woman to refuse dangerous work or the operation of a potentially dangerous machine if she has reasonable cause to believe that it could hurt her unborn child.

I believe that if the Minister had spent more time considering this very important amendment he would agree to it. One of the previous speakers mentioned the history of VDTs. Some people on the other side may say that there is no evidence that VDTs do harm. On the other hand, if a woman believes that it is a dangerous situation which is going to be harmful to her unborn child, she should have the right to refuse that work. The same thing can apply in many areas.

I find it ironic that in the past employers have refused to allow women to do certain jobs because they believed it would be harmful to the unborn child. We have allowed that in many situations. An employer can tell a woman that she cannot work on a particular job because it would be dangerous to her unborn child. We should certainly give the mother that same right. I believe all of us in the House can agree to that. I would like to hear a reply from the Minister on this issue.

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, I should like to comment briefly on the three amendments.

First, amendment No. 2 and amendment No. 3 which have been grouped for the vote, and then amendment No. 4 which has also been grouped with amendments Nos. 2 and 3 for debate, but which will be voted on separately.

My comments concerning amendment No. 2 and amendment No. 3 are very simple. Indeed, I made those comments when the committee was considering the Bill and I pointed out to my Progressive Conservative colleagues that the amendment they were proposing was redundant in the sense that we already have the expression "due diligence", in Clause 83(1)(*e*) of the Bill, which is found in Clause 105(5)(*b*) and, therefore that is was not necessary to have an additional amendment which is nothing more than a repetition of what is already proposed in Clause 83.

I gave the same explanations to the committee, Mr. Speaker, and I should think that there is no need at this stage to repeat in the act what is already in Clause 105.

As to the proposed amendment motion No. 4 which would allow an employee to refuse to work if there is a danger not only to himself or herself and her unborn child, that is indeed a very important question. The Government wants to protect not only the mother and her unborn child but all employees under the Canada Labour Code. The series a of amendments we have proposed to Part IV of the Canada Labour Code, which include a number of important amendments to provide better protection for men and women at their work place, have been the subject of extensive consultations between union representatives and employer groups.

There was no specific recommendation concerning this question submitted by the representatives of either the unions or

management. To accept at the very last moment this amendment without any proper consultation with the representatives of management and the unions would not be well received in my opinion. I cannot, at the very last minute, accept such an amendment which could change substantially the rules of the game and create a very important exception to our Labour Code as it was not discussed as thoroughly as it should have been with the representatives of the unions and the employers.

Mr. Speaker, I believe that the objectives which the representatives of the Progressive Conservative Party wanted to achieve in moving this amendment will certainly be acknowledged. There is no doubt that, during the discussions which will take place between the representatives on the committees . . . In passing, Mr. Speaker, I want to emphasize that the amendment we are proposing to Part IV of the Code provides for the setting up of committees in the workplace including representatives of both employees and employers to deal with all matters related to work safety. I am convinced that the setting up of these committees under the Act will protect not only mothers, but also unborn children, and that appropriate action will be taken to protect adequately Canadian women in the labour force.

● (1620)

[*English*]

Mr. Hawkes: Mr. Speaker, I rise on a point of order. Would the Minister entertain a brief question which might be helpful?

[*Translation*]

Mr. Deputy Speaker: Is the Minister willing to answer a question?

Mr. Ouellet: Yes, Mr. Speaker.

[*English*]

Mr. Hawkes: The Minister encountered Motion No. 4 in committee last Thursday evening. It is six days later. Did the Minister attempt to consult with employers and labour in the intervening six days? Has there been a solid attempt to consult to see whether or not this amendment was acceptable?

[*Translation*]

Mr. Ouellet: Mr. Speaker, for weeks on end all kinds of consultations were held not only by myself but by senior department officials. It has not been felt at this point that the matter should be included in amendments to the Labour Code. I am not saying that eventually, labour market developments will not lead to other amendments along the lines proposed by my hon. friend. But at this point, I contend that such an amendment would be premature, considering there has not been adequate consultation, especially since information on VDTs is not complete, and the studies which were made are not conclusive.

[*English*]

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Before putting the question on Motions Nos. 2, 3 and 4, I should remind Hon. Members that a vote on Motion No. 2 will dispose of Motion No. 3. Motion No. 4 will be voted on separately.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

Some Hon. Members: On division.

Mr. Deputy Speaker: I declare the motion lost on division. Therefore, this also disposes of Motion No. 3.

Motions Nos. 2 and 3 (Mr. Wenman) negatived.

Mr. Deputy Speaker: The question now is on Motion No. 4. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

Some Hon. Members: On division.

Mr. Deputy Speaker: I declare the motion lost on division.

Motion No. 4 (Mr. Wenman) negatived.

Mr. Robert Wenman (Fraser Valley West) moved:

Motion No. 5

That Bill C-34, be amended in Clause 29, by adding immediately after line 15 at page 48, the following:

"(*c*) the rationale for the change"

He said: Mr. Speaker, again this is a tonal amendment. It is meant to add a tone of civility to the Labour Code regarding how employers and employees will hopefully react to one another with respect to technological change. The amendment adds the word "rationale". In other words, it asks that reasons

be given for the introduction of new technology. We would hope that by bringing those reasons forward technological change could be brought on line in a manner that is co-operative, as opposed to the confrontationalism which presently seems to be the tone of labour-management relations in Canada.

The purpose of this legislation is to instil a new attitude in our concern for women, unborn children and other such concerns. That is why we have added the word "rationale". It is only reasonable that if an employer is going to make changes that could affect the workplace he should explain the reasons for those changes to the employees before the rumours begin.

It is a very concrete motion. I am confident that the Government will accept this motion, in keeping with the spirit in which it is proposed.

Mr. Rod Murphy (Churchill): Mr. Speaker, I would also like to speak in favour of the amendment. It is a particularly minor amendment which I do not believe the Government should have any trouble accepting. I suggest that the very fact that the Conservative Party can propose an amendment which will be an imposition on the employer would indicate that it would be acceptable to most employers across the nation.

If technological change is going to be introduced, as it would come under the auspices of this Bill, certainly employees have a right to know the reasons for implementing those changes which will cost people jobs or affect their job opportunities in the future. If we could hear from the Minister, perhaps he would accept this amendment. I believe it would help the relationship within the workplace.

[*Translation*]

Mr. Ouellet: Mr. Speaker, I heard the representations of the two Hon. Members who spoke before me, and I feel this amendment has *prima facie* merits. I do not think it is improper to ask an employer to tell his employees the reasons for the change when he is attempting to make major technological changes.

Therefore, I am ready to accept the amendment on behalf of the government.

• (1630)

[*English*]

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I am pleased to hear that all three Parties are supporting this amendment. Most Members of this Chamber know that along with Senator Nurgitz I worked for several months this winter developing a report on the issue of technological displacement and manpower training and retraining. I felt disappointment in the Bill concerning the clauses affecting technological change in view of the calibre of the evidence we had before the committee on the issue.

One of the conclusions from those months of investigation about new technology in Canada is that we are more like a Third World nation than a modern nation when it comes to our willingness and commitment to adopt new technologies which would put us back into a competitive position in world terms. Our failure to adopt new technologies is one of the primary reasons that our economy is in trouble, that our dollar has dropped so dramatically, why our interest rates are so high, why we have two million unemployed people and why Canada has slipped from having the second to having the thirteenth highest standard of living in the world. We do not have the attitudes, the systems, the tax policies and the people necessary to take this country into what I might think of as the 20th century, but certainly the 21st century. It is a crisis that we are facing, Mr. Speaker.

I am pleased this amendment has been accepted by all three Parties. I think it has been sufficiently explained. All it really does is provide that an employer who is introducing a new technology will share with those employees who will be affected by it the reasons for the change.

The biggest problem we are facing when it comes to the introduction of technology is the knowledge problem. We do not have enough Canadians at the management level or at the employee level who know, understand and have a feeling for the new technologies. That was clear from the responses we got to the questions we asked in committee. The most disappointing group of all, in my opinion, was the group representing the Canadian Labour Congress. I think those people had a contribution to make. The sense of panic which their leadership felt about the possibility of the whole Bill failing made them say to us: "We will not help you. We will not testify and we will not put on the public record our best ideas as to how to make this piece of legislation better". They said: "Hold your nose and pass it because we are panic-stricken". I think the Congress sold their members short, this Parliament short, and the Canadian people short with that kind of attitude. Certainly in this area of technological change, the Canadian Labour Congress has put some resources into it, it has some understanding of it, some clear-cut ideas of what needs to be done, and the nation would have been better served if the Congress had put those thoughts on the public record so we could have had better consideration in committee.

I am pleased at this small step we are taking. I wish we could have taken a larger step.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: The question is on Motion No. 5. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: I declare the motion carried.

Motion No. 5 (Mr. Wenman) agreed to.

Mr. Ouellet moved that the Bill be concurred in.

Motion agreed to.

Mr. Ouellet moved that the Bill be read the third time and do pass.

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, in rising to debate Bill C-34 at third reading, I must raise some points that I have repeated time and time again in committee. The Government has not allowed adequate time for proper study and representation, nor has it allowed enough time for input. The nature of the amendments which have been received indicates the Bill was inadequately drafted, not completely thought out, and that not enough time and consideration was given to consultation by all three Parties.

When the Minister first came to the House he talked about consultation. I accepted that the Minister and his Department had consulted widely and recently had made his intentions known as to the nature of the legislation, and that he had somehow received general approval. We can see by the Minister's own admission today that new technology, video display terminals for example, simple technology that has been with us not since yesterday but for many years, was a subject that was not really talked about and that there were not really any consultations.

Why was that? Certainly there is concern raised throughout the community about video display terminals. Is it because the Government says that first you have to harm women who are pregnant, that you have to have damage done to unborn children, and then when we can prove children have been damaged and a mother has suffered serious harm, we will consider legislation? Why not consider some legislation in advance? Why not make this an important part of the study? Why was this subject not introduced into the committee, allowing the committee to bring forward a study or to raise awareness in the community about it?

The Minister said he had been consulting for four years. We heard from witnesses that the Minister has not consulted with them for months, even years. We heard from major groups who are affected by this legislation. This makes one wonder about consultation. This point was brought out time and time again in committee. Areas that were not dealt with were pointed out and these included areas of technology, health and safety and issues of concern to women generally.

We are concerned that we did not have sufficient time in committee because the Bill was not introduced sooner, although we did spend hour upon hour upon hour in committee. The House should be aware that, in spite of the late presentation of this Bill, members of this committee worked long and hard. They heard brief after brief after brief. We started hearings early in the morning. We could have started earlier. We wanted to start two weeks ago, but unfortunately we could not because the Government had not introduced the Bill into the House. We could have started then, but even when we started we agreed to start at 9.30 a.m. and kept going every night to almost midnight in most cases. We came to the House of Commons. We sat until six o'clock in the morning, after which time we went home and changed our clothes. We were back at 9.30 a.m. to start the committee hearing again. From 9.30 a.m. until 9.30 p.m. we heard presentations before the committee. We were still sitting at midnight. We were still sitting at one o'clock or two o'clock in the morning, at which point we adjourned.

• (1640)

We did not have time to read the briefs but just had the briefs presented to us. The presenters did not have time to read them to the committee. As committee members we did not have time even to read the briefs. We were listening and we were busy throughout that time. It was an insult to those who spent even a limited time preparing their representations. They complained that they had only two or three days in which to prepare. To their credit, many of them did a fine job. It was an insult to them that the committee did not have the time to hear them fully or to explore their avenues of concern. It is anti-democratic. It is wrong to do this in a democratic society. It is an abuse of our freedom. It is an abuse of our responsibility. I am disappointed to have been forced to participate in it in that manner.

Most of the shortcomings of the Bill as presented could have been corrected with further consultation, even at committee level. If it had been tabled earlier in the session, it could have been discussed for a more extensive period of time with the parties affected, who would understand its implications. It could have been discussed with Members of Parliament. The Government could have allowed us to have an appropriate amount of time in which to prepare the required research, research which should be at the level of debate and discussion of Members of Parliament. However, because of shortage of time the treatment has been only half a loaf.

Of course, those who were mostly left out tended to be those in employers' groups, the people most directly affected. As I stand here today, I am receiving new telegrams from groups across Canada that only found out this week, having read about it in the newspapers, what was happening. They are writing or telegraphing us saying "Just a minute", yet we in our political expediency are forced to rush the Bill through the House.

When announcing the legislation, the Minister set the whole tone of pressure, hurry and lack of caring. In fact, that is what it represented as far as I could see. Even in the press conference which we attended the Minister referred to extended compulsion. In the committee hearings another Minister used the following words: "We will force them". Where is the necessary element of consultation, co-operation and civility in this attitude of force and confrontation?

The Canadian Bankers' Association, not a great favourite of mine, testified before the committee. They said that to say there has been consultation is a little misleading. The Canadian Federation of Independent Business called the exercise a charade and refused to appear before the committee because it had not been consulted.

The Government and the New Democratic Party did not want the Bill to go to committee. My colleague indicated that he was surprised and disappointed in that the New Democratic Party did not want full consultation. When in fact the Progressive Conservative Party insisted upon hearing the Canadian

Labour Congress, business groups and interested parties such as academics, religious groups, women's groups and individuals, they said that it would delay the Bill. They indicated that the Bill would not be as good and that something would happen to it. But we insisted upon the hearings. We insisted upon a democratic process. We indicated that in fact we could meet those provisions, bring the Bill before the House and in fact improve it.

We have improved the Bill. If this Bill is not an improved one, I do not know why all Parties in the House passed unanimous motions supporting changes. Why are amendments being put forward by the New Democratic Party? It has been demonstrated that because the Conservative Party insisted upon full democratic hearing, we had full democratic hearings. We worked very hard, the Hon. Member for Calgary West (Mr. Hawkes) and others. In fact, I want to put on the record that the Conservative Party was the party of workers on this Bill. At all times in the committee hearings we had a full complement of members. We were entitled to three members and we had three there. In many cases we had four or five there. That cannot be said by either the Government or the NDP.

Mr. Deans: We are not entitled to that many.

Mr. Wenman: No, but they are entitled to have one member there. I am sorry to tell the Hon. Member that there were occasions when they did not even have one there. Also I am sorry to tell him that that happened in the labour debate in the House of Commons. It was the only labour debate to have been held in the House of Commons during this Parliament. It was held on a motion of the Conservative Party. During that one brief afternoon there were many occasions when there was not even one New Democratic Party member in the House of Commons.

Mr. Deans: You did not know what you were talking about.

Mr. Wenman: If we did not know what we were talking about, why did the Hon. Member not rise and say something? He did not rise and say a thing. His Party sat there quietly throughout that debate. We were concerned about this legislation at that time. We tried to get second reading on the floor of the House of Commons. The Government would not bring it forward. Therefore we took one of our Opposition days and brought it forward. We expressed our concern that the Bill was not adequate to meet the concerns of women in the workplace and that it was not adequate to meet the concerns of health and safety. That was our motion. That was the only one debated. The level of participation on the part of the Government and in particular the New Democratic Party in the corner over here was disappointing.

Mr. Deans: Not a soul in the world would believe that.

Mr. Wenman: I hear the Hon. Member. If that is so, I would ask the House Leader to obtain the minutes of the committee meetings. He could simply look at the recording of who was present. The world will have to believe it because it is recorded and it is true. In fact, I have the record somewhere right here. If the Hon. Member does not know how to read through it, I could give him the specific pages and dates. I have them right here. They indicate who was present and who was not present. I am disappointed to say that it is demonstrated by the record that on occasion the New Democratic Party did not even have one representative there to hear the points of view of the groups appearing before the committee. It is too bad, it is a tragedy, but that is the way it is. In fact he will notice in every copy of the minutes that Conservative Members were present. Usually it was a full or better than full complement.

It is partisanship to express that kind of disappointment in the New Democratic Party and, of course, in the Liberal Party, as I have enunciated again and again, over the whole process it has placed upon the Bill. However, there was a very worth-while moment in committee. That moment was when a Conservative motion was put forward which received unanimous consent. The NDP supported the Conservative motion. The Liberal Party supported the Conservative motion. It was a motion of substance and great principle. In fact, it probably discussed one of the greatest principles in the House of Commons. Of course, I am referring to the amendment to the Rand formula for conscientious objectors—the right of individuals in this great society to dissent or to opt out, the very basis of freedom.

Our Leader, the Hon. Member for Central Nova (Mr. Mulroney), spoke about another minority issue in the House of Commons on October 6, 1983. He spoke about the generosity of the spirit typical of Canadian society and said:

● (1650)

> Our respect for the rule of law, our unparalleled record in civil liberties, our sense of tolerance, our respect for neighbour and his property have combined to make Canada an admired nation of the world. . . . The issue before us today is one of simple justice . . . the sanctity of minority rights. There is no obligation more compelling and no duty more irresistible in Canada than to ensure that our minorities, linguistic and otherwise, live at all times in conditions of fairness and justice. . . . Mr. Justice Hand referred to it as the "spirit of liberty." He told the group of immigrants that the spirit of liberty is the spirit that is not too sure that it is right. The spirit of liberty seeks to understand the minds of other men and women. The spirit of liberty weights their interest alongside its own without bias. The spirit of liberty knows that not even a sparrow falls to earth unheeded. The spirit of liberty, he said, is the spirit of Him, who near 2,000 years ago taught mankind a lesson that it has never quite learned and never quite forgotten, that there may be a kingdom where the least shall be heard and considered side by side with the greatest.

If I had my choice on this particular part of the amendment, it is that the legislation would have gone much further than the amendment that has been proposed. If I had my personal choice, intellectual conscience would also have been recognized as well as religious conscience. Intellectual conscience is the trinity of body, mind and soul. There are equal and valid reasons for an exemption on the basis of intellectual conscience as there are for religious conscience.

I do, however, realize the great implications if in fact we had gone that far. I realize the great debate it would have caused in the House of Commons, again delaying this legislation. But what a shame that somehow in this House of

Commons I so seldom hear debate about freedom, about the rights of individuals, about individual choice, about ultimate democracy, about intellectual choice, the value of intellectualism. These lofty debates do not occur enough here. Sometimes we touch these debates just a little bit with an amendment. This is such an amendment. It is worthy of support of all members of a democratic House of Commons such as this.

I am disappointed that the Government did not include it in the Bill. Again, it must have been their hurry. I would be interested to hear the Minister clarify that somehow he is accepting an amendment, certain parts of which he did not like. That really surprised me about this Minister. I hope in this debate the Minister will clarify why he did not support religious conscience or why he did not put this in the Bill in the beginning, and why he reluctantly gave his consent as he did. I have reviewed the transcripts. I am going to give him the benefit of the doubt before I carry on further about what he said, but I was very disappointed and surprised that a democrat such as he would have had the reservations that he had regarding this legislation.

In this particular amendment the tenets of faith of the major fundamentalist group who advocated this exemption are in fact the very foundation and value structure upon which this nation of Canada is built. In fact, not just Canada but all western nations have been built and maintained upon the basic tenet, the basic value of religious freedom, freedom of conscience. This faith has carried forth the whole basic value concept of our society, our concept of democracy and the very foundation of our lives and our belief structures.

It is essential that it be recognized that this amendment in fact did, as I said, cross Party lines. It does more than cross Party lines. This amendment is not new in the House of Commons; it has been brought in by political Parties of all persuasions across the country.

I was particularly pleased with the motion. I chose to introduce the motion of the Seventh Day Adventists, which I particularly liked because of the way it sprang from their conviction, and I liked the positive way they presented it to us. In the end, in discussion we felt that because it had been tested in the courts, we would move to another great Conservative jurisdiction and seek the advice of the Government of Ontario. We chose the amendment basically of the Government of Ontario. This is the amendment that was accepted. It states:

> Where the Board is satisfied that an employee, because of his religious conviction or beliefs, objects to joining a trade union, or to the paying of regular union dues to a trade union, the Board may order that the provision in a collective agreement
>
> (a) requiring, as a condition of employment, membership in a trade union, or
>
> (b) requiring the payment of regular union dues to a trade union,
>
> does not apply to that employee so long as an amount equal to the amount of the regular union dues is paid by the employee, either directly or by way of deduction from his wages, to a registered charity, within the meaning of the Income Tax Act, mutually agreed upon by the employee of the trade union.
>
> Where an employee and the trade union are unable to agree on a registered charity for the purposes of subsection (2), the Board may designate any such charity as the charity to which payments should be made.

In the committee we talked about improving even that particular amendment from the Ontario Conservative Code. We felt maybe there was some way to move it away from the Labour Relations Board, that somehow this could be between the worker, his union and his employer, because the principle is so significant that it could not be a mutual agreement, that we would have to add to the workload of the Board.

I would like to have seen some type of an amendment which could have caused that mutuality, that tone. Maybe in future Parliaments we will have time to do that. Again, even with this amendment we had to reach out and grab what was available. Nothing was prepared by the Department. We had to reach out to other resources where they took time to study and to listen. As I said, I am disappointed that there was not more study done on probably what was the most significant amendment to this Bill.

We tried to do other things with this Bill as well as move that amendment. Some amendments have been successful, some not. In committee, and now as part of the Bill that has been reported back to the House of Commons, the Conservative Party strengthened the provisions that protect workers from sexual harassment through an amendment brought to us by the National Action Committee on the Status of Women.

I pay tribute to the Hon. Member for Kingston and the Islands (Miss MacDonald) who worked very hard. After we sat in committee, she met again with the group and they worked on drafting such amendments. To her credit, working with that committee and assisting the committee resulted in amendments such as those the Conservative Party made on behalf of issues of concern to women.

We clarified the definition of sexual harassment as being any conduct, comment, gesture or contact of a sexual nature that might on reasonable grounds be perceived by that employee as placing a condition of a sexual nature on employment or on any opportunity for training or promotion. Before this clarification, the perception of sexual harassment could have been made by any employee, including those not involved. The clarification leaves the perception of sexual harassment of the employee involved. I think that was an appropriate amendment.

The Conservative Party also strengthened the Bill's sections on occupational health and safety. We were concerned about people and the accident rate in Canada. The accident rate causes more work stoppages in Canada than all the strikes put together. That is serious. The workplace needs to have greater concern about health and safety. We did not feel that this Bill was in any way going far enough as far as measures of health and safety are concerned.

One area that we wanted to change was where an employer's duties include the obligation to investigate, record and report to the authorities as prescribed all accidents, occupational diseases and other hazardous occurrences known to the employer. We added the words "known to the employer" in order to clarify that such incidents known to the employer will be his responsibility.

• (1700)

Not only were we concerned with the safety of workers in the workplace, but as well we wanted the protection to extend to the general public. To the clause which described the obligation of the employee to "report to the employer any thing or circumstance in a workplace is likely to be hazardous to the safety or health of the employee or any of his fellow employees", we added the phrase "or other persons granted access to the workplace by the employer". In other words, we took what I feel is quite a progressive step.

Through this addition, we have said that we are not only concerned about the health and safety of an employee or employer but we are also concerned about the health and safety of other persons granted access to that workplace. We are concerned with public safety and public safety is as important as individual employer and employee safety. I am very, very pleased that our amendment was accepted by the Government and now forms part of the Bill that is before us today.

The addition of those words broadens the range of persons whose safety should be of concern to employees when reporting accidents or hazards in the workplace. People in the workplace who are not employees now enjoy the same protection as do others. These are just some of the improvements that our Party introduced in committee that have been accepted by the Government. Unfortunately, the Government failed to accept the greater protections for workers which were contained in other amendments made by members of the Progressive Conservative Party in committee. Those amendments were dealt with very quickly. They were amendments upon which even I would have liked to have had more thought, more discussion and more broad consultation.

We wanted to define very clearly what actions an employer could take to punish those guilty of sexual harassment. We suggested that the employer be empowered to take disciplinary measures as outlined in the policy or as provided in the collective agreements. Instead, the Government stuck with its own vague wording: "the employer will take such disciplinary measures as he deems appropriate".

We are concerned about the potential hazards to workers resulting from exposure to video display terminals and we expressed that concern in an amendment. Unfortunately, the Government decided to turn that amendment down. We proposed several amendments other than the one that is before us today relating to new technology and the health dangers that are created thereby. I am disappointed that those amendments did not receive more consideration and that there is not more time to include them in the dicussion here this afternoon. Of course, the Government rejected those amendments on the basis of cost, putting the health and safety of workers secondary to economic considerations.

The most tragic rejection of an amendment was the Government's failure to protect the rights of the unborn. We are still disappointed by that. Just today, we have pleaded with the Government to hear us. The Government has yet to announce that there will be some form of in-depth study done to assure the protection of our workers from new technology and particularly the technology of video display terminals. Again, there was a principle inherent in this particular amendment. I believe that the Labour Code is important because it deals with principles and is supposed to show the way. I believe that any government legislation that shows the way by going beyond a worker to a child and beyond a child to an unborn child is legislation with a worthy principle. That worthy principle should in fact have been included in this Bill and I am disappointed that it has not been. I am pleased that we have at least taken some time this afternoon to discuss in the House of Commons this particular situation. I am sure it is a situation that a new Conservative Government would wish to address on an early occasion.

Time is passing quickly and we certainly do want to give others an opportunity to speak. I could go on to speak of a great many other things we brought up in committee. Those are on the record of the committee hearings. Of course, we wanted to recognize the contribution made by academics to the creation of this legislation through the presentation of ideas. Therefore, we called for a particular amendment that related to the megaprojects provision in Clause 22 because we felt that there had not been enough empirical study on the implications of "carve-out" agreements.

The Canadian Construction Association presented a 600-page academic study entitled *Megaprojects,* which was written by Weiler, Hebert and others. That study outlined some of the adverse effects that magaproject carve-out agreements may have. We want to see any legislation that we create somehow add to the stability of the workplace because that is what workers want and that is what our society needs. It is to the mutual interests of all that we should have that stability, that agreement and those sound labour-management relations.

According to this academic study to which I just referred, the intention to create such an attitude may in fact create the opposite. It would appear to us that this study was not looked at adequately before this matter was brought forward. The representations of Mr. Weiler included concerns regarding too much ministerial power being granted in determining what constitutes a major project. We suggested that this should be defined in the Code and qualified only if necessary to the public interest. There was also a fear that short-term major project contracts with high wages could cause instability and work stoppage in general construction projects by drawing workers away. However, I would put on the record of the House of Commons that the Minister did make a promise. I hope he will make that same promise here today. He made a commitment to have further consultations and make further studies regarding this megaprojects provision. He spoke about the method by which this particular clause of the Bill may be proclaimed in order to ensure that there would be no disruption.

On behalf of the Dominion Marine Association and the Canadian Lake Carriers Association, we also moved to exempt the shipping industry from Part IV of the Code because of the jurisdictional overlap that could occur with the Canada Ship-

ping Act and the Canadian steamship Act. We did not secure that provision but the Minister has assured us that full consideration of the legal implications will be undertaken before royal assent. We will hold him to that, although we may be looking to a new Minister by the time we get around to that process.

In committee on May 15, after my prompting and questioning, the Minister made the following promise:

> I think that indeed it would be very useful that there be public hearings and that the number of union and employers' representatives be invited as witnesses to give views on the legislation and possibly to suggest amendments to improve the legislation one way or another. I would think that it would be very useful. I would look forward to it and indeed I would not oppose it. I think I would encourage such a thing to take place.

The fact that the Minister did encourage and allow such consultations to take place is a tribute to the Minister, even if it did take him 43 hours to do so. I believe we got two hours' sleep out of 43 or 45 hours at that time. However, I did wish to recognize and appreciate the fact that this has gone through the democratic process and, as we complete the Bill today, it is still going through the democratic process and will have full process of law. The only thing that did not follow the full process was the fact that there was not as much time as there should have been for members of the public to understand the Bill before they made presentations. Timing was the greatest villain, and in this case it was the responsibility of the Government.

I could carry on, Mr. Speaker, but as I look at the clock and in view of the time, I would like to demonstrate to members of the New Democratic Party something we demonstrated in committee. One of the members of the New Democratic Party said in debate that if the Conservative members proposed it, it must be all right because employers listen to Conservative members. I wish to assure you, Mr. Speaker, that we have demonstrated that we did listen. We heard not only from employers but from union groups, women's groups and academic groups. We listened to as many of the individuals and groups as we could. We even heard from religious groups. We called for and heard from a cross-section of the Canadian public and that is who we represent. We do not represent only the workers. We do not represent only the employers. We represent all groups. We are not bound or tied to anything except the interests of the public and the broad public will. The only interests we represented in every case were the interests of a broad cross-section of representatives. We spoke fairly—

Mr. Hovdebo: Just like Bill Bennett.

Mr. Wenman: I am sorry that the Hon. Member who just spoke did not attend the committee hearings. We made amendments on behalf of all of these groups. We were their spokesmen in committee. We protected their right to be heard. Once they were heard, we presented amendments on their behalf for discussion. Many of those amendments were accepted.

• (1710)

Hopefully, the Conservative Party has signalled to Canadians that it is open to hearing and willing to working in a manner of co-operation, open-mindedness and civility. We want to end the tone of confrontation which has been featured in Canada far too long. We will be a government of reason which will be open to all groups and representative of the broadest cross-section of our society.

I thank the House for the opportunity to speak on this subject. I look forward to an opportunity in the fall when we can begin to study these appropriate and important issues in more detail.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments? On debate, the Hon. Member for Lincoln (Mr. Mackasey).

Hon. Bryce Mackasey (Lincoln): Mr. Speaker, I would like to say at the outset that I listened with great attention to the contributions made by the Hon. Member for Fraser Valley West (Mr. Wenman) on third reading of this legislation. I was very impressed by his remarks, as I was by his performance in committee, which as he stated was of a marathon proportion. He worked together with his colleague, the Hon. Member for Calgary West (Mr. Hawkes), who has a particular interest in human relations. I think the Conservative Party has been more than co-operative in the passage of this Bill. I do believe that the contribution made by the Hon. Member for Churchill (Mr. Murphy) meant that the committee consisted of Members from all Parties and had common objectives.

The first objective was to pass the Bill on time because of its admitted advantages. Some of the changes were obvious and were required for the benefit of workers. Second, I think we felt an obligation to produce what has been described as the balanced Bill. Unless labour Bills are balanced to the optimum, they can hardly be effective.

I would like to speak very briefly about a number of matters on which the Hon. Member for Fraser Valley West spoke—technological change, safety and women in the workforce. I do so, if not with expertise, at least with concern for these particular issues.

I arrived here in 1962. It might have been before the Hon. Member was born, although I am not sure. My maiden speech in the House of Commons was about industrial relations, although I was an employer of labour at the time. Later on, I had the privilege of being the Minister of Labour who brought in the first modernized Labour Code. In order to signify the progress which has been made in the last 15 or so years, that Labour Code reflected the findings of what I had recommended to students in the industrial relations field. The Woods task force was established. It was a multimillion dollar study performed by academics and experts over the better part of two years. That study reflected the terrible labour unrest of the sixties, when technology was brought very much to the fore and the Labour Code of the day made it virtually impossible

for workers to have any input into the impact, whether negative or positive, of technology.

Indeed, I remember in the early 1960s when the railway workers of western Canada lay down on the railway tracks in Wainwright and Nakina in order to make their point. Because collective agreements were of fixed durations—and under no circumstances could they be re-opened for negotiation—management would astutely introduce amendments which dealt with technology or technological change in the middle of a contract. The most flagrant example of that was the introduction of diesels which replaced steam engines. That made it possible for the railways to by-pass the beautiful little communities of the west which were entirely dependent on the trains stopping for coal. Virtually, those communities were wiped out by the new technology. The railway officials had a very good case. They said that they could not reject technology any more than a cotton gin, the Industrial Revolution or the wheel. We were determined to bring in a labour code which made it imperative for management to consult and then negotiate with the workers, not whether technology should be introduced, but that the impact be minimized if it was negative and that the rewards be shared if the impact was positive.

I must congratulate the present Minister of Labour (Mr. Ouellet). He has brought in a Bill which, as his critics have already stated, is not perfect and is not the ultimate, but it is a dramatic step forward from the Bill which I presented and passed through the House of Commons in the late sixties. There are some things about this legislation, as the Minister knows, which concern me. One of the things which concerns me is the blurring of lines between the rules which cover collective bargaining. Yet, necessary standards are needed for more than two-thirds of the workers of this country who have no protection because they are not unionized. Sometimes the lines get blurred and abused. I would have liked to have seen a clause which permitted organized labour and their employers to opt out of the impact of the Labour Code. That may happen the next time this legislation comes before the House, but this is probably my last speech and I will probably not be here. There is no substitute for a negotiated settlement and no substitute for collective agreements.

One of the most significant things which we were able to do in the House of Commons—because we allowed labour to open collective agreements if technology was introduced without sufficient notice—was to force labour and management to include in collective agreements the ways and means to deal with technology. It was brought out in committee that there have not been more than a dozen cases sent to the Canada Labour Relations Board, at the request of unions, which were based on complaints that there was no opportunity to negotiate. Therefore, management has become enlightened. They have become enlightened just in time, because if this country is to continue to produce and generate the capital which is needed for social policy, pensions, maternity leave and so on, we must be a more productive country. We must have a more productive workforce in order to generate the additional capital. We are not only behind Japan, which we hear about all the time, we are falling very far behind the other countries in the OECD. In Europe, unions have been a way of life, particularly since the second World War. Management in Europe has tended to recognize the social contract. Some of the things which we have attempted to include in this Bill recognize the unique problems of women in the workforce, including sexual harassment. I believe we have at the present moment a very unique worker coming on stream. Unlike 15 years or 30 years ago, the worker today tends to be a knowledgeable worker rather than simply a skilled worker. He or she has had a college or university education. These new workers are mobile. They are intelligent. They face the new world with great confidence and they are not afraid of technology or computerization. They only ask to be informed and consulted and to be listened to. Employers who refuse to recognize that fact do so at their own risk as does the country which does not put through the type of enlightened legislation with the thrust which this Bill has. It is not Utopia but it is a considerable improvement over the basic Labour Code.

● (1720)

What concerns me is that the Department of Labour, the Canada Labour Relations Board and others do not always understand the spirit behind the proposed legislation. What was the intent? Why is the clause written in that way? What did the legislature mean when this clause or that clause was discussed? I would like to give an example which is very close to my heart. In 1966, the most difficult labour situation in Canada was at the waterfront, the longshoring industry. It involved not only Montreal and Vancouver but all of the waterfronts of Canada. Men were treated little better than animals. They had to go every morning to a hiring hall to be selected for employment with no guarantee when they arrived there on a cold day that they would be hired. It was the law of the jungle with strong-arm tactics. There was corruption. It was a very bad situation. Ports like Montreal were strike-bound for weeks and weeks. The Smith inquiry was set up to improve the situation. I rejected its report because in my opinion it was based on the premise that the trouble in the ports was essentially caused by employees. I recognized that those employees were stripped of their dignity, and we set out to do something about it. We also recognized, Mr. Speaker, the need for increased productivity. Today the number of employees in the Montreal waterfront is approximately half of what it was in 1968. The productivity is hundreds of per cent greater. Why? Because the worker now goes to work in dignity, in an automobile, with a guaranteed 40 weeks wages out of 52 weeks whether or not there is work. The hiring halls have been eliminated, pension plans have been introduced. Technology is not rejected. It is encouraged because so many cents per tonne coming in through technology, through containerization, find their way into the union for its particular projects, sickness benefits, pensions, or whatever.

This was not accomplished, Mr. Speaker, by myself or the Department. It was accomplished by intelligent use of new legislation. It was accomplished by making it mandatory for all employers to bargain as one and for all unions to bargain as

one, thus eliminating the old game of playing one off against the other. If you look at the old Code, I believe Section 132, you will find that we set it up in such a way that these associations would have total jurisdiction over what was called "geographical delineation". I believe that is the way we put it. It simply meant that when negotiating time arrived, management would speak as one voice and so would the union.

In recent years, Mr. Speaker, in the 1980s, the Canada Labour Relations Board seems to me, as an observer, to have lost the sense of what was the intent. So we have a situation now where across the river some intelligent employer is setting up shop with union or non-union people who are prepared to work for less, not bothering to bargain but simply taking advantage of collective agreements which are eventually struck across the river, thereby reintroducing, if you like, the seeds of discontent, the destruction of something which has proven to be successful.

There has not been a major strike in the waterfronts of Montreal, Toronto, Hamilton, Quebec or Three Rivers in ten years. The workers average between $30,000 and $40,000 a year. They earn it and are entitled to it. Yet the Canada Labour Relations Board, through decisions made in good faith, threatens that situation because it does not understand the spirit behind Section 132. It does not understand the importance of keeping the unions and management together. I mention this as an area which I do hope will be looked at every thoroughly by committee or by the House the next time the Code comes forward for debate. Perhaps Section 132 could be amended to make a little clearer to the members of the Canada Labour Relations Board what was the original intent of that particular section.

Finally, Mr. Speaker, I want to say that I share the views of the officials critic for labour of the Conservative Party. I share his concern for the argument advanced so eloquently by the Adventist Church. However, I must remind him as well that the Rand formula is not exactly breaking new ground. It is something which has been around for decades. It was introduced in the automobile industry. It was meant to provide a solution to people who did not want to belong to a union but who recognized that unions work on their behalf whether or not they are members. I have no opposition to the amendments which provide something whereby people of conscience could remain in the workforce and contribute indirectly to the work of the union.

I want to say, Mr. Speaker, that this is probably the most important piece of legislation which has gone through the House for some time. It is important because it is, perhaps, a belated recognition by the House and by the Government that unless the climate of co-operation between management and labour is such that the adversarial characteristics will be minimized, and unless the climate in this country is such that management, labour and government can work in unison in co-operation and dignity, we are not going to be able to maintain the flow of private capital to production, because we are still a decade behind the kind of industrial relationships which prevail in many other countries.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments?

Mr. Wenman: Mr. Speaker, in my speech I was highly critical of the lack of participation of Hon. Members of the Liberal Party and of the Conservative Party in committee. I want to correct that. Because of the fact the Hon. Member for Lincoln (Mr. Mackasey) has been here since 1962, and the fact that he has contributed his energy and a big chunk of his life to this House of Commons, one would have expected him to have been the last person to be at the committee meeting at 2 a.m. But he was there at 2 a.m. and then at 9.30 a.m. and throughout the hearings. He was there caring, being constructive and being positive. I thank him for that contribution and I did mean to include him in my comments, along with the Hon. Member for Calgry West (Mr. Hawkes) and the Hon. Member for Peace River (Mr. Cooper) who sat there hour upon hour to make this legislation better. I wanted to recognize that and to thank him for his service and the comments he made today.

• (1730)

Mr. Mackasey: Mr. Speaker, I assure the hon. gentleman that I did not take any of his remarks the wrong way. I know exactly what he meant and I share his views. I suppose I was there, as he was, because I was brought up in a school of thought that you have an obligation to the job you take on, wherever it may be. When work is a pleasure, then you attend to it. When the Minister asked me to join that committee I looked on it as an opportunity in some simple way, through moral persuasion or seduction or even bullying, to come up with a Bill which I felt was non-partisan in nature. At no time in committee did I think we had broken down into pro and anti-labour, pro and anti-Liberal, or pro and anti-anything. I think all of us sensed that our frustration was that if we only had more time, we could do better. I just wanted to say that when you get discouraged, look at the original Bill in 1968 and see what progress we have made in 15 years. It has really been remarkable.

Mr. Rod Murphy (Churchill): Mr. Speaker, I am very glad to see that this Bill is finally at third reading stage. As I mentioned when we started the second reading debate on this Bill, our caucus had been working ever since the election in 1980 to have changes made to the Canada Labour Code. I mentioned then that we had asked for a special House order which would allow this legislation to go to committee so that representatives from different groups could appear and we would report back for final disposition in the last couple of days of the sitting. When I hear some of the rhetoric coming from the spokesmen for the Conservative Party, I recognize that it is basically a defensive reaction by a Party which was smoked out a number of times here and in committee. An impartial observer of that committee would tell you that the Conservatives were doing everything they could to stall and not be caught. Their attempts to add more and more witnesses as the week progressed were not to hear more voices but to prevent the Bill from passing.

Mr. Mayer: What a bunch of garbage.

Mr. Murphy: I regret we have had to take this tone in debate but after hearing the wild rhetoric of the official spokesman for the Conservative Party, the Hon. Member for Fraser Valley West (Mr. Wenman), it is very obvious that they have only looked at this as a political exercise rather than as a very important piece of legislation.

Mr. Mayer: We are getting wild rhetoric from you right now.

Mr. Murphy: Four years ago our caucus toured federal and provincial work sites right across this country. We went to every province and all sorts of industry and came out with a report called *Graveyard Shifts: Life and Death on the Job in Canada*. We presented that report to successive Ministers of Labour and got up in this House many times asking for changes to the Labour Code. I am glad to see that some of those amendments came forward, even if it took until the fifth year of this Government's rule. It is unfortunate that the actual debate on this legislation did not take place until the last three weeks of this sitting.

I agree with one aspect of what the Conservative representative said, that we should have had more time to study the legislation. I believe there could be amendments made that would strengthen the legislation. There were groups who, had they had more time, could have come forward with suggestions which would have improved the legislation. But that is not the case. We were forced to deal with the Bill within a week in committee. Even though it meant sitting late hours and committee members were fatigued, we agreed to hear from every group who wished to speak. But as our House Leader said the day after this Bill was tabled, we wanted it passed because we recognized that for the most part it was an improvement which would protect the life and safety of more Canadian workers. It would provide legal protection for federal Government employees who come under Part IV of the Canada Labour Code, protection they never had before. We also saw that there were some benefits in maternity leave and child care for those people who come under the Canada Labour Code. I must say that we saw some strictly token efforts in the area of sexual harassment, part-time workers and technological change. But they were improvements and, recognizing this session was coming to an end, we agreed to pass the legislation. We did all in our power to force both the Government to act and the Official Opposition to move on this legislation.

I make no apologies for our position. It was a deliberate attempt by us to get the legislation passed. We recognize that there were some who saw political benefit in not seeing it passed. There are some who felt they could benefit whether or not it passed. But to our way of thinking the women of Canada, the workers of Canada, are much better protected if it is passed, and that was the only goal we had. We accomplished that goal.

Some of the presentations we heard this afternoon at report stage and third reading talked about how the legislation was improved because the Conservative Party made representations on behalf of the individuals who came forward. However, were the women of Canada who came forward asked by the Conservatives or Liberals if they wanted the maternity leave or child care qualifying period moved up from three months to six months? No, they were not. So when people get up and make sanctimonious speeches about how they represent others, take a look at what they really did.

Mr. Wenman: Which amendments did you present?

Mr. Murphy: Look at the amendments the Conservatives had included in this Bill which will hurt many parents over the next couple of years. I hope we do not have to wait for four years into the next Parliament to make improvements in this legislation. I said earlier that part-time workers were just barely mentioned in this legislation. The technological change provisions are mere tokenism at this stage of the game. There is a lot left to do and I hope that with some improved rules in the House the committee can sit down fairly early in the next Parliament and look at what needs to be done to protect our workers who come under the provisions of the Canada Labour Code.

The Acting Speaker (Mr. Guilbault): Questions or comments? Debate.

• (1740)

[*Translation*]

Hon. André Ouellet (Minister of Labour): Mr. Speaker, I am pleased with this opportunity to speak on third reading of Bill C-34. First of all, I wish to thank Hon. Members for agreeing to deal expeditiously with this Bill. There certainly was a time when we did not think we would be able to have this legislation passed before the House adjourned for the summer. However, I believe that especially the firm resolve of Canadian union organizations, which did not hesitate to make direct representations to the three Parties sitting in the House—as I said, I think this very firm resolve on the part of Canadian unions to see this labour legislation approved, and of course thanks to the efforts of all three political Parties, all this was an incentive for us to take all action necessary to get this Bill through the House, even when it meant sitting very late, on occasion, to expedite consideration of the Bill in committee.

Mr. Speaker, at this point, I would like to pay tribute to all those who helped realize this Bill. I think it is a piece of very important legislation for labour, and I am very proud to say that my senior officials have worked unremittingly for months to prepare these amendments to the Canada Labour Code. They conducted major consultations with all parties concerned in this country. I would like to stress more specifically the support, good advice and enthusiasm of my Deputy Minister, Mr. Mark Daniels, who has helped me enormously during the last few weeks in working towards passage of this Bill.

I also wish to mention the very professional and very thorough work done by the two Assistant Deputy Ministers, Mrs. Wendy Porteous and Mr. Bill Kelly, who both took part in consultations on amendments to Part V and Part IV of the Canada Labour Code, and thanks to whom we now have a Bill that, to a considerable extent, meets the aspirations of Canadian unions.

I also wish to offer thanks for the often important but unspectacular work done by many officials in my Department who helped to draft and prepare documents and prepare the Bill, especially Mrs. Elizabeth MacPherson, Mr. Mac Rowe, M. Doug Baldwin, Mr. Jim McLellan, Dr. Ratna Ray, Mrs. Carol Racine and Mr. Peter Sorokan, who all worked to help make this Bill acceptable to both union and management representatives.

Once again, I think it is important to emphasize that we have been able to improve the Canada Labour Code thanks to the many groups in the labour and the business world we were able to consult. Thanks to these consultations which I myself, my predecessors and my officials have had with these representatives during the past years since these consultations took almost two years we were able to define a number of practical and realistic considerations and, especially, to formulate amendments that are progressive and appropriate at this time.

Mr. Speaker, more than ever I am confident that industrial relations in this country will be able to exist in an atmosphere of trust, civility and mutual respect. Undoubtedly, the Bill we are about to adopt today is particularly welcome to the unions, but I think that management representatives who made representations to the Committee understood that it was important to respond to the legitimate claims of the unions. The Bill we are proposing and are about to approve today is a step in the right direction towards improving the job environment and labour relations. I believe that our society, like all other western industrialized societies, will continue to develop rapidly and that this will be due to the incredible rate at which technology is progressing. However, I think that basically, we must have legislation that ensures that all of us, wherever we are, will be treated fairly and equitably. I think that this legislation, which is well-balanced and responds to the legitimate concerns of Canadian workers, nevertheless can be accepted and acknowledge by management as a Bill that is appropriate to our modern society.

I think that one of the major social facts of the eighties is the change in composition of the labour force population. The proportion of women in the labour force has risen over the last thirty years from 22 to 40 per cent, and in 1980, the participation rate of women exceeded 50 per cent. This massive arrival of women on the labour market has obliged people to re-examine their values and governments to rethink their policies.

Twenty years ago, labour policies did not have to consider the family responsibilities of workers. As a general rule, once women were married, they withdrew from the labour force, while men dedicated themselves to their careers. However, due to a number of reasons that are economic, educational, demographic and psychological in nature, these differences have ceased to exist. Although men no longer dominate the sector of paid employment, women however, still have, though not willingly, a monopoly over unpaid domestic work. That is why they are often unable to take full advantage of their newly won access to paid employment. As many female workers are well aware, interrupting their period of employment to have and raise children reduces their years of seniority and adversely affects their chances of promotion and their eligibility for social benefits.

Mr. Speaker, these are so many irrefutable arguments in favour of the revision of Part III of the Canada Labour Code which I proposed to the House and which will very soon be approved by this Parliament. I have no hesitation in saying that in all my political career, after the cooperative housing program established when I was Minister responsible for urban affairs, this is the second most important social measure which I have had the privilege of being involved with as Minister. I think it is important to point out that the amendments we have submitted to Parliament are definitely to the advantage of Canadian working women, with respect to Labour Code Part III and most of the series of amendments found in Part IV concerning occupational safety and health.

Mr. Speaker, I have no intention of repeating the details of every aspect of this Bill. They are now well known. During previous interventions in the House, I had the opportunity to elaborate on the major amendments to Parts III, IV and V of the Labour Code.

Since I do not want to speak at length at this stage and would rather conclude my remarks as quickly as possible, I want to say before closing the debate that I was extremely pleased with the reaction of the unions. I want to thank publicly the CLC and the other labour organizations which gave their support to Bill C-34. As Minister of Labour, I was particularly glad to hear so many positive comments about this labour legislation which, I am sure, will stand us in good stead and certainly pave the way for more harmonious labour relations in Canada. I am convinced that the adoption of this Bill will signal the onset of a new era of harmony, understanding and co-operation between the Government of Canada and the Labour movement and, I should hope, between unions and the business community.

Therefore, Mr. Speaker, I urge Hon. Members to give unanimous approval to this Bill for which Canadian workers, men and women alike, have waited so long.

The Acting Speaker (Mr. Guilbault): Any questions or comments?

• (1750)

[*English*]

Mr. Nickerson: Mr. Speaker, I rise on a point of order. I see that the Hon. Member for Lincoln (Mr. Mackasey) has returned to the House. I wanted to bring to his attention and yours, Sir, a certain remark made by the Hon. Member for Lincoln when he referred to another Member of the House as a "sidekick from Calgary". I would suggest that that is contrary to the rules of the House. It is disrespectful to the Member in question and leaves me not knowing to whom the Hon. Member for Lincoln referred. Perhaps he would like to withdraw the remark or rephrase it somehow.

The Acting Speaker (Mr. Guilbault): Order. I do not think it is necessary for the Member for Lincoln to rise. The Chair has not heard the Member referring specifically to an Hon. Member, so it could hardly be considered an insult.

Mr. Mackasey: Mr. Speaker, I want to make a point. I was referring to the friend of the Official Opposition critic of the Department of Labour. I suppose that I could apologize because we became rather close in the committee. I want to assure the hon. gentleman that I used the word "progressive", which hardly includes him, so he should not be worried about confusion.

The Acting Speaker (Mr. Guilbault): We were on questions.

Mr. Hawkes: I thank the Member from the Northwest Territories for his intervention. I think I was the Member from Calgary who was referred to.

If the Minister of Labour (Mr. Ouellet) values the committee process so highly and the commitment that committee members made to that process, how did we end up with only four days in which to hear witnesses and have a clause by clause discussion? How did that happen if it is such a valued process?

[*Translation*]

Mr. Ouellet: Mr. Speaker, I cannot resist the temptation of answering the Hon. Member by saying that, our parliamentary process being what it is and because of recent incidents such as the bell-ringing incident which made us waste valuable time and which was sparked by the Progressive Conservative Party, as were endless, abusive and never-ending debates by the Opposition on many Bills introduced in the House, unfortunately Parliament is forced to sit until the very end of the session and quickly adopt a number of Bills.

Had the Progressive Conservative Party not made us waste so much time in the House, we would probably have had a few extra days to consider Bill C-34 in committee.

Mr. Hawkes: Mr. Speaker, I think that the Minister is way off base now and again, and this happens to be a good example.

[*English*]

The Minister will know that the bells rang for democracy and freedom because the Government was attempting to deny adequate examination of legislation. A four-day period to hear witnesses and to deal with legislation clause by clause is another example of the fact that this Government and this Minister in particular—who seems to be a critical Minister with a changed leader and someone of influence—still believe that it is bad for Canadian society to have a process which allows for a little daylight and permits sufficient time to question witnesses and argue for amendments.

Let me ask the Minister the question that I had in mind originally. I was going to compliment him because it is the first time in the life of this Parliament that I had seen a sufficient number of senior officials present at all times during the questioning of witnesses. It is the very first time that any Cabinet Minister of the Government brought senior officials in and left them there to hear witnesses and the questions and arguments. That resulted in 13 amendments, which is considerably more than the average, even though the time frame was short. Does the credit belong to the Deputy Minister or was it the Minister's idea that those senior officials be present?

[*Translation*]

Mr. Ouellet: Mr. Speaker, I believe that the example Parliament has given us with Bill C-34 should normally be followed for all pieces of legislation. Although the Progressive Conservative Members claim that they have not had enough time to consider this Bill, I believe that they have had ample time to consider the principle of the Bill at second reading stage, to receive all the submissions they wanted in the Committee, to examine these submissions and even to question certain witnesses, to examine the Bill clause by clause with the Minister and the departmental officials, and finally to come back to this House after working hard in the Committee to give passage to Bill C-34 in one day.

In my opinion, Mr. Speaker, we should spend as much time as we have spent on Bill C-34 at all stages for a great many other pieces of legislation. I believe that this Bill received the attention it deserved. With a lot of good will on both sides, we showed that we could study a very important Bill within a few days, as is regularly the case in the British Parliament, where even the most important and controversial Bills are passed within a few days. Which brings me to say that, in the next Parliament, I hope that we shall have the cooperation of the Progressive Conservatives, who will still be in the Opposition, to amend parliamentary procedure so that we may deal with our legislative program within a reasonable time—

An Hon. Member: In the interests of the Canadian public!

Mr. Ouellet: —and especially, as my friend has suggested, in the interests of the Canadian public.

The Acting Speaker (Mr. Guilbault): Are there any other questions? Debate. The Hon. Member for Calgary West (Mr. Hawkes).

● (1800)

[*English*]

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I rise today with somewhat mixed emotions. I would like to assure the Minister that as the next Government we would welcome his input in the future. We fully intend to be that Government and we fully intend to demonstrate a little bit of openness and give sufficient time to hear witnesses and as well ensure sufficient process to allow Members of Parliament to make a real contribution to legislation which will pay off in better government for Canadians.

Let me begin by complimenting the Hon. Member for Fraser Valley West (Mr. Wenman) who spoke at some length today. He did an excellent job of encapsulating the process, the type of amendments we were able to include in this legislation, the reasons behind them, and the difficulties that we as a Party had to overcome to achieve those gains.

Having said that, let me revert to what I said at the beginning, that I had somewhat mixed emotions. This process has brought back some memories to me. One was my maiden speech in this House in 1979 when I tried to explain that the exploration of the oil and gas industry was really an occupation fraught with danger. I did not think Members of this Chamber really understood that industry or the difficulties it faces. I stand here today knowing the National Energy Program is in place and some of the consequences from it are a pretty clear indication that I did not do my job in 1979. Obviously I was not persuasive enough in this Chamber.

I also remember July, 1950, some 34 years ago. That is a long time in the lives of any of us. The last two or three weeks have reminded me of a switchman on the Canadian National Railways. In the middle of the night he was swept off the top of a box car by wires belonging to the Alberta Government Telephones and fell on an embankment. Workers of the City of Calgary were digging a ditch alongside the railroad. He rolled down the embankment and under the wheels of a Canadian National train and was killed. That was July, 1950, 34 years ago. The mixed emotions come because that man was my father. I was 16 at the time. I have since participated in a process where something like that is a little less likely to happen today, and of that I am proud.

Some Hon. Members: Hear, hear!

Mr. Hawkes: But mixed with that sense of pride is anger. I am angry at a process that trades workers' safety for some of the other garbage that was brought forward in the Bill. We have to accept some of the garbage in the process. The protection for the Canadian people that has been worked out in the British Parliament and in this Parliament is the time to examine, the time to hear witnesses, and the time to make sure that we are not making a mistake. It is a terrible choice to have to pick between a worker's safety and the abrogation of the process. It is not right. It was not right in the beginning and it is not right here today.

A few minutes ago the Minister talked about parliamentary reform. I would love to see a reform that did not allow for this kind of abrogation process. I would like to see a reform that required a responsible Minister to sit through every hour of public hearings on a piece of legislation which the Minister proposed. I would like to see Ministers sit and listen to witnesses before Ministers make up their minds and nod their heads yes or no as to whether an amendment is acceptable. I do not think that second-hand information is sufficient.

I saw the Constitution of Canada, the fundamental law of this land, amended. I knew that many of the groups who put their hearts and souls into their submissions came to this city and appeared before the Committee on the Constitution in the belief that they could be and would be heard. Many Members heard them. But the decision-makers all too frequently did not. That is why I asked the Minister whose idea it was to have senior officials before our committee. In four and a half years that is the first time I have seen so many officials in Committee, and I compliment them for their capacity to listen and, ultimately, to have some influence on the Minister. One thing I have learned is that the Opposition very, very rarely has any influence on a Minister. All a Member of the Opposition can do is to try to persuade some other people who in turn might have some influence on the Minister. In this case that is influence through the bureaucratic mechanism.

There is a better way, and that is to force the Minister to be part of the process, to listen to witnesses, and to give individuals the opportunity to persuade a Minister directly.

I mentioned earlier today that I was somewhat angry at the Canadian Labour Congress. In standing here today I do not know whether to blame the people representing the Canadian Labour Congress. I know what they did, but I cannot be privy as to why they did it. People from the Canadian Labour Congress came before our committee and said: "Hold your nose and pass the Bill." We asked them how we could make the Bill a little bit better. We asked them what was right and what was wrong with the Bill. They said: "Hold your nose and pass the Bill". I think that is short-changing the one to two million members of the Congress, Mr. Speaker. I think the leadership of the Canadian Labour Congress knowingly or unknowingly short-changed its membership.

We do not get many opportunities in this Chamber to change the Canada Labour Code. The Leader of the Progresive Conservative Party said: "We like the thrust of these amendments. Yes, we will do our bit to make sure they get through before the end of this Parliament." In that atmosphere, perhaps the Canadian Labour Congress did not trust the NDP or the Liberals, but I think the Canadian Labour Congress had an obligation to share with committee members its thoughts on how to make Bill C-34 better. If this Bill is inadequate and if there are clauses that could have been included and they were not, the Canadian Labour Congress deserves some of the blame. That has worried me. In committee I have pointed it out to the Congress. But if the Congress is

indistinguishable from a political Party, then an atmosphere of suspicion is created which makes it more difficult to function together on behalf of the workers and on behalf of Canadian society. What part of the remarks made in this Chamber today or in committee will the Canadian Labour Congress and its affiliates choose to reprint in its newsletters sent out to the membership? Will there be a fair and accurate reflection of the debate and the reality of the process? There will probably not be because the Canadian Labour Congress has attached itself to a political Party in this Chamber.

● (1810)

When this process began, I was almost totally convinced that the New Democratic Party and the Liberal Party had no interest in passing the Bill. I stand here today with the suspicion that that was really true some three weeks ago. The only reason the Bill was brought forward was to create an issue for a political campaign.

The filibustering of the New Democratic Party on other pieces of legislation jammed our calendar and kept us here one day until five o'clock in the morning. That provides evidence consistent with that belief. It was trying to create a climate in which to go into a federal general election, having missed the opportunity to provide a better health and safety climate rather than accomplishing it. That would have been the strongest electoral position for the New Democratic Party. Also it would have been a strong electoral position for the Liberal Party of Canada.

That was our concern right from the start. If that was its strategy, it got a hell of a surprise. No Party worked harder than our Party at making sure that the Bill was examined as well as it could be within the time frame allowed and that it was returned to the Chamber in an acceptable fashion or the best we could make it.

The tragedy is that the process could have been better. The Bill could have been better. We would have welcomed an opportunity to help. The Government let us down. For that, we should all be a little sad and not get carried away with joy. It is better to have tried as hard as we could than to have settled for second best, for a process which did not allow us to try.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments? On debate, the Hon. Member for Kootenay West (Mr. Kristiansen).

Mr. Lyle S. Kristiansen (Kootenay West): Mr. Speaker, I will try to be very brief. I understand that we are working under a schedule, but I have a few comments to make. I am, without any equivocation, very happy at the results we are seeking today. No one with experience in collective bargaining or the process in which we are engaged here—and there are some similarities in these processes—expects a perfect package. That is not what this process is all about. The idea is to make progress, hopefully substantial progress. By whatever variety of methods we have used to arrive at this point today, the Labour Code Bill before us is substantial progress for the working people of Canada.

I congratulate all of those people who have been involved. I will not rise to the bait of my Conservative colleague who spoke a few minutes ago by responding to what he said. That is not the mood I want to create at this point.

An Hon. Member: Congratulate the Minister.

Mr. Kristiansen: I will congratulate the Minister of Labour and his two predecessors. I congratulate the Minister for International Trade (Mr. Regan), the Minister of the Environment (Mr. Caccia) and the Minister of Labour (Mr. Ouellet). I congratulate the Canadian Labour Congress and the representatives of hundreds of democratic organizations of working people across the country who had, directly or indirectly, some input into this Bill. All their advice was not accepted, but that is not the way we work. That is not the way the labour movement works. That is not the way industrial relations works.

I am sad at the delay in the introduction of the Bill. We could have had more time to deal with it in committee and in the House. However, I do not know whether we would have achieved any more substantial progress than is to be found in the measures now included in Bill C-34. Time was provided for extensive consultations between the various Parties. Not only were the unions, the Government and other political Parties involved, but many employer groups were consulted over the last three or four years as well. It did not all happen in one, two or three days in committee. My colleagues in all Parties in the House know that, despite their protestations to the contrary. It has been a very worth-while exercise.

In relation to the process of collective bargaining, this process here today reminds me that the best contract agreements are achieved in the minutes preceding a strike deadline. Of course the House of Commons does not face a strike deadline, but it faces an election in the very near future. Strikes and elections have something in common. We see the end of a particular opportunity and no one wants to gamble on the outcome. When there is a chance of achieving significant progress, the question with which we are all faced is whether or not we want to gamble on blowing the whole thing. This is what any union has to face in a strike deadline situation. It has to decide whether it will settle for what is on the table or squeeze out a little more in the last few minutes.

My colleagues and I faced up to that option. We decided that it was not worth the risk. When it comes to an election, we are all in the lap of the gods that are known as the voters. They are unpredictable, just as it is unpredictable when a union or a company has to decide to strike or lock people out rather than settle for a compromise.

My purpose in being here is to obtain the best results, at the least cost, for the people I represent. That is the same job I had when I represented a union and it is the same job I have today in representing some 75,000 constituents in the riding of Kootenay West. My riding has a very large body of industrial workers as well as government employees, more provincial than federal. It has many working people as well as a mixed population of various different economic interests.

If this matter poses a choice of either swallowing my pride or trying to play hero—whether it be a working class hero, a political hero or anything else—if I have to trade that off to obtain benefits for the people I am sworn to represent, I will choose to get results every time because my people are a lot more important than I am and that is my job.

I should like to refer to one problem in industrial relations. It is probably one of the most misunderstood human activities in the world. It is misunderstood by many trade unionists, managers and employers alike, and it is vastly misunderstood by the public at large. This is also reflected in the misunderstanding which is often evident in the halls of government. At one time I was a representative, both full-time and part-time, of the International Woodworkers of America. I was also president of the Nelson, Trail and District Labour Council for some three terms. Very often I took the opportunity to visit the high schools in my constituency and talk with students. Very few students, even in areas which were involved in mining and lumber, ever thought that after graduation they would have to work for wages for a living. This is one of the problems with television and the other media in this age of ours. Everyone thinks they will be professionals, semi-professionals or independent business people. I just ain't so. People also have misconceptions because they do not understand what their role in life will likely be and they thus do not feel the need to understand what industrial relations and unions are all about. Unions, industrial relations and personnel management are not people who spend 90 per cent of their time negotiating. Anyone in industrial relations spends 90 per cent of his or her working time on the grievance procedure, which is, in turn, the single most misunderstood instrument by managers and even active unionists. It is not essentially a method for finding fault. It is simply an attempt at an orderly mechanism to resolve possible errors in judgment. That is all it is. We require similar appeal methods both in the courts and in industrial relations.

● (1820)

What makes me happy about this Bill is that it begins—and it is not the first beginning as we have made attempts before—to recognize some of these realities. The process that we used has recognized some of the realities that exist in the industrialized world. It is not about perfection. We are not dealing with fairy tales. We are dealing with the lives of people. There are gains that have been made in terms of maternity leave. For women, we have made some but not great progress in recognizing the need for protection against sexual harassment in the workplace. As well, there are a great many measures that tend to build a more intelligent system for enforcing occupational health and safety in the workplace. I just mention that one area. There is substantial progress in that area in the Bill.

I would like to pay particular tribute to my fellow Members of the NDP Task Force on Occupational Health and Safety, the Hon. Member for Brant (Mr. Blackburn), the Hon. Member for Churchill (Mr. Murphy), and the Hon. Member for Kootenay-East Revelstoke (Mr. Parker) who, along with myself, spent three years going back and forth across the country, trying to get the maximum input into what we then thought would be an early consideration of this subject in the House of Commons.

We do not feel that time was wasted, because we learned something. Even those of us who had some past experience in this area learned a great deal. We were able to communicate some of what we had learned to those in management and in the labour movement as well as to those in Government. As well, we recognized the fact that the Government was carrying on consultations with other people, mostly through its departmental officials, but some very personally, with a direct concern outside of the political sphere.

One thing that does concern me tonight is the final statement of the Hon. Member for Fraser Valley West (Mr. Wenman). I do not know whether it was a promise or a threat. I will paraphrase what he said. His final phrase went something like this: "We look forward to looking at the legislation again in detail in the fall". I cannot foretell what the electorate will do in the forthcoming election, but I do know what a certain provincial government in British Columbia has done in the last few months by looking in detail at previous good, progressive labour legislation which used to exist on the statute books of that province. They are attempting to turn it upside down.

My concept of freedom and socialism has always been that it is "a responsible society governed by responsible men and women in a responsible manner." I have always rejected paternalism and I do not like paternalism today. That has caused me to disagree from time to time with some other people who call themselves socialists as well as many people of other political persuasions. I do not like a government that tries to do things for people. I prefer to have a government that accords to democratic institutions and communities in society the power to help themselves.

The Code before us helps to redistribute some of that power, and devolve some of that power and responsibility into the workplace, to the workers, managers, and employers, and set up a framework in which they can co-operate and work together, to try to produce the greatest good for the greatest number. That is what it is all about. That is why we should be here. I support the Bill. I thank everybody involved. I congratulate them once more for having participated in what was a healthy exercise and what will be, I hope, something that produces good results for the working people of Canada and all other Canadians.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments?

[*Translation*]

Mr. Jean-Guy Dubois (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker—

Mr. Malone: Filibuster!

Mr. Dubois: —two minutes, my dear friend from the West!

Mr. Speaker, to be very brief and at the request of my colleague for Montreal-Sainte-Marie (Mr. Malépart), and my colleague for Chicoutimi (Mr. Dionne), who was most happy to hear my speech this afternoon, I would like to add a few words and say that, as far as we are concerned we have been very happy to receive the suggestions made both by labour and by management concerning Bill C-34. In this regard, I believe that there have been important discussions in recent months, not to say in recent years, about possible changes to the Canada Labour Code. When the representatives appeared before us, they indicated that they were in favour of the Bill generally, and as I said at the report stage, what we were asked by employer groups was to try to have a balanced Bill as they were themselves aware of the need for changes. I see the Hon. Member for Mission-Port Moody (Mr. St. Germain) who agrees with me that this Bill is very important for the workers. He even told us that he was president of a union. He therefore speaks for the workers and probably because of that he was in touch with his colleague for Fraser Valley West (Mr. Wenman) and he asked him to support the Bill and to move amendments so that the Bill could be passed.

Mr. Speaker, a number of changes have been made, especially in Clause 28 and Clause 29, and I am referring to the matter of notice of technological change. I remember that both labour and management agreed on this point. More specifically, I recall that the Association of Canadian Bankers agreed with the 120-day notice so that workers could see what could be done in terms of these new developments.

Another important point, as the Minister of Labour pointed out, is that today, women represent nearly 50 per cent of the labour force, and that it was high time to amend the Canada Labour Code so as to take into consideration this category that is now on the labour market. That is why, when considering Clause 6 and Clause 59.2, we had to give a number of rights to workers that were both necessary and timely. In the Canada Labour Code, as the legislation stands now, employees with twelve months service have certain rights and are eligible for a certain number of weeks of leave, and now, the Government has introduced an amendment to reduce this period to six months.

Mr. Speaker, at this stage, however, since we want to adopt this Bill, I wish to thank my colleagues on both sides of the House who took part in the debate, listened to witnesses, took part in the debate on second reading, and after the second reading stage, heard many witnesses in rather quick and repetitive succession—in other words, we had a pretty busy agenda, and at the clause-by-clause stage, we finished at one o'clock in the morning last Thursday—I wish to thank both Opposition parties for their co-operation in helping us pass amendments. We on this side of the House accepted the amendments proposed by the Progressive Conservative Party and the New Democratic Party also made its point.

My hon. friend from Montreal-Sainte-Marie (Mr. Malépart) who is a former member of the FTQ—

An Hon. Member: Still a member!

Mr. Dubois: —who is still a member of the FTQ, agrees that this is a major piece of legislation. He was there too until one o'clock in the morning, but nevertheless, he is very happy that workers in his riding—he says it is a predominantly working class riding—will be able to take advantage of the provisions of this Bill. For that, he can thank the Member for Papineau (Mr. Ouellet), who is Minister of Labour.

Mr. Speaker, I think we all have reason to be pleased with our work. I think people in the labour world will be happy with this Bill which, I hope we will be able to adopt within a few seconds.

The Acting Speaker (Mr. Guilbault): Any questions or comments?

[*English*]

Mr. Wenman: Mr. Speaker, in the thank yous it was not mentioned that in the committee we had special support staff. That special support staff took amendments that were impossible, a number of amendments, and distilled them so that they were in a very usable form. If the committee worked long, they must have worked ten times as long. To that particular staff of the committee, I am sure all Members would want to join me in expressing appreciation, along with the Minister's staff, who have sat in the gallery through this debate. It is appreciated.

The Acting Speaker (Mr. Guilbault): Are there any further questions or comments? Debate.

Mr. Douglas Roche (Edmonton South): Mr. Speaker, I want to put my comments on the Bill before us in the context of my final speech in the House of Commons. I ask for your latitude, Sir, and the indulgence of the House for a few moments to allow me to express some thoughts that I feel deeply as I take leave of this great institution after 12 years.

• (1830)

I found it instructive to re-read the first speech I made here. I criticized then high government spending, called for a better deal for western Canada and urged greater Canadian attention to the global problems of security and development. Today in my final speech, I could repeat these themes with even greater urgency. *Plus ça change, plus c'est la même chose.*

These 12 years have been the most informative, educational and challenging years of my life. For the rest of my life I will be grateful for the opportunity, and indeed the honour, of walking onto the floor of the House of Commons to represent my constituents. It is they who sent me here and it is they whom I must thank first. The people, first of Edmonton Strathcona and then of Edmonton South, placed their confidence in me during four elections. I have tried to help them as best I could.

Of course, my political supporters and election campaigners were instrumental in bringing me forward. No politician ever had a stronger team. They stayed with me even when they did not always agree with me. My staff, both in Ottawa and in Edmonton, provided me with loyal assistance and hard work through the years. As well, I owe a debt of thanks to the officials in the House, the Parliamentary Library and Research Bureau, as well as to the messengers, pages and guards who ease the path of Members.

I take away with me friendships with Members on all sides of the House, friendships that I will always treasure. I have benefited especially from the counsel of members of my own Party and I thank my colleagues for their consideration of me and of the views I have expressed over the years. It has been a privilege to serve under three distinguished Leaders of our Party, the Hon. Robert Stanfield, the Right Hon. Member for Yellowhead (Mr. Clark) and the Leader of the Official Opposition (Mr. Mulroney) who will become the next elected Prime Minister of Canada. As for my family, I cannot adequately express my appreciation for their devotion to me.

There is no practical way to sum up in a few minutes one's experiences with so many events in the past 12 years. However, there is one dominant thought that I want to share with my colleagues as I prepare to depart, and that is, the desire that I and so many people have today for collective security and economic and social justice in the world.

Science and technology have made today's world a dazzling place and offer the potential for every human being to enjoy a life of quantity and quality. But just as our age abounds with the promise of life, it is fraught with the threat of death. While science can transform the world into a more habitable and safer place for everyone, it has also unleashed the potential for global destruction.

The massive buildup of nuclear arsenals and conventional weapons could wipe out most of the earth's species including mankind in a matter of hours. Conflicts rage in all parts of the globe. Chaotic imbalances of food and population hold a quarter of the world hostage to hunger, disease and despair. The earth's population is burgeoning and its already strained resources recklessly squandered while the environment is precariously poised on the edge of disaster. Human rights are repressed on a massive scale; millions are forced to flee their homes. Can anyone doubt that our world today is in crisis?

Two issues above all others stand out in the struggle for peace in the world today: disarmament and development. The reduction of nuclear arms is at the centre of East-West relations. Accelerated economic development is the theme of North-South relations. There is not a human being today unaffected by the vast ramifications of these two global issues. Untold millions are directly caught up in the expanding militarism and deprivation of our time; intensified military competition in turn worsens economic pressures on both developed and developing countries. The deterioration in the world economy has exacerbated political instability and social crises in Third World countries which have a potential for setting off widening conflicts. How the two issues are resolved will determine the prospects for true human security around the world.

We must seriously ask ourselves how much time is spent in Parliament on finding equitable solutions to these two paramount issues. Are we not so caught up with the daily pressures of parliament that we have no time for the wider view? This problem of priorities has troubled me for some time. I remind Hon. Members that stopping the arms race is not just a spiritual desire but is essential for world survival. Closing the rich-poor gap is no longer just a matter of striving for social justice but is essential to the continued development of the industrialized North. Some form of world law is necessary to resolve major international conflicts without violence and to retain the human and material resources needed to redress the global problems which confront us. Management of the planet by nations agreeing to co-operate in their common interest, thus ensuring that the promise of life prevails over the now suffocating threat of death, must be achieved.

All of this, Sir, is the work of the United Nations, the only global instrument we have to protect the global community. But today, critics maintain that the United Nations has not fulfilled its promise. The failure, however, lies not in the UN but in those nations that bypass the UN except when it suits their narrowly defined purposes. The Secretary General of the UN, Perez de Cuellar, has said that "the world is perilously near a new international anarchy," and has called for a recommitment by nations to the Charter as the UN prepares to observe its 40th anniversary in 1985.

What can—what must—Canada do now to strengthen the international machinery of the UN system? Drawing on our influence with Commonwealth countries, our increasing contacts with the Francophone countries of Africa and our evolving links with Asian and Latin American countries, Canada could stimulate the development of new coalitions of interest. The rigidities of bloc voting that have stultified the UN in recent years must give way to more universal expressions of concern and action on such pressing questions as peacekeeping, economic development assistance, global economic negotiations, human rights and environmental problems. Canada's success in developing consensus positions at the Law of the Sea Conference could be repeated in other areas. The UN is waiting for such a country to fill a leadership void in the crucial issues of disarmament and development, the two key issues which are at the root of the struggle for peace.

By putting a new focus on human rights, Canada could contribute to significant progress in these two fields. Human rights today are no longer confined to civil and political liberties, though much work remains to be done to guarantee rights in those areas. Human rights must also be protected in economic and social areas of life, and the UN has concentrated much of its activity here. Increasingly, human rights are associated with the right to physical security, and in an age of unending nuclear arms proliferation with a massive destructive capacity, the human rights of every person in the world are jeopardized today.

Canada, the country which pioneered the dispatching of peacekeeping forces to trouble spots, could now strengthen the machinery of peace by working to obtain an international inspection organization able to monitor disarmament using both satellites and on-sight inspection, by verifying arms agreements and by observing world military deployments. A true security system needs such an organization able to act with some authority.

Finally, Mr. Speaker, in the field of development, Canada, working with like-minded countries, could stimulate greater concern about the straggering effects on the developing countries of the rising debt burden, monetary policies of the industrialized countries and trade barriers. The failure of the North to recognize that its own economic recovery depends on the ability of the growing markets of the South to buy has crippled global economic development. Millions face starvation with little hope for improvement. The pledge of Canada in the Throne Speech of December 7, 1983, to reach .5 per cent of GNP in official development assistance in 1985 and to reach .7 per cent in 1990 is an indication of human concern. However, the lesson of the 1970s was that development aid is but a fraction of what needs to be done to build the economies of the South.

The independent North-South Institute has laid down a program of action. Canada, through the UN, should work to expand the resources and quotas of the International Monetary Fund so that it provides greater help to the least developed. It should take an active part in efforts to initiate a process of basic reform of world trade and financial arrangements; contribute actively to negotiations within the GATT and preparatory discussions regarding a new trade round; play a leadership role in efforts to further integrate the developing countries into the GATT system; act against protectionist trade barriers; develop a new strategy of international development co-operation in harmony with the UN's international development strategy for the 1980s, and promote greater public understanding of the development process. The last point—public awareness—was considered so important by the parliamentary task force on North-South relations that its first recommendation called upon the Government to devote 1 per cent of official development assistance to encourage the awareness and involvement of Canadians in global concerns. Non-governmental organizations working in the development and disarmament areas have become part of the landscape. Because they involve so many Canadians at the local level, they are capable, with more government support, of building a climate of public opinion which can be an enormous strength for a government to move ahead on UN strategies.

● (1840)

Canada with its history and geography, its freedom and democracy, its resources and technology, and its space and industry, is ideally placed to work for the conditions of peace. As I take my leave of this great institution, that is my wish and my prayer for us all. *Au revoir* and good luck to us all.

Some Hon. Members: Hear, hear!

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

[*Translation*]

The Acting Speaker (Mr. Herbert): The question is on the following motion: Mr. Ouellet, seconded by Mrs. Hervieux-Payette, moved that Bill C-34, an Act to amend the Canada Labour Code and the Financial Administration Act, be now read the third time and do pass.

Is it the pleasure of the House to adopt this motion?

Some Hon. Members: Agreed.

Motion agreed to and Bill read the third time and passed.

* * *

[*English*]

WESTERN GRAIN STABILIZATION ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-33, an Act to amend the Western Grain Stabilization Act, as reported (without amendment) from the Standing Committee on Agriculture.

Hon. Lloyd Axworthy (Minister of Transport) moved:

That Bill C-33, be amended by adding immediately after line 5 at page 15 the following:

"21. Notwithstanding anything in the *Western Grain Stabilization Act*, where, prior to the end of the year ending July 31, 1984, the Minister determines that stabilization payments will be made in respect of the year, interim stabilization payments to participants in respect of the year shall, on the requisition of the Minister, be paid out of the Stabilization Account, whether or not the year has ended, on account of the stabilization payments that will be made in respect of the year to participants, based on such information required to be considered at the end of the year in determining stabilization payments as is available to the Minister at the time he first determines that stabilization payments will be made in respect of the year."

and by renumbering the subsequent clause accordingly.

He said: Mr. Speaker, after a very long and interesting debate which dealt with matters of labour, I am pleased to be able to introduce measures which will have an important impact upon the lives of so many western Canadian grain farmers. I do not believe it will require a lot of explanation for Members in the Chamber as to the objectives and purposes of this Bill. It is a matter which has been widely discussed and entertained in various Question Periods, committee hearings and debates. However, I think it is important to underline the fact that the amendments to the Western Grain Stabilization Act will serve to improve what is already a very important and substantial piece of legislation for the protection and income security of western farmers. We will present amendments which will add to the protection and income security substantially by offering an alternative mechanism for the payment of pay-outs by which the Western Grain Stabilization Program can support the income position of the farmers.

We all recognize that in the last two or three years western farmers have been squeezed between cash receipts and the expenses with which they are faced. With the depression which is apparent in some areas of the pricing of grains on the international market, it is very important that the Western Grain Stabilization Act be flexible and adaptable to respond to those conditions. One of the flaws which was recognized was that the formulas were not able to incorporate the additional sales and volume which occurred at the same time as expenses rose. Therefore, the fund was not able to respond effectively to the income requirements over the past two or three years. It is quite clear that amendments had to be made in order to ensure that the calculations arrived at would reflect the realities of both the international price situation and, at the same time, reflect the cost problems which western farmers face.

I would suggest to the House that the new pay-out mechanism is not a replacement of the existing legislation but is a secondary pay-out mechanism which will make the program more sensitive to cost and price variations. The present trigger mechanism, which is based upon the net cash flow over a five-year period, will be a continuing part of the Bill. But, the secondary pay-out mechanism, which relates more to the unit cost, will also be available. Therefore, we will be able to trigger pay-outs which will incorporate additional volume or inflationary tendencies.

I realize that there have been a number of recommendations, proposals and alternatives brought forward over a period of time, but in our judgment this will be the most effective way of ensuring that the Western Grain Stabilization Program is one which can be sensitive and flexible to the current needs of western farmers.

It is also important to note the significance of changing the time period in which calculations will be made from the calendar year to the crop year to ensure that there can be a more immediate pay-out. Rather than having to wait for nine or ten months until the end of the calendar year, calculations will now be made at the end of the crop year—on July 31. Therefore, we will be in a position to make the pay-out in the early fall, in October or November.

The amendment which relates to the participation of eligible spouses simply removes a discriminatory feature of the previous legislation. I think all Members of the House will welcome that amendment.

Finally, the major amendment allows participants to withdraw from the program once every ten years. That amendment protects both the stability of the fund and allows a certain amount of choice which can be exercised by the participants if they feel at some point in time that they no longer require protection.

Over all, the amendments are in the best interests of the western farmers. They will help farmers who are presently experiencing cash shortages. We hope this situation will not continue. We hope that through these amendments the stabilization fund can meet its basic requirements and obligations.

• (1850)

The amendment which we have just introduced at report stage is exceptional in that it introduces an interim payment for this year only. This will allow us to make a special response to the plight of the western Canadian farmers at this time. The interim payment, we feel, can be justified because there have been no pay-outs for the last several years.

I know Hon. Members have recommended during committee hearings a continual interim payment provision. I would suggest, Mr. Speaker, that while it sounds all right in theory, in practice it would be an impractical provision simply because of the inability to calculate the kind of pay-outs for which farmers might be eligible. It is subject to a number of factors which cannot be predicted with any high level of accuracy such as international prices, volumes, costs, all of which can vary from month to month. For us to be continually under the obligation or requirement to make interim payments would mean we would always be making payments without having an accurate prognosis of what the total payment would be after the crop year had closed. Therefore, I believe, Mr. Speaker, we can justify the interim payment amendment, but if we got into an annual interim payment, we would constantly be in a high level of uncertainty as to what those payments would be. It could happen, if you would allow the scenario, Mr. Speaker, at some point in time, under some pressure from Hon. Members opposite, the Conservative Party in particular and perhaps the NDP, which will be opposite for years to come, that we might make an interim payment and then find out, after the calculations were made, that the payment was too large and that the farmers would have to return the money or we would have to pass special legislation.

I would suggest that while in principle it sounds like a good idea, the practicality of it would not be particularly useful. Therefore, I would recommend to Hon. Members of the House that they accept our judgment that while an interim payment can be warranted this year, generally it would be prudent simply to allow the payments to occur after the crop year has closed. As I said earlier, the amendments which we have introduced as part of the Bill will allow those payments to be made in a reasonably short period of time after the close of the crop year.

The purpose of these amendments is to ensure that the Western Grain Stabilization Fund is one which is appropriate to the circumstances and will be most helpful for western Canadian farmers in this period of real need. I want to say, Mr. Speaker, that it does underline the ongoing and continuing commitment of this Government to improve the position of western farmers, to provide for a number of initiatives which demonstrate that we want to provide for a good and secure agricultural system in western Canada because we all recognize that it is certainly a major backbone not only of the western Canadian economy but of the entire Canadian economy. Through good legislation and good initiatives, we are able to provide those two things.

I know from some comments of Hon. Members on second reading, that they tend to overlook some of the accomplish-

ments which have been achieved by this House and by the Government over the past couple of years. I only point to the major payment of $651 million for the Crow benefit which is being provided—

Mr. Mayer: It is all going to the railways. How does that benefit the farmers?

Mr. Axworthy: We have put in place a superb new system of arriving at decision-making in western Canada through the mechanism of the Western Grain Transportation Act. We have just put in $150 million to double the order of hopper cars. We have a new plan for branchline rehabilitation. There is a new $520 million program which will virtually complete the entire network of branchlines, which is something which western farmers have been anxious about. As well we have provided for a reserve fund to allow for new innovative measures and to respond—as I pointed out to the Hon. Member for Crowfoot (Mr. Malone) from time to time—to certain initiatives in the area of the Stettler subdivision and other important areas. I want to point to the measures which were introduced in the last Budget allowing the one time RRSP investment by farmers who are retiring in order to alleviate the problems of capital gains. These amendments we are bringing forward today is simply one step in a series of initiatives which this Government has taken in order to make sure western Canadian farmers are well served and that the western Canadian farm economy will be a prosperous one.

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, I am pleased to rise this evening to take part in this debate and, in particular, to respond to the Minister. First of all, Mr. Speaker, there is no doubt that what we are about to pass this evening is an improvement over what we have had. I do not believe there is really much question about that. We certainly want to give the Government credit for doing this, but let me stop right there as far as handing out accolades is concerned, because I feel that that is as far as it goes. We on this side have been urging the Government to bring forward amendments to the Western Grain Stabilization Act for about a year and a half. We believe there are other ways we could have amended the Bill which would have made it more flexible. The Minister talks about flexible and adaptable amendments. We did not have enough time in committee. The Government mentioned this measure in its Throne Speech on December 7. Yet we did not receive it in committee until almost the end of May. We got it through committee as quickly as we could to make sure the Government could not blame us in the Opposition for not passing the Bill. If we had had it in committee in January or February, we certainly could have looked at other amendments. In fact, we did not even get a chance to look at the amendment of the Government until just now because the amendments we moved were ruled out of order at committee and we were told that the government amendment would also be out of order because of the royal prerogative. Therefore, in essence, we are looking at the government amendment for the first time right now.

I would like to submit, Mr. Speaker, that if the Government had truly been serious about looking at the problems in the Western Grain Stabilization Act, it would have acted a lot more responsibly by ensuring that we had a chance to look at it in committee.

There are many ways to adjust the formula—to use the words of the Minister—to make it flexible and adaptable enough to meet the purpose of the Bill. The purpose of the Bill is to stabilize incomes of the western grain farmers by protecting them against sharp declines in the net cash flow. Statistically, we could have looked at a three-year moving average. There were all kinds of things we could have done in terms of studies which would not have affected the actuarial soundness of the Bill. There are all kinds of ways we could have considered to amend the Bill without jeopardizing the financial stability of the Bill. Yet, because of the way the Government managed its affairs, we did not have a chance to do that. I find that rather sad because we do have a very good Committee on Agriculture. As a rule we act in quite non-partisan ways and are generally interested in seeing that things happen in the best interests of Canadian agriculture. Yet we were not given an opportunity to do that. I feel that that is sad. We all suffer, ourselves, the Government and, above all, the people who have sent us here to serve them, because I do not think they are going to get the kinds of amendments they could have had if we had had more time in committee.

There are four amendments in the Bill to which the Minister referred. A very complicated triggering mechanism is going to be used. I could read it to the Minister and I am sure that if we had a chance to question him, he could not explain it to us because it is so complex. However, it will be a mechanism which is more responsive and will trigger some pay-outs in this crop year of something like $300 million and in the next crop year of something like $400 million. While we agree that the amendments which are there are going to be helpful in the immediate term as far as putting cash into the producers' pockets is concerned, I am not so sure it is the right triggering mechanism. I am sure we could have come up with a better one had we had more chance at committee. The Minister said that "our" judgment—obviously, he means that of the Government, the Treasury benches—is that this is the most effective amendment. How does he know that? Surely the committee could have determined which would have been the most effective amendments to put forward. At least we would have had a better opportunity to look at some of the other proposals which came forward.

• (1900)

The problem is being changed to a crop year basis which is, to my mind, a mixed blessing. If you are to have an effective stabilization program the pay-out should be made as quickly as possible after a crop loss. In this country we operate around the growing season. If you harvest a poor crop in the fall of 1984, you will need some help to get your crop in the ground next year. Ideally you should have some money in your hands from this program when you put in your crop in the spring of 1985. Yet moving to a crop year eliminates that possibility.

It is fine to say that this will make the program more responsive, but if the Minister understood anything about farming he would not be saying the things he did about this amendment. If that is the extent of the Minister's knowledge of western agriculture, then I fear for his new leader, particularly if this Minister is his chief lieutenant in western Canada. He has demonstrated tonight that he knows very little about western agriculture.

The Minister went on to talk about how in theory an interim payment sounds fine but in actual practice it does not work. To be polite, that is a bunch of nonsense. The Government has made two interim payments under the present legislation, and the amendment we moved in committee simply suggested that the Minister may authorize an interim payment. It did not compel the Government to do so. The Hon. Member for Wetaskiwin (Mr. Schellenberger) made a very good point in committee when he said we do not want to tie the hands of future governments. This amendment will only allow an interim payment for the present crop year.

What is wrong with an amendment which states that the Minister may authorize an interim payment? He does not have to do it on a regular basis but the authorization is there if it looks like there is going to be a substantial payment and an interim payment would benefit the producer. Surely that should be the result of properly designed legislation. Then we would not get into this nonsensical scenario where every time we require a pay-out we have to go through this procedure so the producers will have some money in their hands.

This amendment should have been in the House probably three or four months ago. Then producers could have had the benefit of the money in the fund. By the way, there was $864 million in this fund at the end of December, 1983. We did not hold it up. Even the NDP was with us on this one, thank goodness. They get their heads out of the sand once in a while and see the things that should be done for farmers. Everyone on this side was in favour and it should have been done a lot sooner.

Also, I urge the Government, when it makes an interim payment, to make it as large as it can. Members opposite have talked about a 50 per cent or 60 per cent interim payment, but I see nothing wrong with an interim payment of 75 per cent or 80 per cent. That is the basis on which the Canadian Wheat Board establishes initial prices.

In addition, the Government talks about agricultural initiatives. This Government has done absolutely nothing for agriculture in this session. There was one minor Bill which doubled the cash advances on western grain, and dealt with increases in farm credit rates. A motion from this side by the Hon. Member for Vegreville (Mr. Mazankowski) to reduce the tax on-farm-fuels went to the Standing Committee on Finance, Trade and Economic Affairs for study. A motion by the Hon. Member for Bruce-Grey (Mr. Gurbin) concerning the concept of agribonds went to that same committee. When this Government talks about what it has done for Canadian agriculture, I am sure farmers all across the country know what a hollow ring that has to it.

We are pleased to do what we can to get this Bill through this evening so that western farmers at least have the benefit of a big pile of cash the Government has been sitting on for far too long.

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, I rise to speak on the report stage of a Bill which amends the Western Grain Stabilization Act to provide a pay-out of some $250 million to $300 million to western farmers as soon as possible. The Minister mentioned that the Government decided to opt for a one-time interim payment provision. The Bill also contains changes in the formula from five years to three years, and adds to what is already a fairly complex formula something that will be known as "the per unit net cash outflow" component. There has also been a change in the treatment of spouses. Where both husband and wife are involved in the farming operation, both will be permitted to participate in grain levies and any pay-outs that might accrue. There is a new provision which will permit participants in the program to withdraw every ten years. Because the Bill came into effect in 1976, this means that in 1986, 1996 and every ten years thereafter the producer can opt out of the program.

In 1976 our Party raised the issue of some basic shortcomings in this program. We reiterated some of them in committee. I think it is fairly well understood by farmers that it is a very inadequate means of guaranteeing farmers' income, but that was never the intention of the Bill in the first place. It had very little to do with that, but everything to do with guaranteeing incomes to the Prairie region of Canada.

In its application the Bill has some very real inequities. It is available to people who want to opt into the program, and approximately 70 per cent or 75 per cent of farmers have decided to participate. I submit the inequity occurs when wheat and barley growers in parts of Canada other than the Wheat Board region find themselves covered by the general Agricultural Stabilization Act and have indeed received payments under that Act which were not available to farmers in the Wheat Board region who decided not to participate in the Western Grain Stabilization Act. There is some built-in discrimination which creates a wall around a certain region or a province. Because producers decide to opt out of a program, they are forever after ineligible as well for the programs financed nationally.

There is also a real inequity in the financing of the two programs. The Agricultural Stabilization Act is financed entirely by tax dollars, whereas the Western Grain Stabilization Act is financed presumably one-third by producer levy and two-thirds by the Government. One of the myths that was shattered concerned this whole funding business, that it should always be and will always be on a three to one basis. That myth was shattered in committee when we started hearing from expert witnesses and began looking at the record. We know that close to $1 billion has been accumulated in the fund, taking into account producer pay-outs and the Government's share. Since its inception in 1976 there have been two pay-outs. Something like $122 million was paid out in 1977 and an additional $293 million was paid out in 1978. We are expect-

ing a pay-out in the order of $250 million to $300 million with this one. Farmers have participated in this particular program with the understanding and expectation that for every dollar they contributed some day in the future when they get into trouble they would be able to recoup $3.

• (1910)

We looked at the expert testimony and went through some of the numbers which had been generated by an economist from the Department of Agriculture in Manitoba. We went back 18 years using real data. Using the old five-year formula we found that for the 6 per cent collected of producer and federal Government money together, the potential pay-out over the full 18 years would have been 2.84 per cent. Not quite half of the moneys collected as premiums would be paid out in a period of 18 years. That pay-out procedure improves only slightly with the new improved formula which this Bill is attempting to introduce. Using the same data of the last 18 years and assuming contributions of one-third by the producer and two-thirds by the federal Government for a total input of 6 per cent, the total pay-out would be 4 per cent. The expectation among producers was that for every dollar put in they would eventually collect $3. However, the reality is that even with the new improved formula, for every dollar put in they are only able to collect $2.

The formula and calculation of the premium has been done on an extremely conservative basis. It is not designed to provide the kind of income protection that farmers had expected. The pay-out is always going to be much less than the expectation. For that reason we were a bit unhappy that major changes to the Bill had not resulted from a full review of the Act. It has been in effect for eight years and the past fall and winter would have been an excellent time to have done a complete review. We could have looked at the obvious shortcomings in the Bill, turned it over to the committee, and allowed it to come up with a much more comprehensive program which would have gone some way toward providing some income insurance protection to farmers. The fund which has been built up could have been used in a way which would provide real dollars in farmers' pockets when their income is down, due to low prices or bad markets. I am really sorry that that did not happen. However, since we are up against a time limit at this stage, we are prepared to allow the Government to put the amendments forward to trigger a pay-out so that this money will get into farmers' hands before the next election.

Mr. Lee Clark (Brandon-Souris): Mr. Speaker, I am pleased to have the opportunity to speak to the House tonight on this very important legislation. I must begin by expressing the disappointment of my own constituents which I have heard reiterated over and over again since my entry into politics some 14 months ago. When I began to campaign about 14 months ago, one of the things of which I became immediately aware was how bitter the farmers in my constituency were about the inadequacies of the Western Grain Stabilization Act. By and large the farmers I talked to during the course of this time were of one mind. They said two things. They said that this program had failed to do what it purported to do; it had failed to stabilize the industry. They had very little difficulty convincing me of that because the bankruptcy figures speak tragically for themselves. As you know, they have risen to near record levels year by year since 1979.

They also told me that most of them would prefer to be permitted to leave the program if they were able to recover the money which they themselves had invested. Of course, they were denied that opportunity. Although the amendments will now permit them to leave on the tenth anniversary of the program, they will, of course, have to leave without recovering the contributions which they made. By and large, the western Canadian farmers which I am acquainted with have been exceedingly disappointed by this legislation.

We now have before us amendments which come far too late and do too little. However, in some ways it is like the saying that a half a loaf is better than none. While we on this side of the House are disappointed that the Government failed to take the opportunity which was before it to perfect this legislation so that it would do what it purported to do, we are in a position where we must support the legislation if only because it is a step in the right direction. I would hope that we will be given the opportunity to again amend this legislation in the not too distant future. We hope to be able to take the opportunity to reform it in such a way as to make it truly responsive to the needs of western Canadian agriculture with sufficient flexibility to meet the year by year needs of cash starved Canadian grain farmers.

Farmers are now saying to me, with obvious justification, that the Government has betrayed them in that they are receiving only what they themselves contributed. As you know, western Canadian grain farmers have contributed almost exactly the amount of money which will now be involved in the interim payment to be made in July and the final payment to be made later in the autumn. Those farmers ask what has happened to the Government's contribution. They are critical of the amendments, with just cause.

However, thanks to the amendments and to the pressure which has been put on the Government by the Conservative opposition and the organizations which represent farmers across the country, the Bill is better now than when it was introduced into the House some time ago. There will at least be a very necessary interim payment toward the end of July. That interim payment is of the utmost importance. Farmers desperately need to augment their cash flow during the first few months of the year. That has always been a problem with western Canadian agriculture. There is a reasonable amount of cash flow in the autumn of the year at harvest time, but there is a serious shortage of funds in the spring of the year.

We have hoped that our amendments would be accepted. Those amendments would have provided for an interim payment in each and every year in which there was to be a pay-out. Unfortunately, the Government has seen fit to deal with this year only on an *ad hoc* basis. We are grateful for the concessions which the Government has made, but we regret that it failed to take the opportunity to redress a serious

grievance which has existed. I am also disappointed, as are my colleagues, that the Government failed to take the opportunity to make the changes retroactive. Had the Government made the proposed changes retroactive to the 1982-83 crop year, we could have generated at least another $100 million into the western Canadian grain economy. That would have assisted those farmers very substantially. Many of those farmers are very young and are on the verge of bankruptcy.

The situation in agriculture in western Canada today is very serious. I speaker of western Canada because I know it best. There are many young farmers who will not survive this fall unless we have an exceptionally good crop. If it is only an average crop, many of those farmers will tragically be forced into bankruptcy. They request us to provide them with whatever assistance is available because they need it. In fact, they need a real stabilization program.

● (1920)

One of the characteristics of the agricultural economy is that it tends to have serious ups and downs. As legislators, we must take steps to even out those returns in such a way that there can be some stability in the industry. We will need those farmers and their productivity in the future. If we fail them in their moment of need and they are forced off the land because of the current crisis, then they will not be producing at a time when Canada and the western world needs their food products.

What is needed is a genuine stabilization program, one which will address itself to the price that farmers receive for their product, and one which will address itself to the cost of their production. Unfortunately, the present program has failed to fulfil either of those two objectives. It has not dealt adequately with the price that the farmer receives for his product each year, and has not taken into consideration all of his costs of production. Because of the increased volume which has affected the value of the over-all crop and has ignored the question of the cost of production, there has been an inadequate response on the part of this program to the needs of western Canadian agriculture.

While the Government has moved in the right direction, unfortunately, as the Government has done so often, it has taken only half a step. I am not sure if this is because it is excessively cautious or that it lacks concern. It has taken a step in the right direction but it has failed to respond in the manner in which western Canadian farmers have asked.

We need a program which is more flexible. I submit that a program which use three-year averages rather than five-year averages would be more flexible and would meet the needs of the western Canadian agriculture better than it now does. We need a program in which there is ample opportunity, whenever the need is there, to introduce the interim payment rather than deal with it in an *ad hoc* manner. I cannot help but regret that this program did not take those necessary steps forward. I cannot help but regret that this program did not take into account the poor crop years of 1982 and 1983.

What we have before us is something which is better than nothing. Constituents have said to me that we in the Opposition should oppose this legislation because of its inadequacy. They wanted us to vote against it. They wanted us to fight it every step of the way. I understand the frustration of those farmers, but what they are asking us to do is not practical, because this Bill is better than nothing. Unfortunately, it is not nearly enough. It may well be, and in fact appears to be, that we will have to wait until the next election and the next Conservative Government in order to get the kind of legislation which western Canadian farmers so desperately need.

Mr. Doug Neil (Moose Jaw): Mr. Speaker, I am pleased to have the opportunity to say a few words about this Bill, which will be given third reading tonight and become law at the end of this Session of Parliament. It has taken a long time. We on this side have been pressing for amendments to the Western Grain Stabilization Bill for the last two or three years. We realize that the Bill itself is not an effective means of stabilizing the income of western farmers.

I was interested in the Minister's remarks this evening. His speech was rather good until the end when he began setting forth the various government programs which he indicated had been helpful to the farmers of western Canada. It sounded to me as though he was making a speech in anticipation of an election which we expect to come very shortly. However, the Minister did not tell the people of Canada that the programs he was talking about are programs which are funded with taxpayers' money, not government money. The $250 million or $300 million that will be paid out under this Bill will be welcome in western Canada. However, I suggest that it will not do the job.

An Hon. Member: It is a great government.

Mr. Neil: The Hon. Member across the way says that it is a great government. We will see after the next election whether the public feels that you have a great government. I doubt very much that they will.

As I said before I was interrupted, that $300 million will be welcome in western Canada. I repeat that it will not do the job because it will be an average of approximately $2,500 to each producer. That money will come out of a fund that is close to $1 billion. The $300 million is simply a return of the contributions that the farmers have made over the years and does not give them a return of interest on their money.

For the last several years, as I travelled throughout my constituency, almost without exception the farmers asked me why they cannot opt out of this program. I told them that they are locked in. I am pleased to see that there is an amendment which provides for a ten-year opting out clause. It will be interesting to see what effect this will have on the producers. Unless there are more changes to this Bill I suspect that there will be an increasing number of producers opting out of this program.

Farmers in western Canada are in serious financial difficulty. Their input costs have been rising; their cost of fuel under this Government has more than doubled. The cost of fertilizer has been rising as a result of the National Energy Program.

Furthermore, machinery prices have doubled and tripled and interest rates continue to go up to the extent that many farmers are finding it almost impossible to meet the interest payments on the loans they have with the banks or the Farm Credit Corporation.

It is interesting to note that recently a farmer came to my office to talk about his Farm Credit Corporation loan. He was unable to meet his payments last year and, lo and behold, a few weeks ago a representative from the Farm Credit Corporation came to him and said, "You are in arrears. We want to take a statement of your assets because we are considering taking foreclosure action." This man was worried and told me that he had put in his crop and that if it rains, and it has since, he will have a reasonably good crop and will hopefully be able to meet his commitments. He wanted to know how fast they could take his farm. I said, "First, the legal procedure in foreclosing is a fairly lengthy process". I also told him that there will be a payment under the Western Grain Stabilization Program. While it will not be very large, there is an election in the offing and I also suspect that just prior to the election there will be an interim payment by the Wheat Board. I told this farmer that if he added those two payments he would probably be able to pay a substantial amount of the arrears to the Farm Credit Corporation and they will get off his back. I certainly expect that prior to the election there will be an interim payment and another payment on account of the final payment on the grain sales.

The problems faced by farmers also become the problems of the small businessman in the communities, such as the implement dealer, the fuel dealer and the fertilizer dealer. If the farmer does not have the money and is unable to get money to pay his operating expenses, the small businessman is also affected. You will find bankruptcies occurring among small business people.

● (1930)

The Minister talked about this Bill as one to stabilize farm income or to help the farmer. But really it is not such a Bill. The Bill is simply one to put money into the economy of western Canada without regard for the individual producer. The Minister said that the amendments will make this Bill sensitive and flexible. It will make some changes, but it will not make it a Bill satisfactory to the farmers of western Canada. When the original Bill was before the House and before the committee we on this side of the House told the then Minister that the plan would not work in a satisfactory manner. First we said it was a global plan and anyone who has any knowledge of agriculture in western Canada knows that year in and year out the whole of the Canadian Wheat Board area does not have a good crop. You have areas, sometimes large, where the crop is poor. We have an area in northeast Saskatchewan today where there has not been a crop for three years, and the Western Grain Stabilization program has not helped the farmers in that area. Even on a regional basis, Mr. Speaker, it would not serve the purpose. Some of us who served on the committee in 1973-74 recalled that we had participated in the old Prairie Farm Assistance Act, and know it did not function. If Members on the other side or the Minister would refer to the committee hearings, they would note that we on this side of the House made several proposals whereby the Bill could be made to function on an individual basis without any particular complications. But the then Minister, Mr. Otto Lang, would not listen to us. He said in the debates and in the committee: "We will pay out in the spring of the year." That money has never been paid out in the spring. He said it was important that the farmers have the money in the spring so they could put in their crops. That has not happened. We gave him a solution, but he did not listen to us.

I see, Mr. Speaker, that you are signalling to me that my time has just about run out. In closing, let me say that it is vital that the Bill itself, the concept of grain stabilization, agriculture stabilization, should be examined and examined in detail with the provinces. I would suggest that after the next election when there is a new Progressive Conservative Government that that examination and those changes will take place.

Some Hon. Members: Hear, hear!

* * *

BUSINESS OF THE HOUSE

Mr. Pinard: Mr. Speaker, I rise on a point of order having to do with House business for tomorrow. I would like to indicate that the order of business for tomorrow will be as follows: Bill C-32, C-43, and C-30. If there is to be a change in the order, I will make sure to consult with my colleagues, the House Leaders, and that the House is informed on time before eleven o'clock.

Mr. Hnatyshyn: Mr. Speaker, we are in the process of consultation from time to time about the order of the legislative agenda as presented by the Government. I appreciate the context in which the Government House Leader has spoken and that he will do me the courtesy, as I will him, with respect to discussing any possible change in the order. I appreciate his advice as to the present intention of the Government. If there is any change, we will have consultations and be able to agree on any alteration at the beginning of tomorrow's sitting.

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WESTERN GRAIN STABILIZATION ACT

MEASURE TO AMEND

The House resumed consideration of Bill C-33, An Act to amend the Western Grain Stabilization Act, as reported (without amendment) from the Standing Committee on Agriculture; and the amendment (Mr. Axworthy).

The Acting Speaker (Mr. Herbert): For debate, the Hon. Member for Wetaskiwin (Mr. Schellenberger).

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, the Crees of the Peace Hills will wonder about your pronunciation, but many people have trouble with the name of my riding.

Some Hon. Members: Hear, hear!

Mr. Schellenberger: I am pleased to join in the debate on the Western Grain Stabilization Act. As farmers contemplate the crop year—they have just planted their crops incidentally—the indications are that it is going to be another tough year. The only opportunities for them seem to lie in the possibility of one country or another in the world having a crop failure which would boost the prices of grains. That is a tragic situation that farmers have to hope for in order to get more farm income.

At one time many farms were much smaller than they are today. At one time the farmer as he was farming, producing a crop and selling it, could anticipate a reasonable profit, and along with it he had the opportunity to put some of that money into a savings account, now called a stabilization account. In those days there were no such things as stabilization or crop insurance. The farmer had to put aside part of his income to make sure that if he suffered adverse weather conditions, whether it was drought or too much rain, he had the capacity to deal with it. But now in modern times when farm equipment has become very expensive the price for produce versus the cost of putting the grain in the ground has forced farmers to go to bigger farms, to produce higher volumes in order to survive, because volume is the only basis upon which they can continue the farm and buy equipment. We are now as governments, both provincial and federal, forced to assist in the setting up of stabilization accounts. This was not the case in the past. Farmers stabilized their own income. They were able to do that.

Now as farmers contemplate their abilities, they have only three bases upon which to continue to farm. They can hope that prices for their produce will increase enabling them to continue to farm. First, they have to get the price of their produce up or the cost to produce down. Because we sell on the international market it is difficult to get the price up. For some commodities that are controlled by supply management boards that is a situation that can be altered domestically, but most of our produce, particularly western grain, is sold on the international market and that is not the case. There is not a lot of room for farmers to get the price for their produce up.

The other option of getting the cost down is one where the Government can effect the situation. We have talked about things on this side, such as interest rate reduction, agri-bonds and farm fuel decreases, and I could go on to mention other bases upon which we can get the cost down.

Then there are the stabilization programs. This is one of them and there are others. We have talked about a Bill which the Government just introduced for a beef stabilization program where there will be three participants. Another way is for more international agreements under which we would guarantee our markets into the future. We could have something like the two-price wheat agreement where the domestic market pays more for the consumption of domestic food in order to assist farmers in the export of their produce. We are now faced with one of those programs, the Western Grain Stabilization Program. We are attempting to make things better for the farmers of Western Canada.

• (1940)

As my colleagues have said, this is not an individual plan. It was intended to be a plan to stabilize prairie income, most of which is derived from the farming community, particularly in Saskatchewan. It is also a very important part of the Alberta and Manitoba economies. The rural communities in which many of us grew up are changing rapidly. The main reason for that is that farmers are no longer able to buy most of their necessities in small communities. The community dealers cannot compete with large machinery dealers and large hardware stores for the types of goods farmers require. As a result, in many parts of the Prairies small communities are having great difficulty surviving.

This Bill was intended to assist in that survival. It was to put money in the hands of farmers at a time when the total economy of the Prairies was in a recession. While we had some difficulty with the Act, it was passed in 1976. It worked reasonably well until factors such as volume of grain exported, inflation, interest rates and so forth, changed in the late seventies and early eighties. The Bill was no longer functioning properly, so amendments were brought forth. We welcomed those amendments.

Also, as my colleagues have indicated, across the Prairies it was seen as the only piece of legislation or the only fund of money upon which farmers could get their hands to put their crops in the ground and survive this year. The indications from the Canadian Wheat Board were that the initial price would be lower, not higher. Of course farmers had to have crops before they could receive advance payments. Their only opportunity to put crops in the ground this year, other than by borrowing money on the backs of fertilizer and fuel dealers, was the Western Grain Stabilization Fund. However, we did not get the Bill through in time. Because of that I assume many accounts are being carried by small businesses in western Canadian communities today. That is the only reason many grain farmers are still in production.

This interim payment is very welcome across western Canada. This is why I found it difficult to understand why the Government, when it brought in an amendment allowing an interim payment this year, restricted the interim payment to only this year. I know the Minister responsible for the Canadian Wheat Board said that farmers need money in the fall just as they do in the spring. Anyone in the House who farms knows that one's opportunity for cash is much greater when a crop has been harvested than when it is planted. Planting is the most expensive of the farming processes. Therefore an interim payment, if it is to be made, should be made in time for farmers to pay their planting bills. Not much interest would be involved in order to obtain an interim payment in July.

I certainly agree with the other amendments, but the point I am making is that the interim payment should not be restricted to this year. It ought to be available in future years if there is to be a payment under this plan. That is a serious deficiency. At a time when we have opened up this Act, we should not close it and leave it closed in this fashion. I ask the Government to reconsider this. I know it is too late at this stage, and I think that is a failure. How could the Minister stand to speak on the Bill and brag about some of the other things he is doing with taxpayers' money in western Canada, such as the Crow Bill? I hope he campaigns on that in the next election in western Canada. We will see what happens.

Mr. Arnold Malone (Crowfoot): Mr. Speaker, you may or may not know that a west wind is blowing and that there is a strong odour of an election in the air. Jimmy Carter has risen again. The Government has a new set of twisted mirrors with which to persuade farmers that their own money is a gift from Lloyd's of Winnipeg and the keeper of the western gate to Gritsville. The boom and bust cycle has become bust, bust, bust, election year boom; bust, bust, bust, election year boom. This is what Lloyd's of Winnipeg is offering farmers with their own money.

Confidence has gone. Unfortunately—and I could dwell on it for some time—if farmers had a real and honest free choice to get back the money invested in the Western Grain Stabilization Fund and get out, the majority would do so today. It is not the concept of the Western Grain Stabilization Fund which is wrong, but confidence has been destroyed. Farmers no longer believe in the program. Moreover and equally dangerous, that destroyed confidence or lack of confidence is spilling over into any other concept of stabilization. If we ask farmers and ranchers in my riding about whether or not they want a red meat stabilization plan, they will say that they do not want it. Whether intellectually or academically a good and workable idea, it is set aside. The response of those people is to say: "If it is like the Western Grain Stabilization Fund, I want no part of it".

We used to have stabilization funds in the 1930s, and beyond. They were called chickens, pigs, milk cows, gardens, Saskatoon berries and the muscle power of animals and humans. Once farms were paid for, farms with low capital costs and subject to low interest rates, a farmer could not be starved off the land. He could feed and look after his family. Today input costs are so high that they can no longer afford crop losses. Persons farming today who have virtually paid for everything can be destroyed by two crop losses.

At the present time the Prairies of northeastern Saskatchewan have faced crop failure. Major parts of Manitoba are into their third year of crop failure. We see farmers going bankrupt, not at the Prairies average which is already too high, but at regional averages which are excessive to the extreme. As long as the pay-out is based upon the whole area of the Canadian Wheat Board it will be merely a stabilization of the machinery manufacturing businesses and fertilizer plants of central Canada.

These people propel a certain amount of business into the Prairies year after year. Now they have a guarantee. If the whole Prairies went broke, machinery dealers and manufacturers would be able to market in the Prairies. That is really what the plan is all about, unfortunately. Every small region of the Prairies at one time or another experiences crop failure. It shifts around from one region to another. Some years the Peace River country of Alberta is frozen over. This year northeastern Saskatchewan will be rained out. Surely they should be able to stabilize their farms, not the manufacturing industry of some other region of Canada.

The Government is gasping for breath at the eleventh hour and fifty-ninth minute before the election call. Well after seeding has been completed, it comes along and tells farmers that it will give them back their own money which they paid into the fund. The truth of the matter is that had farmers invested their money when the fund was initially conceived, even at bank interest rates, they would have been about $8,000 better off than by investing in the fund.

As the Hon. Member for Wetaskiwin (Mr. Schellenberger) just mentioned, when a farmer plants seed in the ground he cannot go to the bank and ask for a loan to carry him over on the basis of there being seed in the good earth. But when there is a 50 or 60-bushel crop lying in swath, the farmer can make projections because the predictability of cash is much better than it was in the spring of the year. They need the money in the spring. As the Minister said, they have expenses in the fall as well, but they are much closer to predicting what their income might be.

• (1950)

Last weekend I met with a farmer who told me that he argued in favour of the Liberal Government when this program was initiated. He said: "I argued with my neighbours that any time that I as a farmer could put up $1 and the Government would put up $2, that was a deal I could not afford to pass up." He went on to state: "Boy, was I dead wrong. I feel damn cheated." He did go on to say some other words. Because I want to continue my speech for some time, I will not put them into *Hansard*.

This Government has chosen to stabilize the farmer when he is broke. It is not the notion of what grain stabilization is about at all. We recognize that there are ups and downs in the income of farm people. They waited until the very last breath of farmers and decided at that point to come in with stabilization. Coming in then basically means that we continue the path of bankruptcy for all too many farmers.

The present Minister of Agriculture (Mr. Whelan) has been Minister for 12 years. In that time there have been five major pieces of agricultural legislation. That is a record that damns this Government in terms of its agriculture policy. There is no industry in the world as important as agriculture. Every year 70 million persons suffer permanent and irreversible brain damage from the lack of protein; four-fifths of this world suffers from malnutrition and 40,000 children under the age of five die of starvation. There is no commodity in the world as

important as food. There are only two sources of food. One is soil and the other is water. Unfortunately, and I do not blame only the Liberals who govern us, against that devastating background, there is no nation in the world that places fish, forestry or food among its highest priorities for government spending. The whole world needs to turn itself around to recognize that we live by the good earth. If we do not put some research, marketing, development and skills back into the production of foods, we will continue as we have in the past, living in a world where four-fifths of our people suffer from malnutrition.

The Minister of Transport (Mr. Axworthy) took the occasion this evening to tell us that the West should be pretty happy because we have this great thing he calls the new Crow rate. We got exactly what we should have expected. We have Senator Ian Sinclair in the other place. He is now part of this great new Government team. We have a new Leader of the Liberal Party. He did not dare resign his directorship of CP. A good constituent, of mine, the Hon. Jack Horner, the former Chairman of CNR, is now the western grain car co-ordinator. If I was a farmer against that background I would hightail it like a jack-rabbit.

It is those people who gave us exactly what we should expect, a Crow rate that allows the railway companies to renege on about $2 billion which they said they would spend. They are not going to spend that because somehow it is not in the interest of the railway. This country is not about railways. It is about people who produce, whether it is forestry, fish or agriculture. When we have people like Sinclair, Turner and Horner looking after farmers, it is analogous to sending a tomcat to guard mice. They will look after the railways every time.

We have to recognize that we face a $2 billion shortfall. That is against the background of a 140 per cent increase in farm production in the last decade. Statistics Canada predicts another 110 per cent increase by the end of the year 1986. We tax fuels used by the farmers. We have front-end taxes on natural gas which makes fertilizer prices too high. Land prices are escalating far too high. We have machinery costs that cannot be justified. Interest rates are too high. They are exorbitant, and there is no means of resolving the situation. There is a failure in marketing and research in terms of farm production and agricultural needs. Against that background, there was one committee meeting at which the Liberals did not show up. At the other meeting, one Liberal Member showed up and he walked out.

The Government left this measure until the second last day before the recess. It brings in this Bill at the last second, 11 hours, 59 minutes and 59 seconds. It tries to tell the farmers it is going to give them some gift from Lloyds of Winnipeg at the last moment with the farmers' own money.

I know this is a good speech, Mr. Speaker, but you do not have to come down here. I will keep going if I can do so. No? If that is the signal, I will resume my seat. Thank you very much.

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, I sat through virtually every committee meeting when this Bill was being considered. From day one, its primary purpose was not to come to the aid of the farmer. Its primary purpose, and it is so stated in the Bill and in the Minister's presentation, and in its support by Government, was to make sure that there was a total income in the West, including all industries and not just agriculture, so as to maintain a healthy western economy. As a result, the provisions of this Bill are not properly triggered at the time when farm income declines to the point perceived by farmers are the one described by the Hon. Member for Crowfoot (Mr. Malone) a few moments ago. It was perceived by the farmers as their Bill. It was utterly and totally impossible to indicate to the public at large that this was not to be triggered by farm needs, but rather the total economic needs of the total western area. The farmer now realizes that he was utterly and totally misled by the propaganda associated with the presentation of that Bill.

We now find ourselves considering an amendment which is vital to the farm industry of western Canada. It is high time that it was here. This Bill was needed when people were planting crops so there would be an attraction to plant, and encouragement for farmers and creditors alike to ensure a healthy plant and healthy agriculture in western Canada.

This is the first recognition of the weakness of the original Bill that we are amending, the first recognition of its weakness as it is being presented for amendment today. I do not know how farmers in Canada can ever be bewitched again into a state of ignorance of their own affairs and the legislation which was supposed to attack the problems they face.

We have gone through a period of time when costs of production have skyrocketed. Price stabilization, whether it be for western grains or other items, is something which the Minister of Agriculture (Mr. Whelan) has refused to recognize. He has preached a cheap food policy for Canada. As he preached that, net farm income has gone down and costs have gone up. There have been all kinds of presentations to this House; to the Minister, to the Cabinet and to Opposition Parties, pleading for recognition of the problem of the red meat industry and the horticulture industry. They suggest that the policy of this Government has not been adequate to look after the farmers' needs while the Cabinet and the Minister of Consumer and Corporate Affairs (Mrs. Erola) preach that we shall have cheap food for Canada. The birds are just coming home to roost by this Bill.

What the Opposition Parties said when it was in the process of consideration by the Committee in the House has now been admitted by the Government. It was inadequate the day it was drafted. It was not subject to amendment like most government Bills. Government Members had all the brains. They bewitched the farmers and passed the Bill as it was when amendments had been offered to try to have payment triggered by farm needs rather than total economic needs. That, of course, was a reversal of the situation.

• (2000)

If one follows the economic charts of Canada through history, one sees that when the farm industry is prosperous, so is the rest of Canada. There are a few exceptions to that rule, being times when the peaks do not entirely coincide, but there are no times when the impact of farm prosperity is not reflected into the curve of prosperity for all of Canada. The decline of the agricultural economy may precede the decline of the Canadian economy, but then one wonders whether or not the agricultural economy has dragged the entire economy down.

Here we are considering this Bill after hearing a snide remark made by a Member on your right, Mr. Speaker, a remark which was intended to be deceptive after mention was made of the 18 cents. How many times must one tell those who will not hear—I suppose one can tell them in perpetuity and they will still not hear—that the 18 cents did not apply to agriculture, to fishing or to the heating of homes. Remarks such as that do not do the dignity of this House very much justice.

I regret very much that, as of now, we have not properly addressed at least a few of the agricultural problems. I do not have to name those problems because the Minister of Agriculture himself receivd a telex urging a response to the request of the Canadian Horticultural Council. This response was not mentioned as the business for tomorrow, nor was it promised as the business for Friday. I must say that this would be a default in the responsibility of any Government. This is a position about which we have known for weeks and for which no correcting legislation has been presented to us as of yet.

As was mentioned earlier, it seems as though the ghost of Jimmie Gardiner has finally injected his thinking into the policy of a Government that is just about to attack the public with an election campaign. The same tactics are being applied, but this time the farmers will not have their eyes shut because there have been too many examples of neglect and too few examples of progressive, constructive, promotional legislation for the welfare of agriculture in all its spheres. This is just a hypocritical example of the historic neglect which has been going on for too many years.

Mr. Gordon Taylor (Bow River): Mr. Speaker, I am very happy to be afforded the opportunity to say a few words on this Bill tonight because my constituency is largely agricultural. There are some excellent tourist areas such as Lake Louise, Banff, Drumheller and a few other places in my constituency, but the vast number of people who live in the constituency of Bow River either depend directly or indirectly upon agriculture for their living. There is a great deal of ranching and livestock production and there is a tremendous amount of grain growing that goes on in the Bow River area. Consequently, this Bill is very important to the livelihood of the people of my constituency.

I wish to deal with some of the fundamentals first. I wonder why it is that agriculture and farmers, to put it colloquially, always get the dirty end of the stick. That is what has happened over the years. Agriculture never gets a fair break. I have thought about this and wondered why this is so. The agricultural industry is basic to our entire lives. If we do not eat, we do not live. We do not eat unless there is production and production comes largely from our farms. Almost everything we eat comes from the land or from the sea. Farmers have a tremendous part to play in the production of the food that keeps us alive. So why is it that the agricultural industry always seems to be lagging behind the rest of the economy?

As the Hon. Member who just spoke said a few moments ago, when the farmers have money and are reasonably prosperous, the entire community is buoyant. I have seen that happen many, many times. I have seen times when our coal mines were working full blast, and that brought prosperity and buoyancy to the entire area around the coal mines. I have seen times when our farmers were getting a fairly reasonable price for their produce, and that brought buoyancy to the entire area. Consequently, it is important to analyse the situation and find out why farming has never been given its proper place.

The situation is like that of the Government's job programs. Every time a question is asked, the Ministers stand and say that we spent so many millions on this, so many billions on that. Government members are throwing money at jobs and they think the money, like an aspirin, will find the sore spot and cure it. Money does not work that way, and that is why the more millions of dollars that are spent, the more unemployment goes up.

If the Government were to diagnose the problem and find out what is causing unemployment—and the Government itself is causing it with things like the capital cost allowance—and then try to find solutions to those particular problems, it would be attacking things in a logical and scientific way. However, the Government does not do that. Government members just say that they are spending so many million dollars and they think that that satisfies the problem, even if the rate of unemployment keeps increasing as it does. The same is true with farmers.

Tonight the Government is saying that it is giving $300 million to the farmers. In the first place, it is the farmers' own money. The Government should stop arguing about the ratio of three to one. That stabilization fund was brought in so that the money contributed to it by the farmers and the money contributed to it by the Government would belong to the farmers. All of that money belongs to the farmers. That was the deal that the Government made with the agricultural community. Now it is telling the farmers that it is giving them two for one. By law and by agreement, every dollar in that stabilization fund belongs to the farmers. I do not like the Government now beginning to change that agreement and divide it up.

Let us look at the situation. Each part of the economy depends on every other part of the economy. Each part of the economy must be in proper balance for the economy as a whole to work. I think that is an important point. Basically, this means that the price received by one sector for its production must fit properly with the price received by other sectors.

There must be a proper balance between the prices. When that proper balance exists among all of the sectors, including the agricultural sector, then there is parity.

Farmers have been asking for parity for a long time. Parity simply means that there is a proper balance between the various parts of the economy, including the agricultural sector. If one sector charges prices that are too high, then it exists at the expense of the other sectors. If one sector receives too little for its production as farmers normally do, then it becomes the victim of the other sectors. If one sector borrows to the hilt, that too hurts the agricultural sector.

Producers have been the victims of our economy. Of the entire national income of Canada, 14 per cent should go to the agricultural sector. However, it is very seldom that the agricultural sector receives even close to that amount. There is no parity. Farmers do not get their fair share of the national production. As a matter of fact, probably the closest farmers have ever come to getting a fair share happened shortly after the war when farm produce was receiving a half-decent price.

Normally farmers receive an amount way below the national production and sometimes receive only 1 per cent, 2 per cent or 3 per cent of the national production. Consequently, they cannot exist. These low incomes create problems for more people than the farmers. The income that was not received by farmers fails to spread throughout the rest of the economy. When farmers do receive money, the benefits are spread throughout the rest of the economy. When the farmers do not receive it, their share of national production is way down.

• (2010)

In such times what do farmers have to do? They have to borrow. This starts that wicked cycle all over again—the farmer gets into debt and things get worse. High interest rates have hurt farmers and home owners more than anybody else. People produce with credit. Farmers need credit to produce. It is no wonder that 400 farmers went bankrupt in western Canada in 1983. Many more farmers went bankrupt across Canada because they could not meet their costs.

The Farm Credit Corporation and the Minister of Agriculture (Mr. Whelan) tell those farmers that they should sell some of their land. Farmers paid into the stabilization fund in the hope that when bad times came they would receive a little help with the money which they put into the fund. That is not the case. PC Members have begged, pleaded and prayed for the Government to make pay-outs. Month after month the Minister of Agriculture said, "soon". The Minister of Transport (Mr. Axworthy) told us that the Government was studying the legislation. It was studied for months, and in the meantime farmer after farmer went bankrupt. The money which was in that fund could have saved scores of those farmers if the Government had acted.

Why did it not act? It did not act for a very simple reason: The fund did not cover total costs. The program is spread over half the country. As well, it covers a number of products. Some farmers have no hope in the world of ever receiving a pay-out. About the only thing which will trigger a pay-out is the wheat of Saskatchewan, Alberta and Manitoba. All the other producers will probably never see a pay-out. We asked the Government to include the total costs of production. The Government has improved the legislation somewhat, but it still does not include all of the costs of production.

What about the interest costs? That is one of the biggest costs of agriculture. That is not included. What about inflationary prices? They are not included. What about the costs of transportation? That is a factor in production. What about the costs of machinery? Oh, no, the Government leaves out the important things.

I am glad to see this Bill. At least it will give farmers something to put in their pockets. It will give back to the farmers some of their own money. However, this Bill is still unfair. There will be farmers who put money into this fund who will never get back a cent. These farmers are being robbed by the Government. When these farmers opt out, if they have not received as much or more than they put in, plus interest and plus the contribution by the Government, they should be paid the difference. If they did not receive any pay-out at all, they should get their money back with interest.

Some Hon. Members: Hear, hear!

Mr. Taylor: Absolutely. Any other business in the world would do that. It is highway robbery. The Minister can laugh if he likes, but the farmers are not laughing. The Government takes their money year after year after year and then we in the Opposition have to beg the Government to give those farmers a little bit back—a few crumbs so that they can stay alive. It almost seems that the Government is trying to bankrupt the farms.

Mr. Peterson: Mr. Speaker, I rise on a point of order. I know that I am disrupting the proceedings of the Chamber, but I am asking for the unanimous consent of the House to revert to the presentation of reports from standing and special committees. The reason I am doing this is that this afternoon the Standing Committee on Finance, Trade and Economic Affairs had an opportunity to consider Bill C-36, which deals with amendments to the Interest Act. Those amendments affect home owners and their mortgages. Therefore, I seek the unanimous consent of the House to revert to that proceeding in order that I might table the report from the standing committee.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent to revert to the presentation of reports?

Some Hon. Members: Agreed.

Mr. Forrestall: No, I would like to intervene—

The Acting Speaker (Mr. Guilbault): The Chair cannot entertain speeches on such a proceeding. All the Chair can do is ask whether there is unanimous consent to revert to the presentation of reports.

Mr. Forrestall: Mr. Speaker, I rise on a point of order.

Mr. Deans: I rise on a point of order.

The Acting Speaker (Mr. Guilbault): There are two points of order. I will first recognize the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall).

Mr. Forrestall: Mr. Speaker, I rise on a point of order simply because the intervener rose on a point of order. I rose merely to ask whether we might have the benefit of looking at what is to be presented. I am aware that there were previous negotiations and I am not withholding unanimous consent. However, the matter was raised as a point of order and I simply intervened to ask whether we might not see the report. I believe that we are quite prepared to give consent. There is no question about that. But, it was a point of order.

Mr. Deans: Mr. Speaker, I was particularly intrigued by the question which was asked by the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall) who, in rising, asked what the Hon. Member for Willowdale (Mr. Peterson) was asking to present. I was waiting to hear, and now I know. At this precise moment, he is being shown the document which is the subject matter of the request for unanimous consent. I just took a look at it and I am sure that, now he has seen it, it would be possible to gain the unanimous consent which is necessary to allow the report to be tabled.

Mr. Forrestall: Mr. Speaker, now that we know perfectly well who is in bed with whom, of course we are quite prepared to give unanimous consent.

The Acting Speaker (Mr. Guilbault): The Chair will again ask if there is unanimous consent to revert to the presentation of reports. Is there unanimous consent?

Some Hon. Members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

FINANCE, TRADE AND ECONOMIC AFFAIRS

PRESENTATION OF SIXTH REPORT OF STANDING COMMITTEE

Mr. Jim Peterson (Willowdale): Mr. Speaker, the implication of the Hon. Member who spoke last is one that I cannot refuse. I appreciate very much the consent of the House in allowing me to rise to present the Sixth Report of the Standing Committee on Finance, Trade and Economic Affairs. I thank the House very much for the privilege it has accorded me.

GOVERNMENT ORDERS

[*English*]

WESTERN GRAIN STABILIZATION ACT

MEASURE TO AMEND

The House resumed consideration of Bill C-33, An Act to amend the Western Grain Stabilization Act, as reported (without amendment) from the Standing Committee on Agriculture; and the amendment (Mr. Axworthy).

Hon. Jake Epp (Provencher): Mr. Speaker, this Bill is before the House of Commons at a time when Canadian farmers are in trouble. They are in trouble for a number of reasons. Part of the problem in my province might have been due to the weather in the spring of 1984, and the weather which we have experienced over the past few weeks, namely, excessive rain. But, farmers throughout the ages who have followed the pursuits of farming, the production of food, have always been able to cope with that kind of trouble. What is causing more farming bankruptcies today is not due to the weather, it is due to government policy.

As my colleague, the Hon. Member for Crowfoot (Mr. Malone), mentioned, the Bill before us will be passed in the last minutes of this House before it rises for the summer, and possibly the end of this Parliament should an election intervene. It is a Bill which is, at best, a minimal attempt to address the issues which farmers in Canada are facing. What farmers are facing, Mr. Speaker, is a debt load and an increasing interest rate problem which is jeopardizing their economic viability more than any other single factor.

This weekend, before I came back to Ottawa, a young farmer in my riding called me. I know him very well. He is farming with his father and they have a successful farm. He asked me whether or not the Western Grain Stabilization Bill would be passed before the House rose for the summer. I told him that from our point of view, we not only had asked for the Bill, but through the weeks we had pressured the Government for the Bill, and that we would do everything in our power to see the Bill passed before the end of June. At that point in the conversation I asked him if it would make a great deal of difference in their farming operations. He said to me, "It is not going to solve our problems but anything which will in some way address the financial squeeze we are in is welcome". That, Mr. Speaker, is why we have pushed for this Bill.

● (2020)

I want to tell the House that this Bill does not resolve or solve the financial problems of the farming community today. I have already said that the major problem is the financing of the debt load. That is why farmers are going bankrupt. That is why we are seeing foreclosures. That is why we are seeing unrest on the Prairies, for example, among people who, when they produce food, are at their best. When you look at the economic history of Canada over any period, but especially the post-war period, there has been no group of people in society who have been more efficient and whose productivity has

increased more dramatically than the farmers, and it is because of that that they are still surviving.

In fact, Mr. Speaker, if one takes a look at the more traditional industries, what some people would like to call the multinationals, one will find that with respect to their post-war labour situation, on a net basis they have not created new jobs. They have stabilized their labour force, and in most cases their labour force is down. There are three areas in which the labour force has been increased. One area is the public service, which has had tremendous growth over this period of time. The other two areas are small business and agriculture. We cannot even measure what the effect on the labour force is when agriculture is doing well or is not doing well.

Many years ago I was working in a small business in my home community which sold cars and trucks for General Motors. It is very interesting to note that in Ontario at that time the automobile manufacturers felt they had a good year when the economy was growing. They had an excellent year when farmers would come in at the tail end of the tax year and put in orders for trucks, cars and machinery. It is no different on the Prairies today. They are shrewd business people. I say to you that agriculture is the industry which creates jobs, and today part of our labour problems are due to the financial squeeze which our agriculture communities are in.

We now have the stabilization bill before us. On average this Bill will give $2,500 to farmers who will simply be getting the money back which they put into the fund in the first place. I do not know if you know this, Mr. Speaker, but I know that there are some of my colleagues in this House—and I will not identify them—along with farmers in my riding, who will spend more money today in spraying their crops than the average pay-out from the grain stabilization is going to give them. That is the situation. There is no point, Mr. Speaker, in saying in this House of Commons today that this legislation is going to do wonders for the farm economy. It is only of minimal help, but thank goodness, at least there is something.

I remember when this Act was passed. At that time, a former Hon. Member for Assiniboia, now the Leader of the Liberal Party of Saskatchewan, was working with the then Minister in charge of the Canadian Wheat Board, the Hon. Otto Lang. I remember him running up and down the aisles of this House trying to convince us from western Canada that this would be a good deal for western farmers. I will never forget it. I remember him going back and forth trying to get the deal put together. We consistently asked him what guarantee will the farmers have? Where is the commitment from the Government? But he was absolutely convinced that this was the best thing which would ever happen to western agriculture. What is ironic is that this Government, which passed that legislation, today, last week and last month, has been forced, pushed and cajoled into bringing forward legislation which would at least reflect in part the economic reality that is now facing western Canada. The Western Grain Stabilization Act was simply not realistic.

It is important to note today what we said then when that Bill was passed. We said that those clauses were of such a nature there literally had to be a disaster if there was going to be a pay-out. It was not the Government which was taking a risk. It was the farmer who was putting the money into the fund who was taking the total risk. That is what we were dealing with. And all we are doing today, Mr. Speaker, is correcting in part, in a small way, what was wrong in the first place.

I want this Bill to be passed today, but I want notice to be served that I am not impressed with this Bill. Nor am I impressed with the government's agricultural policy. It takes more to give leadership in agriculture than to walk around the country wearing a green stetson. If we are going to get this country turned around economically we must get back to the basics, such as agriculture. There has to be more emphasis placed on agriculture. In the 12 years I have been here, Mr. Speaker, this Government has brought forward few bills relating to agriculture. More importantly, agriculture has not been a priority of the Cabinet. Some of my colleagues might disagree with my next statement, but a least sometimes I thought the Minister of Agriculture (Mr. Whelan) was trying to give some voice to agriculture, but it fell on the deaf ears of his colleagues.

All we are doing today, Mr. Speaker, is correcting in part that which was wrong in the first place. What I am saying is that we have to place much more emphasis as Canadians on agriculture. If we will do that, not only will our agricultural community prosper but jobs across the country will be created. That lack of emphasis is the legacy of this Liberal Government. That is why its platitudes or sudden revelations that it knows where the West is finally located is not going to make any difference. The record speaks for itself and the agricultural record of this Government is something for which it should be condemned.

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, I am pleased to be able to take part in this debate. For a long, long time, I believe since before we broke at Christmas, Hon. Members of my Party have been asking the Minister of Agriculture (Mr. Whelan) and the Minister of Transport (Mr. Axworthy) when the Western Grain Stabilization Bill would be brought into the real world and address the realities involved in farming in western Canada.

There is one day left before this House rises for the summer recess. In all likelihood we will be going into a general election. At least that is what we on this side are hoping for. But we have presented to us in the dying hours of this session a Bill that does not reflect the realities of the production of food. It does not reflect the realities of interest rates, the cost of fuel, machinery and fertilizer. Indeed, it does not reflect the realities involved in purchasing land or putting up farmstead buildings.

• (2030)

We on this side are going to support this Bill. I hear the Minister of Transport saying "good". I hope when the election is called he has the opportunity to come to my riding of Kindersley-Lloydminster in Saskatchewan. I invite him to

come and discuss with my farmers their feelings about the Western Grain Stabilization Act, indeed their feelings about the last 20 years of Liberal administration. I offer him the opportunity and we will see one another in Kindersley-Lloydminster in Saskatchewan.

Some $300 million is to be paid out under this Bill which the producers themselves have placed in trust with the Government of Canada so that it would be available to them when they needed it to stabilize their income. The Minister of Transport knows full well the amount of taxpayers' money, not farmers' money, which has been put into the riding of Winnipeg-Fort Garry, his own riding, some $700 million to $800 million. The Minister is saying "yes, somewhere around there". He is not sure. That works out to $100,000 per voter. Now he is doing the math to see how much money he has spent on each one of the voters in his riding. He finds I have come up a little high.

Mr. Epp: Not much.

Mr. McKnight: That is $700 million into one riding, and some 150,000 Wheat Board permit holders are being offered $300 million which the producers paid into the fund in the first place. The Government is offering to give it back, some $2,500 per farmer as estimated by the Minister of State responsible for the Canadian Wheat Board.

I am not a cynical man. I do not look for hidden motives or angles like some people on the other side of the House. But I am not sure, indeed I have great doubts, whether we would even be debating this Bill if there was not the possibility of a general election.

There is another thing which should be brought to the attention of the Minister. If the media reports are correct he is going to be—and I hate to say this because it refers to a native son of my province—another Jimmy Gardiner. He is now going to be responsible for the Canadian Wheat Board. Woe to the producers of grain in western Canada if the Minister has that responsibility and is allowed to run amuck among the most sacred thing the producers of western Canada have, the only thing that protects them from the deviations of the world market, the Canadian Wheat Board.

We have noticed in the past that there seems to be a tendency on the part of this Government not to pay too much attention to the people who produced the grain, but to pay a lot of attention to the people who derive their livelihood on the backs of producers. A prime example would be Bill C-155, the transportation Bill, which the Minister of Transport brought in. After some debate and some amendments, he used closure to put it through the House. We have heard the estimates of the number of jobs being decreased and increased. It is now estimated at about 155,000 jobs, where before it was 300,000 plus. Think back to that debate. We heard about $16 billion being invested, but now it is only $12 billion. If you think back, we never once heard the railways give those numbers. We never heard them say there would be over 300,000 jobs created. They never said they would invest $16 billion. But I heard the Minister of Transport and his predecessors say it. I read the expensive propaganda distributed throughout Canada saying that these investments would be made. But these statements were made by the Government, never by the railroads. Now we find that the railroads are not going to invest that money. But the Government used its propaganda machine to make people believe these investments would take place. I know the Minister of Transport is proud of being the co-campaign chairman for Mr. Turner who won the leadership of his Party. That is a political achievement, I am sure. Mr. Turner happened to be a director of Canadian Pacific.

Mr. Epp: Still is.

Mr. McKnight: I am sure he was very close and comfortable with "Mr. six and five", Ian Sinclair. He now sits in the Senate, having been appointed by this Government.

Then there is that man who had his life reversed, Mr. Horner. Most people, if they are going to become a socialist, do so when they are young. Mr. Horner did it in reverse. He became a socialist Liberal when he got older. He is now the chairman of the Senior Grain Transportation Authority.

Then there was another Minister of Transport, the man who said, "Transportation is a mess but what will I do about it?" He went to the Senate and became Speaker. Then the present Minister of Transport had him appointed chairman of the Canadian Transport Commission.

Do you really think the grain producers in western Canada are being cynical, are being anything more than reasoned and rational people when they say "We really do not think we have a chance with this Government the way it stacks the deck for the Canadian Pacific Railroad". Does anyone wonder, given the Minister of Transport, the Leader of the Liberal Party, Senator Sinclair, Senator Marchand, now the chairman of the Canadian Transport Commission, and Mr. Horner, the chairman of the Senior Grain Transportation Authority?

Agriculture is a multimillion dollar industry, a megaproject which goes into the ground every year whether it is dry or wet. If farmers do not have the money, they borrow it. It is the biggest megaproject this country has and it is a renewable megaproject. It generates some $19 billion in Canada. Over half of that is generated on the Prairies. Right now costs have tripled since 1971. The prices received by producers are well below 1973 levels. There has to be some consideration for people who invest their lives and those of their families in the production of food. If there was, they could go ahead and do what they enjoy doing and contribute, not to just Canada but to the world. It does not make sense when we have the Farm Credit Corporation charging 15 per cent interest for farm loans, while at the same time this Government, through CIDA, gives some $44 million interest free to India for the production of forests. It does not make any sense. There has to be a happy medium.

I see I am keeping the Minister of Transport up. He looks tired. I know he has had a busy day, but the people out in Kindersley-Lloydminster, Provencher, Portage-Marquette, Crowfoot, Bow River, Wetaskiwin and Moose Jaw are just coming in from spraying. They have been spending money to

buy chemicals produced in another part of Canada. They get off a tractor that was built in another part of Canada. They get into a half-ton truck built in another part of Canada.

Mr. Axworthy: Don't you know about Versatile?

Mr. McKnight: In 1967 I bought a Versatile tractor and the total price was $9,000. It was a 118 horsepower four wheel drive. Do you know what it would cost to buy that today? It would cost $65,000. In 1967 I was getting $2.25 for a bushel of wheat. Today I am getting $4. The cost to increase my horsepower rose from $9,000 to $65,000. I see that my time is up. I hope the Minister understands the problem of the farming areas in western Canada.

• (2040)

The Acting Speaker (Mr. Guilbault): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Guilbault): The question is on the amendment of Mr. Axworthy. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

Mr. Axworthy moved that the Bill be concurred in.

Motion agreed to.

Mr. Axworthy moved that the Bill be read the third time and do pass.

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, I will just make a few points to put our position about the Bill clearly on the record. I think the amendments improve the Bill. We lament the fact that we were not given more time in committee to make more improvements to the Bill. As the Hon. Member for Provencher (Mr. Epp) said, we served notice that there were other things to be done to the Bill which could have been done.

The comment which needs to be made is that it is too bad the Government did not have a Minister in the House to deal with the Bill. I think that would have made a difference. I would like to defend the Senate before I say what I am going to say. I think there are some excellent Senators and they do some excellent committee work. However, I have heard the Senate defined on occasion as living proof of life after death. If you look at the way in which the Minister who was responsible for this Bill performed on this Bill, it may put a little credence in that definition of the Senate. I say that just to make the point that I think we could have dealt more effectively with this Bill had we had someone in the House who was prepared to deal with it in a little more urgent and animated way. We probably would have had some better amendments.

We are happy to see the change in the trigger mechanism so that there will be a pay-out this year. In saying that, I would urge the Government again to give the Bill Royal Assent and to get the arithmetic done so that we can have an interim payment which is as large as possible and as quickly as possible. That has been our concern since the start. We hope that the Government will take this as notice and get the payment out as quickly as possible.

We have some concerns about having it changed from a calendar year to a crop year basis. The jury is still out as to whether or not that will be an improvement. It is certainly a welcome improvement to allow spouses to be eligible to participate on a multiple basis. That is a worth-while improvement to the Bill and something which could have been done sooner. It is certainly welcome now.

With regard to the withdrawal procedure, I think it remains to be seen whether we need to go on a 10-year basis. I am not convinced that that could not be shortened. The Hon. Member for Bow River (Mr. Taylor) talked about producers wanting to have the option to withdraw. I think that is a valid concern. Ten years seems excessively long to a lot of producers. I wonder how that is going to work. We basically support the amendments. The Government has caught us between a rock and a hard place by bringing it in at this late date in the session. We certainly have to give approval to the Bill but I would like to reiterate the fact that the improvements could have been substantially better in many ways and the legislation is still flawed. It is going to require improvements in the future. With that I will close by saying that we hope the Bill is given Royal Assent as quickly as possible and that the cash which is urgently needed will be in the producers' hands as quickly as possible.

The Acting Speaker (Mr. Guilbault): Is it the pleasure of the House to adopt the motion?

Motion agreed to and Bill read the third time and passed.

* * * * *

The Acting Speaker (Mr. Guilbault): The Hon. Member for Saskatoon West (Mr. Hnatyshyn) on a point of order.

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order with reference to an incident which transpired earlier this evening. The Member for Willowdale (Mr. Peterson) stood in his place and indicated to the House that there had been consultations and consent given with respect to reverting to Motions in order that a report from the finance committee could in fact be tabled. I have spoken directly to the Member for Willowdale about this matter indicating my displeasure with the step that was taken by him in indicating that he had consulted. He had in fact not consulted.

We try to operate this place on the basis of a person's word being taken for granted. I was out of the Chamber very briefly. I am sorry this has happened. I do not like to see this kind of a matter dealt with in this way. If there are going to be consultations I am pleased to have discussions. I am sure the matter could have been resolved. However, for the Member for Willowdale to come into the House and indicate that he had consulted with me is simply not the fact. I want to put that on

the record. If that happens again we are going to find ourselves in a position where we simply will not agree to anything except in the normal course of events. I think that would be a very unfortunate way to have to operate the House of Commons. We operate on the basis of consultation with the House Leaders. I would not presume, nor would any member of my caucus, to say that there had been consultations with the Government House Leader if there had not been. I would do him the courtesy of making sure that there was a clear understanding with respect to the matter. It is a *fait accompli*. I simply bring this to your attention because I am concerned about the activities that have taken place. I have said that I have spoken directly to the Member for Willowdale and indicated to him my intense displeasure with what has transpired today.

● (2050)

[*Translation*]

Mr. Dubois: Mr. Speaker, concerning what my colleague opposite just said, I was in the House when the Member for Willowdale (Mr. Peterson) rose on a point of order. He did not mention consultation. He asked for unanimous consent, and I want to set the record straight. He only asked for unanimous consent to table the report of the Standing Committee on Finance, Trade and Economic Affairs, in connection with Bill C-36. That is what he said in the House. In any case, my hon. friend will be able to check the record in Hansard tomorrow. He never mentioned consultation, he just asked for unanimous consent and that is when the Hon. Member's colleague behind him, the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall), rose and asked to see what it was. As far as I know, there never was any consultation. He just asked for, and obtained, the unanimous consent of the House to table this report.

[*English*]

The Acting Speaker (Mr. Guilbault): On this point, whether or not there were consultations of course is not within the purview of the Chair. The Chair heard an Hon. Member asking for consent and the Chair asked whether there was consent in the House. It eventually became clear that consent was available. However, with regard to consultations, there is not much that I can do.

Mr. Forrestall: Mr. Speaker, I think the observations with respect to this are very pertinent to the activity and the work we must do over the next two days. There was no question in my mind whatsoever that, implicit in the words of the Hon. Member, there would be agreement if you were to seek unanimous consent. I certainly would not have given unanimous consent until I was certain that there had been consultations, either with my House Leader or the finance spokesman for our Party. Indeed, I would not have risen had I not taken that inference. Of course I am imputing motives. There is no question about that. It is an unparliamentary thing for me to do and I very rarely do it. If I am, I will apologize. On the other hand, with any further occurrence of that kind, unless I am absolutely satisfied that in the absence of my House Leader there has been consultation on concurrence, unfortunately there will not be consent given; not until such time as there is some assurance on all sides of the House.

The inference from the distinguished House Leader of the NDP, implicit in his question about why I was objecting, gave even further rise to my concern. There was no consultation and it was implicit in the seeking of consent.

In any event, I suspect that in the parliamentary process, with the courtesy that we follow, there is no attempt to seek unanimous consent without prior consultation in some usual or informal sense. You are nodding your head in the negative, Mr. Speaker. In the 19 or 20 years that I have been here there has always been the courtesy of consultation, conversation or discussion and then a process, unless in the usual way, the Government House Leader is attempting to further the Government's own ends. That was not the case this evening.

Mr. Pinard: Mr. Speaker, I rise very briefly. I understand that perhaps my hon. colleague has not witnessed in the past the seeking of unanimous consent without previous consultations having been held. I believe him. I have no reason to doubt his word that that never happened while he was physically sitting in the House. But he must have been away for many long periods of time. I have only been here ten years and during those ten years I very often have witnessed Members seeking unanimous consent without previous consultation.

Mr. Forrestall: Not so at all.

Mr. Pinard: Probably my hon. colleague was campaigning for his nomination convention in Halifax, but that is understandable. However, that is the case.

What is clear now is that a colleague of mine was in the House when this happened. I see that the Member for Willowdale (Mr. Peterson) is here and he will have an opportunity to clarify it. But we were told that he never indicated that previous consultations had been held. He was just merely seeking unanimous consent. I believe the Hon. Member for Lotbinière (Mr. Dubois) has just indicated that. I was not in the House, but if the Opposition suspects that we wanted to play a trick on them, I can assure them that we will not deal with this Bill before the end of June without their consent. So they should be very at ease. We are very sincere and acting in good faith. What was done was done in the normal practice.

Mr. Forrestall: That is not normal practice.

Mr. Pinard: If my hon. colleague felt tricked, betrayed or that in his opinion the usual practice was not followed, he should rest at ease. We will not deal with the Bill before the end of June unless we have the unanimous consent of the House. I can give him that assurance.

Mr. Peterson: Mr. Speaker, I think the Opposition is making a mountain of a mole hill. I was called to the Chamber, on a couple of minutes' notice in my capacity as chairman of the Finance Committee to table the Sixth Report of the

Finance Committee. It is a matter which had been discussed by all Parties this afternoon.

I came down in my capacity as chairman of the Finance Committee to do this and I sought the unanimous consent of the House. I explained the matter to the House. The Hon. Member opposite was shown the report, as was the House leader of the NDP, which we sought to table. I sought the unanimous consent of the House to revert to Tabling Reports from Standing and Special Committees.

What happened, unfortunately, is that the House Leader for the Opposition approached me outside the Chamber. I said yes, I understood that there was consent to table this particular report at that particular time. I never assured the Hon. House Leader for the Opposition that we had consent, I said that I understood that we had consent. For him to stand in the House and try to make it appear that I have deliberately tried to mislead the House bothers me a great deal.

Mr. Forrestall: There weren't very many here but you sure as hell misled me.

Mr. Peterson: I did not under any circumstances indicate, other than to the House Leader outside the Chamber, that I had understood that consent had been obtained to do this tabling at that particular time. There was no attempt to mislead Hon. Members opposite. I do not see how there can be any complaint in terms of what our House Leader has said, that nothing will be done with respect to this Report without the unanimous consent of the Chamber. I do not know how our House Leader could be more fair. I do not know how the House Leader of the Opposition could have been more misleading in terms of what I had said to him.

Mr. Hnatyshyn: Mr. Speaker, I simply want to say that if I have ever heard an admission of guilt from any member, it came out of the mouth of the Member of Willowdale (Mr. Peterson). I simply do not think we can take his word with respect to matters in the future.

Mr. Pinard: *Hansard* will speak for itself tomorrow.

The Acting Speaker (Mr. Guilbault): Order. I believe that some members will have to resolve these difficulties between themselves with regard to consultations. Unanimous consent has been sought and obtained in a legal fashion.

It being nine o'clock this House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 2(1).

The House adjourned at 9 p.m.

HOUSE OF COMMONS

Thursday, June 28, 1984

The House met at 11 a.m.

• (1105)

GOVERNMENT ORDERS

[*English*]

CANADIAN INSTITUTE FOR INTERNATIONAL PEACE AND SECURITY

MEASURE TO ESTABLISH

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs) moved that Bill C-32, an Act to establish the Canadian Institute for International Peace and Security, as reported (with amendments) from the Standing Committee on External Affairs and National Defence, be concurred in.

Motion agreed to.

Mr. Speaker: When shall the Bill be read a third time?

Some Hon. Members: Now.

Mr. Speaker: By consent, now.

Mr. MacEachen moved that the Bill be read the third time and do pass.

He said: Mr. Speaker, this is the final step in the creation of the Canadian Institute for International Peace and Security. This legislation is an expression of the hopes and dreams of all Members and all Canadians who want nothing less than a peaceful and secure world. The creation of the Institute, first proposed in the Throne Speech last December, is important to all Canadians because it is Canada's way of injecting fresh ideas and developing new and better solutions for a world troubled by conflict and uncertainty.

I think it is quite appropriate that Canada should be taking this initiative. Throughout our history we have consistently striven to realize a better and more peaceful planet, especially since the last World War, the beginning of the end of which we recently marked in the fortieth anniversary commemorating Normandy. Successive Canadian Governments, with the active backing of all Parties, have sought to save succeeding generations from the scourges of war which, twice in this century, has brought untold suffering to mankind.

• (1110)

Canada's adherence to the United Nations Charter, and its active membership in multilateral organizations like the Commonwealth and the Francophonie have had one basic goal in mind—to build a better, more secure and peaceful world. As peacekeepers, as participants in the North-South dialogue, as members of the western alliance, and as a bridge between East and West, Canadians have certainly attained and deserved a reputation on the world stage. I believe that we are continuing that tradition with the action which I hope will be taken today by Parliament in the House of Commons.

The Institute for International Peace and Security is the legacy of Canada's latest peace initiative, an initiative which all parliamentarians have supported and earnestly encouraged. In recent months we in Canada have made a special effort through the Prime Minister (Mr. Trudeau) and his associates to make a contribution to the search for peace, and particularly to bring about an improved atmosphere in a deteriorated East-West relationship. As I said, that effort has been encouraged by Canadians. It has been supported by all Members of the House, and I believe the effort that Canada has made, led by the Prime Minister, has been outstanding, has drawn attention to very important issues, and has had an effect in lessening the tensions which still exist in a serious way between the East and the West.

Our proposals for the resolution of international conflict have been based on sound and considered principles, because that is the way of Canada. These principles are borne out in the clause defining the purpose of the Institute. That purpose is to look outward, to promote scholarship, to encourage public discussion, and to collect and spread information and ideas on international peace and security.

The public interest in this Bill has been great, and its influence profound. By letter, by appearance before the committee, and in discussion with Members, Canadians have spoken out about what they wanted in this Institute.

There have been few other pieces of legislation about which consultation between the Government and the opposition Parties has been so close and so co-operative. Throughout these past weeks the Prime Minister has had correspondence with the Leader of the Opposition (Mr. Mulroney) and with the Leader of the New Democratic Party (Mr. Broadbent), and I myself met frequently with representatives of the opposition Parties, and particularly with the Deputy Leader of the Official Opposition and the foreign affairs critic for the New Democratic Party. I have also had discussions with the Leader of the New Democratic Party. At times, we have been stalled in our efforts, and the road which we have followed has taken us around some rough corners. I believe that I can say that,

throughout this endeavour, we have shared one single goal and that is to create a world-class institute of which Canadians can be proud.

I must say that while the Leaders or representatives of the Parties were conducting their discussions, the members of the Standing Committee on External Affairs and National Defence were giving the Bill their very careful consideration. Meeting morning, noon and night, over a period of weeks, this committee heard from members of the dozens of groups from across the country to whom this Institute means so much. The work of the committee cannot be under-emphasized. Despite difficulties they persevered. Positive progress was made, and a better Bill was born. I pay tribute to the industry of all the members of the standing committee. I pay particular tribute to the chairman of the standing committee who provided the required leadership. I believe that those who are inclined to deprecate the value of our committee system can point to the labours of this particular committee as an example which should moderate their views.

• (1115)

Through all-Party consultations we have agreed to a board of directors, and a method by which that board will select its chairman and executive director. However, that cannot be done until the Bill has received proclamation. I believe it would be appropriate to identify the persons who will be approached by the Minister to serve as representatives on the board. The list of directors which we are proposing and who, it is hoped, will serve as directors when asked, is as follows:

Norman Alcock, President, World Federalist of Canada;
William Barton, former Canadian Ambassador to the United Nations;
George Bell, Director, Canadian Institute for Strategic Studies, former General, Canadian Armed Forces;
Christoph Bertram, Editor of *Die Zeit*, former Director of the International Institute for Strategic Studies, London;
Harriet Critchley, Director, the Arctic Institute of North America, University of Calgary;
Paul Desmarais, Chairman of Power Corporation;
Gwynne Dyer, International affairs journalist and military historian;
William Epstein, former Director of the UN Disarmament Division;
Margaret Fulton, President of Mount St. Vincent University, Halifax;
Albert Legault, Professor of Political Science, Laval University;
Joanna Miller, Project Ploughshares, Saskatchewan, former President UNICEF Canada;
Denis McDermott, President, Canadian Labour Congress;
John Sigler, Professor of Political Science, Carleton University;
Ian Smart, former Director of Studies, Royal Institute of International Affairs, London;
Paul Warnke, former Director, U.S. Arms Control and Disarmament Agency;
Lois Wilson, former Moderator of the United Church of Canada;
Gerald Wright, Vice-President, Canadian Donner Foundation.

I believe that is a very impressive list of proposed directors. The list represents a balance. The list has been agreed to by all Parties, but it also contains names which were suggested by organizations which were asked to make suggestions. I should add that we have agreed that the first chairman and the first executive director will be chosen by the members of the board, as indicated in the legislation. That would give the board an opportunity to choose the chairman and the executive director from among their own membership.

• (1120)

I should add that it is my intention, and the intention of others who participated in the discussions, that the 14 Canadian board members will be chosen first. That initial group of 14 Canadians will meet to choose the chairman and executive director, as provided for in the Bill. Of course, when the executive director and the chairman have been chosen, the three non-Canadians on the list will then be approached to serve. Of course it is understood that if any on the list refuses to serve, the consultation process provided for in the Bill will come into operation.

I want to add a further point, to ensure that we are quite serious about carrying out these undertakings or understandings, that I have consulted with the new Leader of the Liberal Party who will be sworn in as Prime Minister on Saturday of this week, and he has assured me that he will carry out the undertakings, or the understandings, which I have just listed. That should be of greater interest to Hon. Members of the House.

I would like to make a few additional comments, Mr. Speaker, about the Institute. We have, by legislation, established a role for the parliamentary committee to which the annual report will be referred. In so doing we have really broken new ground. By virtue of Section 32 the committee will also have the ability, in accordance with the rules of the House, to request the Institute to undertake research for, or provide advice to, the committee.

There was a provision in the Bill which made it possible for the Minister to ask for advice and to ask the Institute to conduct research. I personally placed a good deal of store on that provision because I wanted the Institute to be independent, but I also wanted it to be able to give advice, when required, to a Minister or the Government on very important questions. In that way it could be tied in more closely to the current preoccupations of any Government. The Minister is not running the Institute but he is permitted to ask for advice and policy guidance.

That same opportunity is provided to the Standing Committee on External Affairs and National Defence. There is, I believe, a simple way by which that can be done, and the Deputy Leader of the Official Opposition was quite active in discussing with me the particular amendment which might carry that out. That is an important point in the Bill.

By including in the Act as well a schedule of organizations, we have firmly entrenched the role of Canadian groups and established their role in the selection of future boards of directors. The schedule contains a quite lengthy list of organizations, I understand 89 in number. Not all organizations have been included, but there is a provision that additions or deletions can be made in the future. It may be that with experience and reflection it will be found that some organizations can be removed from that schedule. Perhaps some will go out of existence and ought to be removed. Others may appear with a greater relevance to the work of the Institute. That flexibility is provided.

• (1125)

There was a great deal of concern that the Institute be non-partisan and independent. It certainly was never my view that it should be anything but non-partisan, and independent, and objective. It has been given that role. Indeed, we have it guaranteed in law that the Leaders of all recognized Parties in the House of Commons will continue to have a voice in deciding the board's membership. By legislating an annual endowment we have given the Institute a means by which it can preserve independence of a certain quality.

Those were the main points I wanted to make, Mr. Speaker. We have come a long way to this conclusion and I hope it will be possible for us to give third reading to this Bill very quickly. I pledged in my speech on February 17 that the Institute would complement and not compete with existing groups, organizations, and institutions devoted to peace and security. Let me reaffirm that promise. No group will suffer adverse consequences in terms of support, financial or otherwise, from this or successive Governments, I hope. Rather, we foresee the Institute stimulating the level of interest in peace and security for the benefit of all.

We have before us a sound piece of legislation. It exemplifies the best of the parliamentary process. It reflects the goals and aspirations of all Canadians. It was achieved not through excessive partisan wrangling and bitter conflict, but through discussion, compromise and, in the end, the consensus of all Parties. I am sure we will give it speedy passage so that the other place can deal with it and let it be one of the achievements for which this Parliament can be remembered. It is a tribute to all Members, and one of which we can be proud.

We are coming to the end of the parliamentary session and some of us will not be back to this Chamber as Members, certainly not myself, because I announced yesterday that I will not be reoffering myself in the election, whenever it comes, so this is probably my last speech in the House of Commons.

Mr. Hnatyshyn: You never know.

Mr. MacEachen: I have made a lot of them in the years I have served in the House of Commons since being first elected in 1953. When I came here I was so far away on the back bench that, if I were any further, I would be sitting in the lobby or in the corridor. But I survived those years, and I can only say that in making my last speech I am terribly grateful to my electors who have sent me to Parliament for these 30 years. I owe them a great deal of thanks.

Parliament and politics have been my life, and I am certainly grateful for the years I have spent here, and thankful for the opportunity to be part of this magnificent assembly which is the very heart, in my view, of Canadian life. I have seen much good work in the House of Commons by Members of Parliament, and many significant accomplishments. Among these significant accomplishments I certainly number the Canadian Institute for International Peace and Security.

• (1130)

Some Hon. Members: Hear, hear!

Ms. Jewett: Mr. Speaker, before those of us on this side of the House speak to the Bill, for purposes of clarification would the Minister answer a question?

The Acting Speaker (Mr. Guilbault): It is in order for the Minister to answer a question if he sees fit.

Ms. Jewett: When the first 14 members of the board, the Canadian members, are choosing a chairman and executive director, and particularly in the case of the latter, would it be possible for them to establish a search or selection committee and possibly, through that process, choose an executive director for the Institute who is not at the moment a member of the board? Would it be possible for that to be done, or must they choose the executive director from among the 14 nominated Canadian members of the board?

Mr. MacEachen: Mr. Speaker, as provided for in the Bill, it is the obligation of the board of directors to select a chairman and director from among their own membership. No one could become a chairman or director unless that person were a member of the board. I think it will be possible for the board to select a member from among themselves. If that is not possible, they will have to use their ingenuity to solve that problem. I could give them some advice if they want to call Lake Ainslie when they reach that impasse.

Hon. Erik Nielsen (Yukon): Mr. Speaker, as I was sitting here listening to the Deputy Prime Minister (Mr. MacEachen), I reflected that I was hearing him for the last time in this House as a Member of the House. I had the opportunity this morning of telling him personally that I was rather sad to see this doughty fighter leaving the House of Commons. We have fought many battles here and the relationship which I have enjoyed with the Deputy Prime Minister has always been one of collegiality and cordiality despite the intenseness of some of those battles.

The Deputy Prime Minister mentioned that when he first came into the House in 1953 he was so far back in the back-benches that if he were any further back he might be somewhere in the galleries. The Deputy Prime Minister will remember, of course, that that is exactly what happened to him in 1958. He sat for four years in the Members' Gallery where I first became accustomed to seeing him. However, he was back again in 1962. I am sure I am joined by my colleagues on all sides of the House in wishing the Deputy Prime Minister well in whatever the future has in store for him.

Some Hon. Members: Hear, hear!

Mr. Nielsen: I would also like to make the assumption that, in speaking on behalf of the Government on third reading of this Bill, the Deputy Prime Minister will be the only speaker for the Government today. On that assumption I can assure him that I will be the only speaker for Her Majesty's Loyal Opposition on this Bill today. I would expect the same arrangement would prevail with the New Democratic Party.

I too want to compliment the members of the Standing Committee, particularly the Member for York-Peel (Mr. Stevens), who worked so assiduously to achieve the amendments of which the Deputy Prime Minister spoke and which have vastly improved the Bill.

Immediately prior to the Bill's receiving second reading in the House last May 11, I put before Members what I believed was the agreement between the Government and my Party with respect to Bill C-32, an Act to establish the Canadian Institute for International Peace and Security. As Members know, and as spokesmen for our Party have made clear in debate and before committee, we welcome the establishment of this Institute. Indeed, our Leader indicated to the Prime Minister (Mr. Trudeau) last April 9, after receiving the draft Bill from the Prime Minister, that the requirement in Canada for institutional restructuring and innovation in this field is beyond question. However, as was made clear to the Government both before and after Bill C-32 was introduced into the House, we viewed the Bill as proposed to be fatally flawed in respect of the lack of independence of the centre, its lack of accountability to Parliament, and the politically negative effect that private funding of the centre might have on existing indigenous centres of research.

I need not refer today to the lengthy and very productive exchanges between the Prime Minister and my Leader which led the Government to support substantial amendments to this Bill prior to its receiving second reading support last May 11. These amendments would strengthen the independence and integrity of the Institute and provide for an appointment process which would leave no room for doubt that the board of directors would be non-partisan and would enjoy the confidence and support of all Parties. At that time I was able to report to the House, as reported at page 3656 of *Hansard*, the three main points of agreement between the Government and Her Majesty's Loyal Opposition. *Hansard* reads:

> First, the Government has accepted the suggestion of the Leader of the Opposition that consultations on the composition of the board of directors start immediately, especially with respect to the appointment of the chairman and the executive director, as they will be key appointments for establishing the tone and quality of the institute. Second, the Government has agreed to immediate consultation with national organizations and interested Canadians with respect to receiving nominations for the board of directors. It is our expectation, as I know it to be the Prime Minister's, that there will be full agreement on the composition of the board of directors prior to the end of committee consideration of the Bill. Third, concurrent with this consultation, the Standing Committee on External Affairs and National Defence will be examining the Bill and recommending a formal list of national organizations which, once the Bill is passed, will become the pool from which nominees for the board of directors will be selected.

● (1140)

I believe this process has been respected and that consultations have been meaningful, that Canadians have participated fully in the selection of candidates for the board of directors and that the process itself has underscored the independence and integrity of the Institute.

In committee the Government presented the full and detailed amendments to which I reported agreement last May 11 and which we now have before us today.

With respect to the selection of the board of directors, the Deputy Prime Minister and I began consultations on May 25 with a view to reaching agreement on the board of directors prior to the end of committee consideration of the Bill. At that time, on behalf of my Leader, I recommended to the Deputy Prime Minister the following criteria in considering candidates for the chairmanship and executive directorship of the Institute, criteria which would enhance, I believe, the integrity and independence of the board: first, it is imperative that we consider the chairmanship and executive directorship together as a team; second, we would recommend that no present bureaucrats be considered for either position; third, it is important that the executive director in particular have academic credibility; four, these appointments should reflect concern for and competence in both disarmament and security matters; five, we would like to consider a woman for at least one of these positions.

I was most pleased when the Deputy Prime Minister put into play candidates who clearly met these criteria, and on behalf of my Leader I indicated that our Party would have no objection to these nominees.

With respect to the board of directors, at a meeting with the Deputy Prime Minister on June 1, I suggested the following criteria for selection of candidates, again with a view to enhancing the independence and integrity of the Institute: first, they should be broadly representative of the existing indigenous research community. Second, they should be nominated from the pool of recommendations the committee is receiving. Third, as the Minister for External Relations (Mr. Pepin) stated in the House, the board should not include any serving bureaucrats. Fourth, the board should include at least five women. Fifth, while the Act provides for up to seven foreign directors, we would recommend that initially there be no more than three. Six, that there be a geographical and language balance.

Current with our discussions, the Standing Committee and the Secretary of State for External Affairs initiated a detailed consultative process with national organizations and interest groups to elicit their nomination for the Board. Out of this list, and respecting the criteria outlined above, the Deputy Prime Minister wrote to me on June 12 and proposed the list which he has presented to the House today. It will not be necessary for me to go over that list in my remarks.

After reviewing this list with my Leader, I reported to the Deputy Prime Minister that my Party had no objection to the nominees as put forward by the Government. It is our expectation that the Government will continue to act in good faith and adhere to these nominees. Should any nominee withdraw his or her nomination, we would expect the Government to re-establish the consultation process with the Leader of the Opposition (Mr. Mulroney) until such time as the first board of directors is in place. And it is on this basis that my Party gives its approval to this Bill.

I next received a call from the Deputy Prime Minister on June 21 indicating that consensus could not be reached at this time respecting the Government's nominee for executive direc-

tor, and the Deputy Prime Minister suggested an alternate course which, if acceptable, would preserve the integrity of the board without putting into jeopardy the substantial agreement between the Government and Her Majesty's Loyal Opposition. Specifically, he suggested that the Government nominate the board of directors as I have outlined and leave to the board itself the election of a chairman and executive director out of the existing membership. To ensure that such voting was done only by the Canadian-based nominees, any foreign-based nominations would not be made until after the selection of the chairman and executive director had been completed.

I am grateful to the Deputy Prime Minister today for his putting on the record the commitment of the future Prime Minister to honour the undertakings as presented to the House today. While this was a change from our earlier understanding, I indicated to the Deputy Prime Minister that we would have no objection to this procedure.

The committee has now reported on the Bill and the amendments reflect the points of agreement I have described to the House.

The establishment of a Canadian Institute for International Peace and Security is a substantial achievement. It is fitting that it should have been the subject of the Deputy Prime Minister's speech today, it being in all likelihood the last one he will be making to the House.

I am happy to acknowledge that the Bill before us today represents a substantial improvement to the original draft Bill. This is a tribute to the Government and to the Leader of the Opposition. I commend them for their genuine contribution to achieving a process which has enhanced the integrity and independence of the Institute.

Now, as the Institute is formed and in its early days, we must all continue to be vigilant so that the gains which have been made over the past number of months might continue to characterize the Institute. We have the genesis of a world-class Institute with integrity and with public support.

Some Hon. Members: Hear, hear!

Ms. Pauline Jewett (New Westminster-Coquitlam): Mr. Speaker, I almost had a catch in my throat when the Secretary of State for External Affairs (Mr. MacEachen), in his speech today, said that it would probably be his last speech since he will not be running again for a seat in the House of Commons. We may see him at the U.N. or perhaps in the Senate, but we are bound to see him again. Many of us are sorry that we will not see him here.

I am pleased that in what is probably his last speech he was able to speak on this extremely important Bill to create a Canadian Institute for International Peace and Security.

I would also like to say that we in this Party have been very appreciative of the efforts made by the Prime Minister (Mr. Trudeau) as well as the Secretary of State for External Affairs to create this Institute. I think it is largely owing to the zeal of the Prime Minister that such an Institute should be created that we now have the Bill before us. I suggest that the award of the Albert Einstein peace prize to the Prime Minister the other day is a tribute to the efforts he has made in his pilgrimage of peace. More importantly, I feel that he is leaving a lasting contribution as a result of the Bill we are discussing today.

The Minister has had to do much of the work in consultations with the House Leader of the Progressive Conservative Party, with my Leader and myself to bring the Bill to its present excellent form. May I say, Mr. Speaker, he has also been assisted enormously by the Chairman of the Standing Committee on External Affairs and National Defence. That Hon. Member showed great patience and understanding throughout the very long and somewhat strained deliberations in committee. The fact that the Bill should now be in the House for third reading is due in no small measure to the excellent conduct of the committee by its Chairman. I know he is not leaving politics, but if he were this too would be a very fitting tribute to him to have accomplished so much.

● (1150)

I think we should once again recall the title of the Bill and the name of the new Institute, the Canadian Institute for International Peace and Security. Some of us in this Party would have liked to put in the word "research" and called it the Canadian Research Institute for International Peace and Security, but that was not approved by a majority in the committee. As one reads the purpose of the Bill as newly defined, one sees that a good deal of its purpose will embody the fostering of research.

It is the other part of the title of the Institute that I want to say a word or two about. It is an Institute for International Peace and Security. The word "international" prefaces both peace and security. We are talking about international peace and international security. It brings to mind the efforts that were made by people like Olof Palme and the members of the Palme Commission a few years ago when they were studying disarmament issues and who coined the phrase "a common security". When they talk about security, they are not talking about it in terms of each nation building up its defences, each nation vying with others to be as militarily strong or, if possible, superior to others. Not at all. They are talking about, and I think it is implicit in the new Canadian Institute title, a common security, the wish of all of us to reach a position where there is international security which is a common security. It is therefore extremely important for me, at any rate, and for members of this Party that the Institute should be dedicated both to international peace and international security.

We feel that the purpose clause as studied and drafted and redrafted has come through very strongly indeed, taking many of the ideas brought to us by witnesses before the committee and from many of the submissions made to the committee. Perhaps since other speakers have not mentioned it, let me put on the record the purpose clause, which is Clause 4 of the Bill. It reads:

International Peace and Security

4. The purpose of the Institute is to increase knowledge and understanding of the issues relating to international peace and security from a Canadian perspective, with particular emphasis on arms control, disarmament, defence and conflict resolution, and to

(*a*) foster, fund and conduct research on matters relating to international peace and security;

(*b*) promote scholarship in matters relating to international peace and security;

(*c*) study and propose ideas and policies for the enhancement of international peace and security;

(*d*) collect and disseminate information on, and encourage public discussion of, issues of international peace and security.

Other important amendments were made to the Bill, some proposed by the Government and some proposed by the Opposition Parties. I would mention particularly the enhancement of the role of the Standing Committee on External Affairs and National Defence and the strengthening of broad and general parliamentary oversight. Some amendments we would have liked to see did not get through. We would have liked at least half of the board of directors to be women and we are sorry that in this first list only four are women. The reason I mention that particularly, Mr. Speaker, is that from the Voice of Women onwards Canadian women have played such an incredibly important and strong role in the peace and disarmament movement in this country. I would only hope subsequent appointments will show a greater recognition of their enormous efforts of these many decades.

One puzzle that remains, and the Minister in reply to my question did not entirely resolve it, is if the board of directors, after it chooses its chairman from among its number—and it seems quite appropriate that it choose its chairman from among its number—should decide that it would like to look outside its membership for an executive director, it is not entirely clear yet to me that it can do so. At the meeting of the standing committee, the Minister implied that it could do so, and in answer to my question today he still left the door slightly ajar for that to be possible. But I would have liked that point to have been made more explicit.

It seems to me the position of executive director is absolutely crucial to the success of the Institute. A search should be made to ensure that the very strongest and best Canadian be chosen for this position. The best way would be for the 14 Canadian members of the board to establish a search committee, a very common practice in the academic world, to receive and accept applications for executive director. Then this committee would conduct a series of hearings with such nominees in order to ensure that the very best executive director is chosen. If a person outside the board were so chosen, then by the Governor in Council that person would be made a member of the board. This would then raise the board membership to 15, leaving two spaces for non-Canadians. When the Minister is talking with members of the board, the first 14, I hope he will make it clear that that oportunity is open to them. We have had many discussions, the Minister and I, about the very important role of the executive director and about the kind of person who might well be chosen for that position. I know that many members of the disarmament community have also given this matter a great deal of thought and have provided a great deal of input as to the kind of executive director they think would be best for a Canadian Institute for International Peace and Security.

● (1200)

I hope it is clearly understood that the 14 Canadian directors could indeed establish such a search committee, go outside their number, find a person they consider best for the position of executive director, and have that executive director then made a member of the board.

I am worried that the amended Clause 7 does not provide for this. It indicates that the first executive director shall be elected by the board from among its members, yet the Minister indicated in committee that the first executive director could be chosen in the way which I have just outlined and then be made a member of the board. I am assuming that this is possible.

We in this Party are very glad that the Canadian Institute for International Peace and Security is to become a reality before the end of this session of Parliament. We have been glad to assist in a variety of ways, which I hope have been helpful to the Minister and to the chairman of the committee, to ensure that the Institute would be a world-class Institute and that it would at least have sufficient funds to get started. We are very supportive of all the efforts which I know the board will make to ensure that the Institute is the world-class Institute we all want it to be.

Some Hon. Members: Hear, hear!

* * *

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following Bills without amendment: Bill C-5, an Act to amend the Radiation Emitting Devices Act; Bill C-8, an Act respecting the imposition of anti-dumping and countervailing duties, to amend the Currency and Exchange Act, the Customs Tariff and the Export and Import Permits Act and to repeal the Anti-dumping Act; Bill C-37, an Act to amend the National Housing Act; Bill C-40, an Act to amend the Old Age Security Act; and Bill C-49, an Act to approve, give effect to and declare valid the Agreement between the Committee for Original People's Entitlement, representing the Inuvialuit of the Inuvialuit Settlement Region, and the Government of Canada and to amend the National Parks Act in consequence thereof.

* * *

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the House that a communication has been received as follows:

Government House,
Ottawa.

June 28, 1984

Sir,

I have the honour to inform you that the Right Honourable Brian Dickson, Chief Justice of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 28th day of June, 1984, at 12.00 noon, for the purpose of giving Royal Assent to certain Bills.

I have the honour to be
Sir,
Your obedient servant,
Edmond Joly de Lotbinière,
Administrative Secretary to the
Governor General

GOVERNMENT ORDERS

[*English*]

CANADIAN INSTITUTE FOR INTERNATIONAL PEACE AND SECURITY

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. MacEachen that Bill C-32, an Act to establish the Canadian Institute for International Peace and Security, be read the third time and do pass.

Mr. Bill Yurko (Edmonton East): Mr. Speaker, I thank you for giving me the opportunity to say a few words on this most important Bill. When I spoke to it on April 18 at second reading, I said the following:

> Mr. Speaker, as the culmination of the Prime Minister's (Mr. Trudeau) peace initiative we have before us Bill C-32, an Act to establish the Canadian Institute for International Peace and Security. The principles involved in this legislation are sound. Let us cease this ongoing nitpicking and send this legislation to committee where we can adjust the language and change "shalls" to "mays" if advisable. Let us get on with this legislation. With regard to the principles behind this legislation, we need only ask whether it is needed, what its dimensions are to be, and where the institute shall be located.

The Bill has been considered extensively in committee. Many people appeared before the Standing Committee on External Affairs and National Defence to express their views. Some amendments to the Bill have been made. I am pleased that the Bill will be passed before we adjourn tomorrow.

I want to say again that I support the Bill, but let no one think that the proposed Institute will solve the conflicts of the world or, for that matter, reduce in the short term present tensions between the two superpowers of the world. However, it is a breath of fresh air in the world process of dialogue and study toward world peace. In particular, it may be some help in building the bridge of reason, discussion and accord between our two mighty neighbours to the south and to the north of us. Again I say let us locate this Institute in western Canada as a beginning of that bridge between our two neighbours.

In closing, I wish the retiring Deputy Prime Minister and Secretary of State for External Affairs (Mr. MacEachen) well in his future endeavours. I suggest to him that he should wear his kilt more often; it is becoming.

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I know the understanding is that there should not be more speeches than those of the three Parties in the House and the one of the independent Member. However, I am sure everyone would allow me to say a few words.

I thank very warmly all Hon. Members of the three Parties, as well as the independent Member, for their immense co-operation during the work of the past month. We toiled and smiled together. I thank Hon. Members of the Official Opposition, Hon. Members of the New Democratic Party, Hon. Members of the Government Party and the Hon. Member for Edmonton East (Mr. Yurko).

[*Translation*]

Without wishing to prolong debate unduly, I want to express my sincere appreciation for the unremitting efforts of Hon. Members sitting on the Standing Committee on External Affairs and National Defence, which I have the privilege of chairing. Thanks to their efforts, as was so eloquently said by a Member of this House who spoke earlier, we were finally able to return to the House, on time, a Bill sent to our Committee by Parliament for consideration and amended after the Committee heard several witnesses.

I also want to join the other Members in offering the Hon. Deputy Prime Minister of Canada and Secretary of State for External Affairs (Mr. MacEachen) our best wishes, since he has announced that he will no longer be sitting in the House. Parliament will no longer be the same, and we shall miss him. I wish him the very best, and in doing so, I know I speak for all members of the Committee, who are sorry to see him go.

Mr. Speaker, thank you for letting me join in this concert of eulogies. We on the Standing Committee on External Affairs and National Defence are very pleased that the Bill can now be adopted thanks to this admirable understanding between the Deputy Prime Minister and Secretary of State for External Affairs of Canada, the Hon. Member for Yukon (Mr. Nielsen) and the critic for the New Democratic Party, the Hon. Member for Westminster-Coquitlam (Ms. Pauline Jewett).

• (1210)

[*English*]

Mr. Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to and Bill read the third time and passed.

Canada-Nova Scotia Oil Agreement

CANADA-NOVA SCOTIA OIL AND GAS AGREEMENT ACT

MEASURE TO ESTABLISH

Hon. Allan J. MacEachen (for the Minister of Energy, Mines and Resources) moved that Bill C-43, an Act respecting the Canada-Nova Scotia Oil Agreement on Offshore Oil and Gas Resource Management and Revenue Sharing and to make related and consequential amendments, be read the second time and referred to a Committee of the Whole.

Mr. Hawkes: Mr. Speaker, I rise on a point of order. You mentioned that Mr. MacEachen is moving the motion in the absence of Mr. Chrétien. Given the fact that we intend to move to Committee of the Whole, can we have some clarification as to who will be here to witness on behalf of the Government throughout that phase of our proceedings? Does this transfer the responsibility for that phase to Mr. MacEachen or will Mr. Chrétien be here to answer for this agreement?

Mr. Pinard: Mr. Speaker, as often happens in these circumstances, this is a very good occasion for Parliamentary Secretaries to carry out their duties as Parliamentary Secretaries and assist the Minister in the House of Commons. The Parliamentary Secretary, with the help of the officials, will be very pleased to answer the few questions which any Hon. Member may have on the subject.

Mr. Leonard Hopkins (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I rise to introduce second reading of Bill C-43, a Bill to establish in law the Canada-Nova Scotia Offshore Oil and Gas Agreement. As Members will recall, the Canada-Nova Scotia Offshore Oil Agreement was signed on March 2, 1982. Legislation to ensure the full implementation of the agreement was introduced in this House and in the Nova Scotia Legislature on May 31, 1984.

Bill C-43 establishes in law the major elements of the agreement, a co-operative regime to manage offshore petroleum activity and a revenue-sharing regime that ensures the province reaps the lion's share of benefits in this activity.

This legislation, and the Canada-Nova Scotia Agreement which led to it, are excellent examples of federal-provincial co-operation. Both were achieved in a climate of close and positive negotiation. Major benefits have already accrued to the province. Since March, 1982 33 exploration agreements worth more than $2.4 billion have been negotiated. In 1983 approximately $150 million was directly invested in Nova Scotia by the offshore petroleum industry. About 2,000 jobs have been created in Nova Scotia by offshore petroleum activity, and another several hundred resulting from the multiplier effect such job creation produces.

Two hundred companies in Nova Scotia are now involved in the offshore effort. Many of these are local firms that specialize in marine and logistical services as well as fabrication. Others have moved to Nova Scotia to establish businesses and employ Nova Scotians. These are real achievements made in just two years. The legislation before us will implement the Agreement that contributed to them and ensure that these benefits continue to accrue to Nova Scotia for many years to come.

The concept underlying the implementation of the Canada-Nova Scotia Agreement is unique in the history of federal-provincial relations. Both governments have agreed to put aside their respective claims to jurisdiction over the offshore and to introduce complementary legislation to implement a common, unified system for revenues and the joint management of petroleum activity.

Mr. Speaker: Order, please.

THE ROYAL ASSENT

[*Translation*]

A message was delivered by the Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, His Excellency the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

• (1220)

And being returned:

[*English*]

Mr. Speaker: I have the honour to inform the House that when the House did attend the Right Hon. the Deputy to Her Excellency the Governor General in the Senate chamber, the Right Hon. the Deputy to her Excellency had been pleased to give in Her Majesty's name the Royal Assent to the following Bills:

Bill S-14, an Act to implement a convention between Canada and the United States with respect to taxes on income and on capital—Chapter No. 20.

Bill C-9, an Act to establish the Canadian Security Intelligence Service, to enact an Act respecting enforcement in relation to certain security and related offences and to amend certain Acts in consequence thereof or in relation thereto—Chapter No. 21.

Bill C-7, an Act to amend the Customs Tariff—Chapter No. 22.

Bill C-5, an Act to amend the Radiation Emitting Devices Act—Chapter No. 23.

Bill C-49, an Act to approve, give effect to and declare valid the Agreement between the Committee for Original Peoples' Entitlement, representing the Inuvialuit of the Inuvialuit Settlement Region, and the Government of Canada and to amend the National Parks Acts in consequence thereof—Chapter No. 24.

Bill C-8, an Act respecting the imposition of anti-dumping and countervailing duties, to amend the Currency and Exchange Act, the Customs Tariff and the Export and Import Permits Act and to repeal the Anti-dumping Act—Chapter No. 25.

Bill C-37, an Act to amend the National Housing Act—Chapter No. 26.

Bill C-40, an Act to amend the Old Age Security Act—Chapter No. 27.

Bill C-234, an Act to establish standards for the manufacture of the national flag of Canada—Chapter No. 28.

GOVERNMENT ORDERS

[*English*]

CANADA-NOVA SCOTIA OIL AND GAS AGREEMENT ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. MacEachen (for Mr. Chrétien) that Bill C-43, an Act respecting the Canada-Nova Scotia Agreement on Offshore Oil and Gas Resource Management and Revenue Sharing and to make related and consequential amendments, be read the second time and referred to a Committee of the Whole.

Mr. Leonard Hopkins (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, the legislation before us today, Bill C-43, will make the interim Canada-Nova Scotia Offshore Oil and Gas Board a permanent institution with legal authority to manage petroleum activity in the offshore Nova Scotia area. Both Ministers will delegate substantial authority to the Board. Where authority is retained at the ministerial level, complementary delegation by the two federal and provincial Ministers to one another as appropriate will ensure a unified regime.

The operation of the interim Board over the past two years has been completely satisfactory to both Canada and Nova Scotia. Not once in those two years has there been a need to use the mechanisms dealing with conflict resolution. Agreement has always been achieved through positive discussion. The makeup of the interim Board will remain unchanged as it gains the status of a permanent body. The reason for this is quite simple. Why change a good thing when it is working? The Administrator of the Canada Oil and Gas Lands Administration will continue to be the Board's chairperson and the federal Government will continue to have two additional representatives on the Board, as will the provincial Government.

Under the authority set by this Bill, the Board will be responsible for managing oil and gas activity everywhere off the coast of Nova Scotia. However, the Minister of Energy, Mines and Resources will be empowered to accept or modify a decision of the Board. The Minister will also be able to make a decision in the absence of one made by the Board providing he or she has asked for one from the Board. The federal Minister will delegate to the Nova Scotia Minister of Mines and Energy ultimate authority for management of the Bay of Fundy, Sable Island and its "footprint", the shallow area around the island. The federal Minister will retain ultimate authority in all other offshore areas where significant or commercial discoveries or projects overlap the Sable Island "footprint" and the rest of the offshore. Both Ministers will have the authority to execute

decisions. The delegation will also provide that each Minister will be able to delay decisions relating to the other's areas of ultimate authority.

● (1230)

These management provisions are important for two reasons. First, they ensure that both federal and provincial interests are protected. Second, they provide the petroleum industry with the certainty it needs to proceed with development. We fully expect that the Board will continue to make decisions on the basis of a consensus, as it has done without exception, for more than two years.

One aspect of Bill C-43 that is particularly important is the formula to share revenues from the offshore. The legislation ensures that Nova Scotia will receive the lion's share of offshore petroleum revenues. In fact, in the early years of the agreement, the province will receive substantially more revenues than if it owned the resource on land. There will be wider sharing of revenues only if the province's relative fiscal capacity—that is, its capacity to raise revenues from taxation and from revenue-sharing agreements with the federal Government—exceeds that of almost all other provinces.

Until Nova Scotia's per capita fiscal capacity reaches 110 per cent of the national average—adjusted upward by two percentage points for every one percentage point that the province's unemployment rate exceeds the national average—the province will receive all offshore revenue, including a major federal tax, the petroleum and gas revenue tax, but excluding the federal share of the corporate income tax.

These revenues are substantial. They include the basic royalty; the progressive incremental royalty; bonus payments and licence fees; revenues that are equivalent to a provincial-type corporate tax and retail sales tax in the offshore region; and, the federal petroleum and gas revenue tax. All of these revenues collected from the Bay of Fundy and from Sable Island and its "footprint" will go to the provincial government, no matter how high its fiscal capacity.

The federal Government will begin to share in revenues from other areas of the offshore only when the province's per capita fiscal capacity exceeds the 110 per cent level, adjusted by the unemployment factor. In the meantime, a Nova Scotia Offshore Oil and Gas Revenue Fund will be established by the federal Government to collect the province's share of the revenues.

Some concern has been expressed about the impact this agreement will have on equalization payments to Nova Scotia. I want to assure Hon. Members that Bill C-43 contains special measures to ensure that Nova Scotia experiences real net increases in its revenues. In accordance with the principle upon which the equalization scheme is based, equalization payments to Nova Scotia will be reduced as the province's fiscal capacity increases because of offshore petroleum revenue. However, Bill C-43 contains a special provision to protect the provincial government from a situation in which it loses a dollar of equalization for every dollar of offshore petroleum revenue. Under Bill C-43, Nova Scotia will be reimbursed for much of

the reduction in equalization payments. In fact, the province will be protected for up to ten years from the full effects of reductions as it gains offshore revenues.

A third aspect of this legislation which I would like to address is the provision to allow the Government of Nova Scotia to purchase up to 50 per cent of any Crown share in a natural gas field, and 25 per cent in an oil field. It is important to note that this special clause in no way changes the Crown share provisions of the Canada Oil and Gas Act. Rather, it deals with how the Crown share is divided between the federal and provincial governments.

Bill C-43 also provides for the establishment of a $200 million development fund to help Nova Scotia defray some of the costs of providing an infrastructure for offshore petroleum activity. Basically, this fund will assist Nova Scotia in putting in place the kinds of facilities and services necessary for the province to take maximum advantage of offshore petroleum opportunities. The fund will be made available in four annual instalments of $50 million. Nova Scotia will start to repay the $200 million only in the third year after substantial natural gas or oil production begins in the offshore.

I would like to take a few brief minutes to address some of the other special provisions which are contained in the legislation. For example, the Bill will require petroleum companies negotiating exploration agreements for offshore Nova Scotia to submit a plan which shows, to the satisfaction of the Canada-Nova Scotia Board, how the province's residents will benefit from the activity. Companies involved in exploration projects will be required to show how they propose to employ Nova Scotians in all aspects of their work. They will also be required to provide manufacturers, consultants, contractors and service companies based in Nova Scotia with a full and fair opportunity to compete in the supply of goods and services to an exploration program. Further, companies will be required to submit programs satisfactory to both governments for training, education and research, and technology.

Finally, before being sold elsewhere, oil and gas produced in offshore Nova Scotia will be made available in the province to satisfy consumer needs and to serve as a feedstock for existing industries. New industrial facilities will also be ensured of the availability of those feedstocks in excess of that needed to meet the demand of the existing industrial capacity in eastern Canada.

I am confident that the Members of this House will support this new legislation because it provides a co-operative and workable way of managing the offshore and a generous revenue-sharing system that ensures major, long-term benefits to the Province of Nova Scotia.

Miss Pat Carney (Vancouver Centre): Mr. Speaker, we have reviewed Bill C-43, an Act respecting the Canada-Nova Scotia Agreement on Offshore Oil and Gas Resource Management and Revenue Sharing, which was tabled in the House of Commons on Thursday, May 31, 1984. This Bill, with one major exception, basically gives effect to the provisions of the Canada-Nova Scotia Agreement on Offshore Oil and Gas Resource Management and Revenue Sharing which was signed by both the federal Government and the Government of Nova Scotia two years ago on March 2, 1982.

The major exception in this Bill to the original Agreement is the provision that Nova Scotia's equalization payments will not drop by more than 10 per cent a year. This recognizes that the Atlantic provinces, which lag behind the rest of Canada in average family income and economic development, will require support from the rest of the country through equalization payments for some time to come.

The economic discrepancy between Atlantic Canada and other regions of the country is an important factor to keep in mind. It has placed provinces like Nova Scotia, which was one of the most economically active provinces at the time of Confederation—rich with shipbuilding, forestry and fishing—in the category of the "have not" provinces. The offshore oil and gas resources represent a unique opportunity to release Nova Scotia from that category and transform it into a "have" province.

• (1240)

This Agreement, with its acknowledged flaws, represents the best deal which Premier John Buchanan of Nova Scotia could wring from this Liberal Government. Premier Buchanan should be congratulated for getting any deal from this Government. Already the Government has had brought to its attention flaws in this Agreement as late as a few moments before we rose to discuss it in the House. Major flaws have been found in the wording of the Agreement. There are also aspects of the Agreement which we feel are not practical in terms of such items as the PGRT, which allows any province a vested stake in revenues from a federal tax, allowing that province to possibly hold the rest of the country hostage.

However, events may pass this Agreement by. The Conservative Party has been formulating a concrete set of new and innovative policies to promote economic development in Atlantic Canada. An important component of our program is the promotion of a positive and constructive climate of co-operation between the national Government and the provinces. A major feature of our policy for economic development is the proper management of the offshore oil and gas resources.

I was wondering, Mr. Speaker, if I could ask my colleagues to allow me to continue my speech?

The Acting Speaker (Mr. Guilbault): What is the problem to which the Hon. Member refers?

Miss Carney: The noise level, Mr. Speaker.

The Acting Speaker (Mr. Guilbault): Of course, the Hon. Member is allowed to have proper order in the House while she is speaking.

Miss Carney: I will continue.

The Hon. Brian Mulroney has written to all Atlantic Premiers to communicate to them our proposals for the development of the offshore, proposals which we feel are more

equitable than those contained in this legislation. Our agreement in principle has already been accepted by Premier Brian Peckford in St. John's, Newfoundland, earlier this month. When we assume office, we have made commitments to introduce the necessary legislation to effect our Atlantic offshore accord for those provinces that wish to avail themselves of its more equitable terms. Therefore, viewed in that light, many features of this Agreement may become irrelevant in the future.

Why, Mr. Speaker, do we say that the Conservative Atlantic offshore accord is more equitable than the legislation before the House? Let us compare some of the features of both Parties' positions. Under the terms of the Canada-Nova Scotia Agreement, the federal Government will fully manage and administer the offshore and would make all the final decisions, as has been explained. The federal Government would have an absolute majority on a management board which would be headed by an Ottawa bureaucrat—no matter how able, still a bureaucrat. In the case of disputes with the provincial governments, the federal Minister could overrule any decision made by the board. In addition, the revenue-sharing scheme provided for in this Bill follows a fairly rigid formula under which Nova Scotia would receive more revenue up front than in later years. However, at some point in time—and this was just glossed over by the Hon. Member—the federal Government would receive most, if not all, of the additional revenues. In effect, there is a cap on the province's share which restricts the amount of wealth which a province can earn from the resources off its shore.

In contrast, the Atlantic offshore accord, proposed by Mr. Mulroney, would recognize the right of the Atlantic provinces to be the principal beneficiary of the wealth of the oil and gas off their shores consistent with a strong and united Canada. An essential feature of the Atlantic offshore accord is the concept that all provinces should be treated the same for revenue-sharing purposes, whether their oil and gas resources are on land or offshore. Mr. Mulroney is proposing that the Atlantic provinces will have the right to establish and collect resource revenues as if these resources were on land, giving them equality with other producing provinces such as British Columbia, Alberta and Saskatchewan.

A second major feature of the Atlantic offshore accord is the recognition by the Conservative Party that a region should be a full partner, not a partial partner, in its economic development. The Atlantic offshore accord allows for joint management of the offshore resource by both the federal level and provincial level of governments.

A third feature of the Atlantic offshore accord is that it charts a new course in the often stormy waters of co-operative federalism. It was negotiated over several months with the support of other Premiers and energy ministers of the western oil-producing provinces before it was accepted by Premier Peckford. In accepting the agreement in principle, Premier Peckford said: "We are showing Canadians the first rays of light in the new Canadian dawn". Premier Buchanan of Nova Scotia had this to say about the Atlantic offshore accord in his communication to Mr. Mulroney—

The Acting Speaker (Mr. Guilbault): The Chair regrets to interrupt the Hon. Member but this is the fourth time she has referred to the Leader of the Official Opposition (Mr. Mulroney) by his name. She may refer to him either by his riding or his official title as Leader of the Official Opposition.

Miss Carney: You are quite correct, Mr. Speaker.

Premier Buchanan in his communication said, and I quote:

> The Government of Nova Scotia, while not having sufficient time to totally assess the proposal, has read it with great interest and is most impressed with your attitude. The idea of an Atlantic Canada oil and gas policy is one which we would be interested in discussing in more detail.

In our discussions, Premier Buchanan has acknowledged the Atlantic offshore accord to be both unique and, in his words, equitable in its approach to both revenue sharing and to the administration and management of the resource. The Government of Nova Scotia has, of course, already passed its mirror legislation regarding this Bill before the House today, but under the terms of that Act the Government of Nova Scotia could exercise its right to accept any elements of a further agreement negotiated with the Government of Newfoundland or, presumably, any other offshore province.

For the record, let us establish the 15 points of the Atlantic offshore accord as it would apply to Nova Scotia. The first heading is "Management". Point one: we recognize the legitimate desire of Nova Scotia to ensure that the pace and manner of development maximizes the social and economic benefits to the province. We will be prepared to establish a system of management which recognizes Nova Scotia's right to share in the control of all aspects of resource development.

Point two: the principle of joint management will be achieved by the establishment of a joint agency consisting of three representatives of the federal Government, three representatives of the provincial Government, and a mutually acceptable independent chairman.

Point three: our agreement will give this agency clear and precise management criteria which will govern the exercise of each Government's authority in areas specified in the legislation.

Point four: federal jurisdiction with regard to environmental protection under the Fisheries Act, the Canada Shipping Act, and other areas of federal jurisdiction, would not be affected.

Point five: a further principle concerns the protection of Nova Scotia workers and, especially, Nova Scotia's traditional industry, the fishery. Such protection will be ensured by the application of the province's social legislation to the offshore.

Point six: if either the agency or Ministers fail to reach agreement, a suspensive veto provision will apply. In the national interest, the federal Government will have the ultimate decision in matters affecting the pace and mode of exploration and the pace of production until national self-sufficiency is reached or if self-sufficiency and security of supply has been lost. There will be an independent, objective determi-

nation of what constitutes self-sufficiency and security of supply. The province would have the ultimate decision in matters affecting the mode of development or the actual development plan, subject to a federal override which would only apply if the province's choice, as determined by an independent objective process, delayed unreasonably the attainment of self-sufficiency and security of supply.

The second heading of the Atlantic accord is entitled "Revenue Sharing". Point seven: we believe that the principle of revenue sharing between the federal and provincial levels should be the same for all oil and gas producing regions, without discrimination. Therefore, Nova Scotia will be entitled to establish and collect resource revenues as if these resources were on land. The federal Government will maintain the right to establish and collect federal taxes, where appropriate. Federal and provincial taxes of general application, such as the corporate income taxes and sales taxes, will apply.

Point eight: offshore oil will be included in the category of hydrocarbon resources which attract market-sensitive prices.

Point nine: a Progressive Conservative administration would agree to establish a joint offshore development fund in order to provide an accelerated revenue flow to help finance infrastructure required to bring the resource onstream.

Point ten: if, on assuming office, the new Government decides to vest in itself the Crown-carried shares of offshore Nova Scotia, then these rights and shares will be shared equitably by both Governments.

● (1250)

Point 11: local job creation and labour development would be of paramount concern. Oil-related infrastructure could be expanded and the offices of oil companies, including, where possible, Petro-Canada and federal departments, dealing with Nova Scotia offshore and the staff of the joint agency, would be located in the province.

Point 12: upgrading of infrastructure facilities in relation to the offshore would begin as soon as possible, following the signing of an agreement.

Point 13: it is important that there should be no dollar for dollar loss of equalization payments as a result of offshore revenues flowing to the province. The current equalization provisions will apply. Nova Scotia would receive offset payments from the federal Government equal to 90 per cent of a year's reduction in equalization payments. Beginning in the fifth year of production, this offset rate would be reduced by 10 per cent for each subsequent year.

Point 14: we believe that the question concerning ownership is secondary to control of the resources and the wealth they will produce. Should the Province of Nova Scotia or any other province wish to propose a constitutional amendment concerning an entrenchment of the offshore agreement, and if the necessary number of other provinces agree, as is provided for in the Canada Act, a Progressive Conservative Government will propose to Parliament the appropriate amendment.

Point 15: it is proposed that an agreement would be concluded immediately following the formation of a Progressive Conservative Government, with legislation being introduced within a reasonable period thereafter and, in any case, not more than one year. In announcing the agreement in principle in St. John's, the Conservative Leader said:

> We want the energy policy to be a unifying force in Canada—not an instrument of division so favoured by the Liberals.

He told his audience:

> This commitment today is an indication that new attitudes and new approaches to common problems can transform them swiftly into splendid opportunities for economic growth and prosperity.

In comparison, the legislation before the House today can be categorized as rigid, centralized and discriminatory. Rigid, because of the various formulas used for revenue sharing. Centralized, because management rests with the federal Government. Discriminatory, because the Atlantic Provinces are treated differently from the western oil and gas producing provinces. That is why we say our proposal is a better deal and that is why we will be introducing it before this House when we are in government. That is why Premier Brian Peckford, in accepting the agreement in principle for Newfoundland, said:

> Both sides approached the issue in good faith with a genuine desire to reach a mutually satisfactory agreement and the process was successful.

That is why Newfoundlanders gave the Leader of the Opposition (Mr. Mulroney) 14 standing ovations and why they cheered him from the balconies of the House of Assembly.

The accord we have reached, which has been offered to the other provinces, is respectful of Canadian constitutional law, protective of national energy priorities, and sensitive to the social and economic needs of the people of Atlantic Canada. As I said, it was conducted in full consultation with the Premiers and energy ministers of the other provinces. It provides for a fair share of offshore revenues and for a real and positive role by both governments in the management of the development of the offshore resource. We firmly believe that the offshore will be an important building block for Canada in the years ahead, particularly Atlantic Canada. In coming to this agreement we are showing that Canadians are willing and able to listen to each other, to identify concerns and act together in a common cause.

Although we support Nova Scotia's effort in winning any concessions over the offshore in these dying days of a dying Liberal Government, there is one feature of this Bill which is repugnant to our Party and which should be repugnant to all Canadians. That, of course, is the retroactive back-in, which effectively appropriates without compensation exploration and production rights previously issued. This retroactive back-in was introduced in the Liberal Government's national energy policy.

It is repugnant because it is the action of a country which cannot or will not keep its commitments. Investors around the world lost confidence in Canada because the rules of the game were changed after the investment was made and the property right acquired. Our Party is firmly on record in its opposition to the retroactive back-in component of the Crown share. The

Hon. Member for Calgary South (Mr. Thomson), the Hon. Member for Calgary Centre (Mr. Andre) and the Hon. Member for Etobicoke Centre (Mr. Wilson) and other members of our caucus have been adamant in voicing our opposition to what amounts to straight theft. The Leader of the Opposition, in one of his first statements on energy policy, said:

> The federal action resembled nothing more than a hold up at a corner gas station at 3 a.m.
>
> There is so much obvious retroactivity and confiscation in the NEP that investors lost whatever trust and confidence they had in the federal government. Simply put, they would no longer make long-term commitments because they had no longer believed that the Government would honour its own undertakings.

Opponents of the retroactive back-in claim that expropriation without compensation violates Canada's obligations under international law. The concept that Canadians would welch on their word and tear up old agreements led to an unprecedented outflow of capital from Canada following the introduction of the NEP. Billions of dollars held by both residents and non-residents fled the country seeking more secure and stable investment climates. The damage caused by the retroactive feature of the back-in may never be fully measured in terms of the lost opportunities this punitive measure denied.

In discussing the retroactive back-in it is important to note the difference between providing for Canadian participation and retroactively expropriating property without compensation. The Conservative Party fully supports the concept that Canadians should participate in the wealth of oil and gas resources. Other countries such as Norway and Britain have reserved for their own right a share of the production of the oil and gas wealth. But it is critical that such intentions be announced at the time the exploration and drilling rights are being acquired, and therefore known in advance to all parties concerned. When the oil and gas industry is investing billions of dollars, much of it raised from Canadian investors, the industry simply wants to know the rules of the game and they wish some assurance that the rules will not be changed retroactively. That is the effect of the retroactive back-in.

The second point deals with the back-in provisions in the legislation now before the House. There is some confusion in the oil industry with regard to the reference to the back-in in the Act, and I gather some confusion on the part of the Government which wishes to propose an amendment to this point. The retroactive back-in is not necessarily enshrined in the legislation before us. It was introduced in Bill C-48, the Canada Oil and Gas Act. As Premier John Buchanan points out, the Bill before us simply provides for Nova Scotia's participation in the event that the back-in clause is ever activated. It is important to note that it has never been exercised because it applies to the acquisition of production rights, and the oil and gas discoveries affected by the back-in are still a long way from production.

This Act simply states that, prior to transferring or disposing of any Crown share in the offshore region, the Nova Scotia Government shall have the right to acquire a 50 per cent portion of the Crown share in respect of the natural gas field, and a 25 per cent portion of the Crown share in respect of an oil field. In other words, Nova Scotia is saying that if the federal Government picks up a share of the action in the offshore production game, it wants a piece of the action.

In contrast, under the terms of the Atlantic offshore accord, there would be no need for a retroactive back-in because the accord permits any province to impose any revenue regime it desires on the offshore resource. If the revenue regime is uneconomic, the oil and gas development will not proceed. The onus is on the province as well as the federal Government to ensure that the fiscal terms make that development viable.

Some Liberal opponents in the Atlantic region say that the Conservatives want to give all the money to the oil companies, but exactly the reverse is the case. We are proposing to give all the money to the provinces themselves, reserving for the federal Government the right to impose federal taxes. It is not, therefore, the Crown share itself to which we are opposed, but the execution of the Crown share retroactively without compensation, which is basically unCanadian.

In closing, let me summarize the basic position of the Conservative energy policy which has evolved in discussions and consultations over the last few months. Details of the policy will be announced in the next few weeks but it follows basic principles. First, these include the fact that energy should be used to unite the country, not divide it as the national energy policy has done.

Second, in order to ensure energy security Canada needs balanced development of its energy resources from all regions of the country and from all sources—oil and gas, hydro, nuclear and alternative sources. With adequate resources no region of the country can hold the rest of the nation hostage when it comes to supplies of energy.

Third, it is the responsibility of the federal Government to ensure that the fiscal regime in place will permit the development of the resource in order to create jobs and tax revenues. A punitive tax regime which discourages the development of the resource, as is the case under the NEP, is not in the national interest. I have personally visited Venture and some of the other offshore areas and there is great concern that if the taxation provisions of the NEP are applied, those developments will never go ahead. In fact there is no energy development in the country today, whether Husky Oil in Saskatchewan or the oil sands in Alberta, except where the taxation provisions of the national energy policy have been waived. The national interest is served by an energy policy which allows industry to get on with the job of finding and developing the oil and gas reserves in order to create jobs and revenue and to contribute to a strong and united Canada. That would be the goal of a Conservative energy policy under the Hon. Member for Central Nova.

● (1300)

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I will not speak at great length. Much of what can be said about the Bill has been said either by the mover of the Bill, the Parliamentary Secretary, or by the Official Opposition critic. It is not necessary to analyse the Bill any further. The content of

the Bill is self-explanatory for those who are interested in this particular kind of legislation. I suspect that that would encompass a large number of people in a variety of different jurisdictions across the country. I hope that the fact that the Government of Canada was able to work out an agreement with the Province of Nova Scotia is a foreteller of things to come. I hope that attitudes are in fact beginning to soften and that the conciliatory and necessary process of making agreements is going to become the order of the day. It has not been over the past number of days. That fact has contributed significantly to the lack of trust which had developed and is still in evidence between the various provincial authorities, regardless of their political stripe, and the federal administration.

I am always amused that my colleagues in the Official Opposition spend so much time telling us what they will do when they form the Government. I think that that is perhaps somewhat self-serving. It is quite legitimate nevertheless. I am also interested in listening to the views of the members of the Conservative Party as they explain how they would have worked out a better agreement. They point with some pride, which is perhaps justifiable, to the fact that as an Opposition Party they have been able to come to an agreement with the government in a province which happens to share their particular political philosophy. I want to assure you that we in this Party could probably come to an agreement with the government of the Province of Manitoba on a variety of different issues. I do not doubt for a moment that we could from time to time unveil policies which would be of interest to the public of Canada and which would show quite clearly our ability to put in place agreements which would work to the advantage of Canadians coast to coast. In the process we would indicate that that would be what we would do if we were the Government.

I will give the House an example to consider. It is known by all that the Province of Manitoba has an enviable record in terms of the creation of employment for young people. Its record is the best in the country. If we formed the federal Government, I am quite sure that we could work out an arrangement whereby the federal Government could arrange for similar kinds of programs to be put in place in all other provinces. I think we could probably issue a press statement to that effect indicating how we would do it. However, we are not the government and therefore it is idle rhetoric because it means very little to anyone. As I was listening to the official spokesman for the Official Opposition speaking of that Party's agreement with Newfoundland it reminded me a lot of the time when it was in government. When that Party was in government, but with a minority, it was going to govern as if it were a majority. Now that it is in opposition, it is going to operate as if it were the government. I cannot help but wonder if that is a particularly useful way to operate. However, I will not dwell on that. That is politics.

Mr. Blais: Unwise?

Mr. Deans: Well, it is politics. This kind of legislation is useful. Hopefully, it will be useful to the Province of Nova Scotia. If it had been otherwise, I am sure it would not have signed the agreement.

I would like to express a concern which we have expressed over many years. It is absolutely necessary when dealing with the Atlantic provinces to move toward putting legislation in place which, if used wisely, will bring about the desired economic results and will establish for those jurisdictions a far greater degree of economic independence. We are all striving for that. That would be the most desirable of situations. Hopefully, as a result of this agreement together with others we will be able to see the Province of Nova Scotia move more rapidly toward a position where the economy of the province will be operating at such a level that the provincial government would be able to say with some assurance that it is able to operate in a reasonably economically independent way. Hopefully it will be able to provide employment for those who live and want to live there and to provide economic opportunity for those who want to become part of the development of the province. This is one of the ways that that can be accomplished.

The very fact that we are able to pass this legislation today is indicative of a desire on the part of everyone in the House of Commons to try to come to an understanding and to ratify agreements which, although they may not be everything that everyone would have wished, are satisfactory to both parties. In this case I believe that to be true. Although in this case the Province of Nova Scotia would have wanted more and perhaps a greater degree of independence in its entire operation, after careful consideration and negotiation it accepted that this would work to its advantage and therefore was worthy of its signature on the bottom line.

In saying that I do not want to nit-pick over the terms. I do not want to spend a lot of time going into the details of how the legislation could have been improved, the reason being that it would not serve any useful purpose at the moment. The key is that the parties involved are satisfied that this is the agreement they want at the moment. It is not the last agreement, neither is it the final agreement on this question. Hopefully a continual negotiation process will go on. Hopefully, as time passes, this agreement will be modified and improved in such a way as to do two things. It should be improved to ensure that the province receives the maximum degree of benefit from the resource. It should be improved also to guarantee that the country will receive significant benefit from the resource. The development of an energy policy is not simply for economic purposes for the jurisdiction involved, although it certainly is useful in that regard. I am not suggesting that anyone said it was. I am saying that it provides a stability for the country as a whole. The better we are able to produce energy from the resources which are available to us in all parts of this country, the better we are able to transport that energy from one point to another, the better we are able to interconnect those areas where the need is evident with those areas where the resource is abundant, the better we will be able to create an economy in this country which will be forward looking, dynamic, aggressive and job-producing. I

recognize that there is imperfection in everything that we do and I admit that this could be improved upon. But I say that this kind of agreement and willingness to compromise and the capacity to seek out the best common denominator and agree to it is what co-operative federalism is all about.

● (1310)

I hasten to add, in using that particular term, that that is very much part of our Party and what those who established this Party envisaged when they set it up. They envisaged the development of that co-operative spirit and the capacity to give and take by recognizing and fulfilling the needs of one area with resources from another area which has the capacity to do so for the benefit of all. That is what the spirit of co-operative federalism is all about. That is what agreements such as this exemplify.

We will support the Bill and the amendment. With respect to the amendment, I must confess that at the time and amendment was given to us we had no knowledge that it was in the offing.

Miss Carney: There is no amendment.

Mr. Hawkes: There will be no amendment.

Mr. Deans: That makes it somewhat different. I did not hear that said. However, not being aware that an amendment was in the offing, I took the opportunity to discuss the matter briefly with federal and provincial representatives and I had the impression from those discussions that they were satisfied that the amendment would have been acceptable to them. However, it is quite clear that the Official Opposition does not want the amendment to pass.

Miss Carney: There is no amendment.

Mr. Deans: I will accept that. We support that passage of this legislation and in fact recommend to others that they begin the process of attempting to work out similar agreements in order to show the country that the federal and provincial governments, if the will is there, can work together toward the common good.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, it is always somewhat edifying to listen to the Member for Hamilton Mountain (Mr. Deans). I suggest that he could have been a little more generous in acknowledging that the Conservative Party of Canada has recently demonstrated its commitment to co-operative federalism in a very concrete and positive way through the agreement with Newfoundland. Instead, he chose to indicate that he could reach an agreement with the Province of Manitoba. Our Party would prefer that the New Democratic Party put in writing what are some of its future commitments.

Let me relate some of the action taken by the NDP during my brief life in this Parliament. I recall that it was the NDP that voted against a government that had a fairly strong orientation to the west. It kicked it out of office. I wonder if it will put that in writing for the future. It was the New Democratic Party that chose to kick that government out of office when it brought in a budget that was the fairest to poor people in the whole decade of the 1970s. I wonder if it will put that in writing for the future.

Mr. Blais: It is not true. Why should it?

Mr. Hawkes: Those are the kinds of agreements that the NDP keeps.

I wish to compliment the Member for Vancouver Centre (Miss Carney), for the clarity, brevity and insight which she has provided to this Chamber today in relation to this piece of legislation. I believe that her remarks will be educational for all those who choose to read them. Their degree of understanding of what is involved here will be increased, and for that I thank the Hon. Member. She is doing an excellent job on behalf of our Party as the shadow cabinet minister in the energy portfolio.

I would also like to pay tribute to Premier Buchanan of Nova Scotia. Entering into a bargaining process with what has served as the federal Government over the last few years is never easy for provincial Premiers. Particularly when Nova Scotia is one of the smaller provinces in Confederation and must deal with that bureaucratic machine in the Department of Energy, it is a tribute to Premier Buchanan that he was able to bargain so effectively and hard on behalf of the people of his province. Having said that, I believe there is a certain amount of nervousness in this Chamber over what we are about to do. In one day we are about to approve a 100-page piece of legislation. It deals with a very complex topic, that of oil and gas.

Let me point out a couple of facts to the House. The Prime Minister of Canada (Mr. Trudeau) entered into an agreement with the Province of Nova Scotia on March 2, 1982. It is June 28, 1984, two years and three months later. For the very first time, elected Members of Parliament are being allowed to consider whether or not that agreement is in the best interest of all Canadians and particularly those who choose to live in the Province of Nova Scotia. When was the first time we saw this legislation? It is dated May 31, 1984. Members of the House first saw it two years and two months after the agreement was reached in private between the Premier and the Prime Minister or his representative.

Members of Parliament have been put into a very awkward position. If one believes in co-operative federalism and good faith bargaining, there is no choice at this late date but to approve a contract that has already been in effect for two years and three months for all practical purposes. That is the dilemma we face today. We must approve the contract because it has existed for a long time and must be legislated in order to take effect. At the same time, however, we look forward to an early election for a change in government and a re-opening of that agreement so that it will make more sense for the future.

I come from the City of Calgary. When I was elected to this Chamber some five years ago we had one of the lowest vacancy rates in the world. We had one of the lowest unemployment rates in the world. We had one of the most aggres-

sive and growing economies in the world. But what happened? The then Minister of Energy, Mines and Resources, in co-operation with the then Minister of Finance, produced the National Energy Program. It was a bureaucratic nightmare. It took effect as soon as it was produced in budgetary form. The legislation respecting that program was not introduced in the House for quite some time. Members may recall that that omnibus piece of legislation was so onerous and such a denial of the basic principle of free speech and basic common sense that we rang the bells for 17 days.

• (1320)

That was to get that piece of legislation split into manageable parts. That was quite some time after the actual event. We did it with the certain conviction and knowledge that it was a rotten piece of legislation that would be bad for the country. Standing here in June 1984, Mr. Speaker, I can tell you that that Bill is one of the worst pieces of legislation that has ever been inflicted on any nation anywhere in the free civilized world. I am speaking of the National Energy Program. That is what it was and that is what it is.

As a result of the National Energy Program the City of Calgary has seen a lot of suicides and it has a lot of people in mental hospitals. It also has a lot of unemployment. The vacancy rate in office buildings is 25 per cent and for apartment accommodation the vacancy rate is 13 per cent to 14 per cent. The unemployment rate is higher than the national average. These are the circumstances not because the people of Calgary have lost their skills, their desire, or anything else. We have those kinds of conditions because the Liberal Party of Canada in conjunction with the New Democratic Party decided it knew how to run the oil and gas industry. Surely by June 1984 it is self-evident that the Government has no business trying to run that kind of complex industry.

I have a warning for the people of Nova Scotia. Because of the insistence of the Minister of Energy, Mines and Resources (Mr. Chrétien) and because of the insistence of the new Leader, Mr. John Turner, who is supporting the Minister of Energy, this House is being seized with Bill C-43 today. We are going to make it law. But the motion before us does not allow the Parliament of Canada, the elected people of this country, to hear witnesses for even five minutes. It will not allow us to hear witnesses for four minutes, for three minutes, for two minutes, for one minute, not even for one second. There are 100 pages of legislation affecting the oil and gas industry. This is surely one of the most technical industries in the world today. It is one of the most competitive industries, and it is one of the really international industries in existence today. But we are not allowed as parliamentarians to take this piece of legislation to committee and to invite knowledgeable people to come before the committee so we can ask them questions and learn whether or not the ideas contained in this Bill are good or bad. That is the Government's choice, Mr. Speaker. That is Mr. Turner's choice. That is the Minister of Energy's choice. They could have arranged the world in a different way. This Party would have welcomed the opportunity to take Bill C-43 to committee. We would have liked to have had a month or two or three to call witnesses and have them help us examine the clauses.

What is going to happen to the potential jobs and the potential income of the Province of Nova Scotia? There are parts of this Bill that talk about income sharing. The spokesperson on behalf of our Party has indicated that we are in favour of the basic pattern of that income sharing. Surely this nation is waking up to the fact that there can be no sharing without first having some income. The primary obligation that rests on all of us in this Chamber is to arrange the affairs of this nation in such a fashion that wealth is produced. If we do that well, then we have the means to help those who cannot help themselves.

If this is a bad agreement—and I suggest to you, Mr. Speaker, that there are parts that give all of us much concern—then the people of Nova Scotia will be mightily disappointed. The people of Canada will also be mightily disappointed because that income sharing will not amount to anything. Let me ask you why, Sir. If you were to set out to attract an oil and gas industry to your region, why would you have a provision such as the one found in Clause 90 in this Bill that taxes the industry in that region at a higher rate than it does in other regions? Is that the kind of carrot that will attract an industry? Maybe it will. But that is a federal tax. That is the federal Government laying on an extra 5 per cent tax that is not applicable in other parts of the country.

There is another section in this Bill that deals with definitions and the implications of definitions. I believe that is found in Clause 22, if my memory serves me well. That clause deals with pipelines and with the provision that the Province of Nova Scotia is entitled to the right of first refusal to a 50 per cent ownership position in off-shore pipelines. But if you read the definition of a pipeline as closely and as carefully as you can, may I suggest to the Chair and to the Chamber, to the Premier of Nova Scotia and to the Minister of Energy, that that clause of the Bill is sufficiently unclear that it is very, very likely to end up in the courts.

Is a gas plant a pipeline? If we get an image of a pipeline in our minds we see it going through the ground and we say that this is a pipeline. A gas plant? That is a different kind of structure full of all kinds of pipes with different machines and dials. The definition in this Bill of a pipeline is sufficiently broad, in my view, that the Government of Nova Scotia has the right to first refusal of a 50 per cent ownership position in a gas plant. Is that what was intended by the Premier of Nova Scotia and the Minister of Energy? I suggest it probably was not. I suggest that if this Bill were to be subjected to the normal process that this House, that the parliamentary system, has come to put in place over years and centuries, then we could have testimony as to whether or not we have a definitional problem. If we have, if I am correct in my assessment, we could have suggested some modifications to the clause that would be designed to clear up the discrepancy and make the world a better place.

Having been born in the City of Calgary and lived there about half a century, I have been around the oil and gas

industry almost since the first day it came into operation in our region. That is close to 50 years of experience. It is a sensitive industry. It is characterized by mobility. It is a funny industry. At the exploration end of it, it takes money. Money does not respect provincial or national borders. Money is a commodity which travels relatively freely around the world. That is the first thing it takes. Second, it takes committed, dedicated and knowledgeable human beings. They are welcome around the world because they are in short supply. Third, it takes mobile equipment. An oil drilling rig is designed to dig a hole. When the digging is done, it has to be dismantled and moved. If it is on a drilling ship, it simply has to be moved. The characteristic of the required equipment is its mobility.

• (1330)

If we have an agreement which is unsatisfactory to those people who own and control that equipment and to the knowledgeable people who make it work, as well as to those who are willing to take a risk and invest, then it will go. It is mobile. It is easy. It leaves. When it goes, we have increased unemployment, vacancy rates in office buildings and in apartments, increased depression, suicides, heart attacks and spousal battery. Those are the consequences of economic legislation which is badly designed, ineffective and does not work.

We are living through those consequences. Federal politicians in the Liberal Party have forced those of us in the City of Calgary, in the Province of Alberta, to live through those consequences. I do not want that for the people of Nova Scotia. They deserve better. They should have better. Hopefully this agreement will produce better. However, standing in this Chamber on June 28, 1984, all I can say is that it is a hope.

If the Government had chosen to follow a decent process, to allow committee examination and to allow expert witnesses to give testimony, then all of us would have some sense of confidence about what the legislation indicated it would do, what it intended to do. That would have been better for the nation and for the people of Nova Scotia.

I look forward to the day when we have a government which values the process of seeking informed testimony from people in the country before putting in place pieces of legislation which may do a great deal of harm.

The Acting Speaker (Mr. Herbert): There follows a 10-minute period for questions and comments. Are there no Hon. Members wishing to put questions?

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, I join with my colleagues who preceded me in mentioning again, because it bears mentioning, that this method of passing legislation is really an affront in many ways to the parliamentary system.

Bill C-43 is not a trivial Bill of two or three paragraphs. It is a Bill of 100 pages and some 39 clauses, many of which are technical. It flows from the agreement between the Government of Canada and the Government of Nova Scotia regarding the development of the offshore. As a responsible Party and as responsible members of that Party, obviously we do not want to wreck the agreement reached by those two levels of government acting in the best interests of their respective jurisdictions in producing an agreement which would seem reasonable and adequate. On the other hand, there is something fundamentally wrong with that kind of procedure.

Bill C-43 has been brought forward to provide a legal basis for the agreement. After its passage, it will be said that Parliament has acted, Parliament representing the people of Canada, all segments of Canada. However, at no time in this process were the people who must live with the consequences of this law afforded an opportunity to make known their concerns and observations so that we might examine the details of the law in that regard.

The Hon. Member for Calgary West (Mr. Hawkes) talked about some of the problems with the definitions, for example. I did not hear all his remarks. He may well have mentioned, and probably did mention, the fact that at least six clauses in the Bill allowed ministerial discretion. That sounds like a good thing when we talk in terms of allowing flexibility to accommodate different circumstances, but it also means that there is no certainty as to what are the rules or how to plan. The offshore activities governed by this legislation and this agreement involve the expenditure of many hundreds of millions of dollars, indeed billions of dollars. It is at least unfair, probably unreasonable and very likely damaging to the prospects of investment, to produce a regime which makes it impossible for planners to know precisely what are the rules because they can be changed at any time on ministerial discretion.

We ought to have had the opportunity of examining those clauses and discussing them with the persons who have to live with them—and I am talking about industry people—to find out the consequences on their ability to operate. Will it result in costs being higher? Will it result in their having to employ more lawyers than geologists and engineers to handle the paperwork as opposed to getting on with the job of finding oil and gas?

Any number of questions could be raised. We ought to have had the opportunity to examine them, but we did not. Why? It is because the legislation was not brought forward until this week. Here we are with one day left in the session and the onus is placed upon this Party as to whether or not to allow the agreement to go ahead, with no concern about the fundamental wrongness of proceeding in this manner in the first place. This agreement was signed last year. We ought to have had the legislation debated at second reading months ago, so that we would have had the opportunity in committee, albeit Committee of the Whole, to examine the legislation clause by clause to ensure that it was workable, to ensure that the industry which has to live with it could in fact live with it and that we are not burdening it with excessive regulation, red tape, costs and so on.

• (1340)

It is not just the interest of the people who have to live with it that is involved. There is also the question of the develop-

ment of these very important resources off Nova Scotia around the Sable Island area. That is a very important natural gas find that needs to be developed. With our dollar falling like a stone and interest rates going through the roof, the ability to produce and export that natural gas would have tremendous benefits for our dollar and the interest rates in this country and, needless to say, for the economy of the Maritimes, Nova Scotia in particular, where this development would take place. That is very important.

Because of the way the House Leader and the Government have treated this Parliament in bringing in this Bill at the last moment, we do not have an opportunity to ask those questions. We have to take it on faith that it will work. Frankly, given this Government's record on energy policy, you have to be fairly dense to take anything it produces on faith.

Since 1980, the over-all impact of this Government's energy legislation has been to drive the energy industry into the ground. It has created 25 per cent vacancies in my community of Calgary. Unemployment levels have increased from 3 per cent to 12 per cent and 13 per cent. It has bankrupted thousands and thousands of Calgarians. That has been the effect of this Government's energy program. Therefore, it hurts a lot at this point to pass more energy legislation without detailed examination to ensure that it will not have that effect on the energy sector, albeit the Nova Scotia energy sector this time.

My colleagues, the Hon. Member for Vancouver Centre (Miss Carney) and the Hon. Member for Calgary West (Mr. Hawkes) mentioned this, but I want to mention again the question of the 25 per cent back-in provision of the national energy policy. I do not know that Members opposite appreciate yet just how costly that provision was to Canada, just what it cost us in terms of investment, both Canadian and foreign. I had a conversation with the chief economist of the Conference Board of Canada. He estimated that the National Energy Program in general, and in particular the 25 per cent back-in, cost the Canadian economy $40 billion to $50 billion, representing, generally speaking, about $20 billion of Canadian money that left Canada and $20 billion to $30 billion that did not come here.

Last summer I had the opportunity to spend the day with pension fund managers and other investment managers in Great Britain, in the City of London. We discussed the attractiveness of Canada as an area for them to invest some of their pension funds which they manage. As a rule of thumb, they tried to invest some of their money offshore for risk minimization. Historically, Canada has been a very attractive country in which to place some of that money, along with the United States, Australia and some other countries. However, as a result of the National Energy Program, and in particular the 25 per cent back-in provision which confiscated privately owned property, Canada was no longer looked upon as an attractive area to invest. A democratic country whose Government would authorize and carry through with confiscation of privately owned property without compensation is a country governed by a Government that cannot be trusted. The atmosphere has changed incredibly.

In about 20 minutes or so, we will hear from the Bank of Canada what is happening to interest rates. We know for sure that they will go up because of the incredible pressure on the dollar. I wonder what might be happening if the National Energy Program and the 25 per cent back-in provision has not been introduced by the present Minister of Finance (Mr. Lalonde) when he was the Minister of Energy, Mines and Resources in 1980. There is no doubt that we would not be witnessing this tremendous pressure to the Canadan dollar or this tremendous pressure on increasing interest rates. Incidentally, there would be several tens of thousands of Canadians currently unemployed who would be employed. That is the cost.

The new leader of the Liberal Party, Mr. Turner, apparently intends to cultivate western Canada. He intends to be more open to the west, have a government that is more concerned about the west and have a government that is more responsive to the west. He puts that contention to lie immediately by apparently reappointing the Minister of Finance to that position. The Minister of Finance is the man who single-handedly devastated the economy of western Canada with the National Energy Program. He is being reappointed to the key financial post of the federal Government by a man who says that his objective is to make the west feel a part of Canada.

My suggestion is that if he wants to give my colleague from Calgary West and myself a little concern about our seats in the next election, he ought to make a public statement that under no circumstances will he allow in his government any person associated with the National Energy Program which devastated western Canada. If he made that statement, my colleague and I would have to get back to Calgary and campaign a little harder. However, it does not appear he is going to do that. He is going to reappoint the Minister of Finance, the man who single-handedly destroyed the economy of western Canada. Supposedly this is a new team that will bring the new nirvana. Well, it ain't so.

My colleague from Vancouver Centre went on record as indicating that a Progressive Conservative Government would eliminate the 25 per cent back-in provision. I want to repeat that. It is absolutely the situation. It is very high on the priority list and will occur very quickly when a new Progressive Conservative Government takes over as a signal to Canadians and the rest of the world that the Government of Canada does not confiscate private property but that it respects private property.

Other aspects of the National Energy Program that will be changed are those dealing with the question of the bureaucratic nature of the program which means that to do anything, one needs the approval of seemingly unlimited numbers of bureaucrats on this committee, that committee and the next. The whole program is full of ministerial approvals, which translates into some darn lower level bureaucrat having to approve

everything that is being done. The burden of that on any company intererested in exploring and trying to find oil and gas is absolutely horrendous. We have to get away from that.

This Party is determined to get away from that kind of interventionist hands-on bureaucratic red tape approach to an approach of providing adequate incentives, a firm and fair set of rules and instructions so that the doers, the people who are actually going to do something of value for Canada, can go out and do it on the basis of these incentives and rules, as opposed to the current system which says that if you want to do anything, you have to come to Ottawa, get on your knees and beg permission from some bureaucrat to be allowed to do it. That process is marvellous for lobbyists, lawyers and accountants. It does not do a darn thing for the people who are going to try to find the oil and gas this country needs if we are not only to achieve our goal of self-sufficiency and security of supply but also if we are going to get the benefits from this industry which the industry can provide. There is no question that the modest changes a Conservative Government intends to introduce in the beginning will put tens of thousands of Canadians back to work very quickly in this industry alone. There are many more industries about which similar things could be said.

• (1350)

I have one last point to make regarding a concern that goes beyond the energy question to the role of Parliament in our federal system. It is a dilemma for which I do not have the answer. On the one hand there is the question of the responsibility of parliamentarians. What is the role of Members of the House of Commons in the making of law? Do we have a duty and an obligation to examine every piece of legislation that passes through here with the kind of detail necessary so that when we vote approval, we can do so with a clear conscience in the knowledge that this is the best legislation that can be made or that we have at least had the opportunity to make suggestions which may or may not be taken up by the Government? On the other hand, there is the question of the Government of Canada and in this case the Government of Nova Scotia having reached an agreement, and those sovereign Governments having reached that agreement obviously want to get on with it.

This is related to the question of the role federal-provincial conferences play in the governing of this country. If some of the Premiers and the Prime Minister reach an agreement, does that automatically mean that Parliament ceases to have any responsibility or obligation in terms of the effects of that agreement on the jurisdictions for which the Members are responsible? This is not a new problem. It has been with us for some time. I think it is a problem that must be addressed, because I find it very frustrating to stand in the House and look at this Bill which contains 100 clauses of enormous complexity and say in all good conscience that I am confident that this is good legislation and I am prepared to vote in support of all of its details. Apparently I do not have any alternative.

I did want to put that protest on the record. I think this is the wrong way to be treating Parliament. We ought to have had an opportunity to look at this legislation much earlier on so that we would not find ourselves in a rubber stamp position. On the broader question, let no one but no one in the House or in the country believe that approval of Bill C-43 in any way, shape or form means that we approve of the National Energy Program, the 25 per cent back-in feature or any of the other horrendous features of that program, some of which are unfortunately referred to in this legislation.

The Acting Speaker (Mr. Herbert): There follows a 10-minute period for questions and comments.

Mr. Taylor: Mr. Speaker, first I would like to say that the Hon. Member for Calgary Centre (Mr. Andre) puts into words that which is in the hearts of the people of the west. Those who heard the words that came out of his mouth in the last few minutes will know that that is the way 95 per cent of the people of the west feel.

I would like to ask the Hon. Member for Calgary Centre a question. The new Leader of the Liberal Party, who will apparently take over the Government of Canada on Saturday, has made two statements that I think are very much in conflict with each other. First, he stated that he wants to win the west and make the west feel a part of Canada. That is a very noble aspiration. He then said that he will make no changes whatsoever to the National Energy Program, the program that literally destroyed not only the physical works of the oil and gas industry but broke the hearts of hundreds of people who went bankrupt. I would like to ask the Hon. Member, who has a tremendous knowledge of this industry, how he thinks the people of the west will feel about being told that they will be a part of Canada when the same man tells them he will continue to subject them to all the horrors of the National Energy Program?

The Acting Speaker (Mr. Herbert): Order, please. I do not find that the question really pertains to the speech made by the Hon. Member for Calgary Centre (Mr. Andre). However, I will let the Hon. Member for Calgary Centre respond.

Mr. Andre: Mr. Speaker, I thought it was a very probing question. My colleague, the Hon. Member for Bow River (Mr. Taylor), is absolutely right in noting the conflict between winning the west and retaining the National Energy Program as well as retaining the architect of the National Energy Program as a key member of the Government of the new Leader of the Liberal Party.

A truly national Government that will understand or even try to understand the hopes, aspirations, concerns and frustrations of people in every part of the country including western Canada must understand that the impact of the National Energy Program on western Canada was absolutely devastating. It is simply not possible to suggest that one understands western Canada or wishes to understand western Canada at the same time as one believes that the National Energy Program is a good thing which will be kept in place and that

its architect will be kept in place as a key member of the Government. It is impossible for those two poles to come together.

Mr. Hawkes: Mr. Speaker, the Hon. Member for Calgary Centre (Mr. Andre) brought up the issue of the increase in the number of civil servants involved in the field of energy at the federal level. I believe that the Hon. Member was in the House in 1974 when that rapid growth in the bureaucracy started. I believe John Turner was the Finance Minister who was responsible for that rapid growth, but I am not sure because I was not here. I wonder if the Hon. Member for Calgary Centre could tell us a little bit more about that growth? Perhaps he could tell us how much the bureaucracy has grown and whether or not John Turner was responsible for that growth? Perhaps he could tell us if the slasher of Cabinet was the increaser of bureaucrats in the energy field? I would like to know from the Hon. Member for Calgary Centre whether or not that analysis is correct.

Mr. Andre: Mr. Speaker, it is correct. In my talk, I did not mention, although I might have, that the new Leader of the Liberal Party was the Minister of Finance responsible for the first devastating blow to the oil and gas industry in 1974. His Budget of 1974 made provincial royalties non-deductible for tax purposes and brought the industry to a grinding, screeching halt. It resulted in hundreds of drilling rig companies leaving the country, large lay-offs and the slowdown to next to nothing of drilling activity. In fact, in that sense the Minister of Finance and the new Leader of the Liberal Party have a lot in common. They each participated in creating Budgets that devastated the oil and gas industry.

Subsequently, when trying to repair the damage created by that Budget, came the era of more bureaucratic intervention. Having first devastated the industry by his Budget of 1974, the new Leader of the Liberal Party then said that we must get the industry back on track. The way to do that, of course, was to keep adding bureaucrats who were smart enough to know what to do and who would run the industry better than the private sector, the owners of the industry, could. We know what the consequences of that have been. Proven reserves have declined steadily since then and self-sufficiency has been put further and further into the future.

Mr. Speaker: It being two o'clock, this House will now proceed to Statements by Members pursuant to Standing Order 21.

• (1400)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

NATIONAL REVENUE

DEMAND THAT DEPARTMENT RETURN FUNDS SEIZED FROM TAXPAYER

Mr. Gordon Taylor (Bow River): Mr. Speaker, again I rise in this House the case of my constituent who paid $1,000 on an instalment plan and then the Department of National Revenue went into his bank account and took out another $1,000 to pay the same tax bill.

The Minister admitted that his Department received the $1,000 through the Calgary branch of the Mercantile Bank of Canada on October 14, 1975. The Minister assumes that this $1,000 was sent back to the Mercantile Bank but has no record or proof of same. The President of the Mercantile Bank of Canada has stated that the bank has no record of National Revenue returning the $1,000, and neither has the Minister who assumes it was returned.

All evidence indicates that the Department of National Revenue received the $1,000 and that the $1,000 tax bill was paid twice. Revenue Canada should return the $1,000 to this new Canadian. But the Minister refuses and simply says: "The case is closed". The case is not closed.

The Department of National Revenue has either lost, misplaced, or stolen the $1,000, and I want it returned to my constituent. Is the present Prime Minister (Mr. Trudeau) or the new Prime Minister going to condone this misdemeanor on the part of Revenue Canada? The refusal to return the money will be tantamount to stealing $1,000 from a hard-working Canadian citizen. This case will never be closed until the Government returns the $1,000 to my constituent.

* * *

[*Translation*]

HOUSE OF COMMONS

TRIBUTE TO PRIME MINISTER

Mr. Raymond Savard (Verdun-Saint Paul): Mr. Speaker, on behalf of the people of the riding of Verdun-Saint Paul, I would like to pay tribute to the Right Hon. Prime Minister (Mr. Trudeau). Our Prime Minister will go down in history as a great Canadian who always served his country with intelligence and dignity.

Canadians have always been proud of their Prime Minister as a worthy representative of Canada on the international scene and the man whose aim was to protect and defend minorities by enshrining the Charter of Rights and Freedoms in our Constitution.

Finally, I would like to congratulate our Prime Minister on receiving the Albert Einstein peace prize.

[*English*]

LABOUR CONDITIONS

UNEMPLOYMENT AMONG PROFESSIONAL CLASSES

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, at least the lackadaisical Liberals cannot be accused of forcing unemployment only on the uneducated. Canada's sickening unemployent figures are striking out at all sections of society. We find high numbers of persons presently seeking work who are classified as professionals. Unemployment figures are often considered indigenous only to the trades and the lesser educated, but this is simply not the case.

Consider that 400 of the 1,000 lawyers who were called to the bar in April are out of work. As well, 50 per cent of the graduating engineers from ten engineering schools form the ranks of the unemployed. Only 30 per cent of teachers graduating in Ontario this year will get a permanent job.

There is little comfort in knowing that the Liberal boondoggle has treated all of society with equal indifference. Only a decade ago a university education was considered a respected route toward self-sufficiency and high standing in society. Thanks to this Government it has sadly become a bad joke for thousands of young people who have dedicated most of their lives to this honourable pursuit. The graduates are outraged. Their outrage is clearly echoed throughout the ranks of the Progressive Conservative Party.

* * *

[*Translation*]

HOUSE OF COMMONS

TRIBUTE TO PRIME MINISTER

Mr. Jean-Guy Dubois (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I would like to add a few words to what was said by the Hon. Member for Verdun-Saint Paul. With all my constituents in the riding of Lotbinière, I wish to join the Hon. Member in congratulating the Prime Minister on receiving the Albert Einstein Foundation's international peace prize. The prize is a tribute to the Prime Minister, in recognition of his exceptional qualities and his efforts for peace in this world.

Mr. Speaker, I have only one wish for the Prime Minister: That he wins the Nobel Peace Prize. I think that throughout the world, the Prime Minister is widely known and recognized as a great statesman and great leader. I believe that with the prize bestowed on him yesterday, the Nobel Peace Prize would be the crowning of a very brilliant career. I think he deserves to win this prize and that Canadians would be delighted if he did. That is what I wish him, now that he is about to retire as Prime Minister. I am sure all Canadians would see this nomination as something to be proud of, both for the Prime Minister and for the entire country.

[*English*]

PENSIONS

CALL FOR INCREASE IN PUBLIC SYSTEM BENEFITS

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, the failure of Canada's private pension system is obvious from the growing dependence of elderly Canadians on the Canada Pension Plan, the Guaranteed Income Supplement, and additional tax incentives proposed in the February Budget to support private savings.

Over 50 per cent of elderly Canadians are dependent on the Guaranteed Income Supplement and provincial top-ups to support CPP and private plans. Only 54 per cent of working men and 33 per cent of working women have any private pension coverage, leaving the rest dependent on the public pension system for income replacement in retirement. They face a future of poverty unless the public system is designed for adequacy of retirement income. It is presently designed to be inadequate so private plans can flourish.

The Liberal and Conservative response to the inability and unwillingness of private employers to provide pension saving opportunities is to increase tax incentives to private plan holders and virtually ignore coverage for low-income earners by rejecting mandatory pension coverage or increasing CPP benefits and contributions.

To address pension coverage and adequacy for all Canadian workers and their families seriously, we should be striving to reduce the welfare aspect of the public system by increasing the universal Old Age Security to its former prominence, increasing CPP benefits, and adapting credit splitting so that all pensioners may enjoy their own pensions and ensure retirement with security and comfort.

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CANADIAN ARMED FORCES

FREEDOM OF COMOX CONFERRED ON CANADIAN FORCES BASE

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, on June 25, 1984, an historic happening was witnessed in the annals of the Canadian Armed Forces when Mayor George Piercy of Comox, British Columbia, conferred on CFB Comox the freedom of the town at an extraordinary meeting of council. Never before has a Canadian military base with a detachment of U.S.A. military been honoured in this country with the freedom of the town.

On that day the neighbouring city of Courtenay also officially recognized Military Appreciation Week honouring CFB Comox and its squadrons and supporting staff, including its detachment of 50 United States military personnel.

The granting of the "Freedom of the City" by the civilian population to a military formation has its roots deep in history. Its honour pre-supposed very great confidence by the civilian

authorities in the integrity, goodwill and discipline of the military base people who live in their community.

It is my concern that the image of a town in the vicinity of a military establishment has been traditionally viewed as a garrison town. This image has now been dispelled. Instead, thanks to the class of soldiers and airmen enlisting in the Canadian and U.S. military today, they form a relationship with their non-military neighbours which goes well beyond the formal affiliation, and has extended to co-operation, mutual support, and friendship.

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ROYAL CANADIAN MOUNTED POLICE

TRIBUTE TO VOLUNTARY WORK OF SERVING OFFICERS

Mr. Gordon Towers (Red Deer): Mr. Speaker, as a result of the recent debate on the Security Agency, it is apparent that Liberal Members of Parliament are not aware that the Royal Canadian Mounted Police force goes far beyond the call of duty as a law enforcing agency when serving the people of Canada.

For instance, these Members of Parliament apparently are not aware that an officer of the RCMP is the chairman of a committee of interested citizens that has been formed to assist in the prevention of suicide. Several officers of the RCMP are involved with this organization, with Crime Stoppers involving local citizens, and also with the Block Parent Program. They work with young people in the prevention of crime, serving as lecturers in schools and outlining the dangers of getting involved in criminal activities. As well, they assist the Coast Guard and the Red Cross in water safety education programs.

Many people are not aware that in a city the size of Red Deer the RCMP have to deal with approximately 1,400 lost or stolen bicycles in one year. Many youngsters' tears are dried up as a result of returned bicycles.

Members of Parliament should be aware that the RCMP are of great assistance in developing good, safe, and healthy communities in Canada.

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INCOME TAX

REFUNDS FOR ARTISTS AND WRITERS

Mr. Douglas Fisher (Mississauga North): Mr. Speaker, last week the Subcommittee on the Taxation of Visual and Performing Artists and Writers issued its report. It stressed fast administrative action on tax problems between Revenue Canada and Canada's artists.

At that time, I suggested, as an urgent matter, that the Minister consider refunds for artists whose files had been re-examined four years into the past. The Minister announced yesterday that he is accepting that recommendation. His Department will initiate tax refunds to those artists who can be identified. As well, the Department will welcome enquiries from artists in cases where their identity cannot be automatically located.

• (1410)

The other reactions from the Minister are equally sensitive to the arts community. He has considered the subcommittee's ideas carefully and has accepted our major principles. In addition, a conference is scheduled between Revenue Canada and artists' representatives for the autumn. These decisions are welcome news, indeed, to our artists, and are a sincere and substantial beginning to the settlement of these issues.

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VISIBLE MINORITIES

JAPANESE CANADIAN INTERNEES—PROGRESSIVE CONSERVATIVE PARTY POSITION ON COMPENSATION

Mr. David Kilgour (Edmonton-Strathcona): Mr. Speaker, fully 22,000 Japanese Canadians living in British Columbia were forcibly evacuated and interned by the Mackenzie King Government during the 1942-1946 period. Even after the war was over one constituent of mine, whose family had originated in Japan, was required by law to obtain a letter of approval from the Mayor of Calgary before she could move from the Taber area, to which her family had been forcibly moved, to teach in Calgary.

The attitude of the outgoing Prime Minister (Mr. Trudeau) and his Minister of State for Multiculturalism (Mr. Collenette) on this issue must be reprehensible to all thoughtful Canadians. It is my firm conviction that the Mulroney Government will quickly seek an all-Party resolution regretting these events of 1942-1946.

I am delighted that my Leader was quoted in *The Globe and Mail* on May 16 as indicating his support for a more than symbolic sum of reparation. He said: "I feel very strongly that Canadian citizens whose rights were abused and violated and trampled upon indeed should be compensated". Our Party spokeman on multiculturalism, the Hon Member for Lisgar (Mr. Murta), indicated to one media outlet only yesterday that a Mulroney Government will sit down and negotiate the nature and amount of a fair settlement to Japanese Canadians soon after the coming election.

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THE PRIME MINISTER

RECIPIENT OF ALBERT EINSTEIN PEACE AWARD

Mr. Maurice A. Dionne (Northumberland-Miramichi): Mr. Speaker, some 19 years ago a new phenomenon burst upon the Canadian political scene. In the short span of three years he literally catapulted from Pierre Elliott Trudeau, the iconoclast, to the Right Honourable Pierre Elliott Trudeau, Prime Minister.

No period in Canadian history since 1867 has been so eventful and exciting. Through his efforts and leadership Canada moved from the age of puberty to national maturity. While he sometimes infuriated some Canadians and often excited many more of us, he left none of us indifferent. Many times he made us aware that "the folly of mankind is man". He also tried and succeeded in showing us that it need not be so. Of all his great achievements, none demonstrated that more than his final great effort as Prime Minister. I speak, of course, of his mission for world peace, for which he has been awarded the Albert Einstein Peace Award. It is richly deserved!

An era is coming rapidly to an end. It has been an honour and a privilege to have served under his leadership. I know he will continue to speak and work on behalf of Canada and Canadians. When his resignation is accepted by the Governor General on Saturday morning he can leave in the full and confident knowledge that, in parting, he has left very large footprints in the sands of time. "When shall we see his like again?" Thank you, Mr. Prime Minister.

Some Hon. Members: Hear, hear!

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PUBLIC SERVICE

POLITICAL RIGHTS OF EMPLOYEES

Mr. Rod Murphy (Churchill): Mr. Speaker, during the Liberal leadership race the Minister of Transport lamented the fact that public servants could not attend the leadership convention. The *Winnipeg Free Press* has quoted the Minister as saying: "I think it is a little bit of a denial of their rights. We cannot do very much. It is the public service that makes the rules". All Hon. Members of this House, Mr. Speaker, know that that is not true. All Hon. Members of this House know that it is the Liberal Government which introduces the laws of this land, and it is the Liberal Government which is denying 300,000 federal employees the right to become involved in the next election campaign.

I would urge the Minister of Transport (Mr. Axworthy), and others who have lamented the fact that people could not attend the Liberal leadership convention because they are federal government employees, to remember that it is their legislation which prevents government workers from working in election campaigns and denies them a very basic right.

I urge all Hon. Members of this House to support a Private Members' Bill presented by the Hon. Member for Regina West (Mr. Benjamin) which will be coming up for debate later today. This Bill would reinstate political rights for federal government employees.

S.O. 21

[*Translation*]

HOUSE OF COMMONS

TRIBUTE TO PRIME MINISTER

Mr. Robert Gourd (Parliamentary Secretary to Minister of State (Multiculturalism)): Mr. Speaker, in a few days, Canada will lose a great man in the person of the Right Hon. Pierre Elliott Trudeau, who has led this country so admirably in the last sixteen years. The people of Argenteuil-Papineau are delighted that Mr. Trudeau will have a summer home in their riding.

As the Member for the riding of Argenteuil-Papineau and on behalf of my fellow citizens, I want to welcome the Right Hon. Prime Minister and assure him that I shall always be available to settle any problems he might have with the federal Government.

* * *

[*English*]

CANADA POST CORPORATION

CALL FOR WITHDRAWAL FROM INVOLVEMENT WITH COMMERCIAL ENTERPRISES

Mr. Girve Fretz (Erie): Mr. Speaker, it is time that Canada Post started minding its own business. That business, of course, is delivering mail. For the price of a 32-cent postage stamp, taxpayers expect efficient delivery of the mail. That being the case, Canada Post has no right to throw more irons into the fire. The Post Office, it appears, is looking at getting into lotteries, selling insurance, and airline and travel packages. Consumer's Distributing had a brief fling with Canada Post, but it looks like the affair has gone sour.

Is it fair for this gigantic Crown corporation, which is subsidized by the taxpayer, to get involved with activities which will compete with the citizens who subsidize it? I say no, absolutely no. Canada Post and other Crown corporations should not be allowed to use facilities paid for by all taxpayers to have advantages over others.

The public purse has been abused enough, the latest example of which is the baseball pool, which we all know has struck out. It is well known that business and the private sector are able to create jobs at much less expense than Crown corporations or slush funds. Let us have less monkey business and more private business so Canadians can get back to work.

Oral Questions

ORAL QUESTION PERIOD

[*English*]

RAILWAYS

WESTERN GRAIN TRANSPORTATION ACT—PROMISE OF INCREASED EMPLOYMENT

Hon. Don Mazankowski (Vegreville): Mr. Speaker, my question is directed to the Minister of Transport. During the consideration of Bill C-155, the grain transportation legislation, the Government, and this Minister, promised the creation of some 375,000 jobs in Canada. Now, Mr. Speaker, rather than creating jobs, both railways are laying people off in record numbers. System employment in both Canadian National and Canadian Pacific has been reduced by 6,000 people this year over last year. Canadian Pacific, in particular, is currently engaged in a very ruthless program of eliminating operating and maintenance workers in western Canada.

This loss of jobs, Mr. Speaker, and railway investment, constitutes an outright betrayal of the railway workers and the farmers of Canada. What action is the Minister of Transport and his Government taking to ensure that the railways will live up to the commitments made with respect to this legislation? What action has the Government taken to fulfil the promise it made during consideration and debate on that Bill?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I believe the Hon. Member is confusing two different sets of issues. The proposals which were put forward during the course of debate on the Western Grain Stabilization Bill indicated that the change in rates was necessary in order to provide financial leverage to enable the railways to engage in major capital expansion for the railway system in western Canada. Without going into the entire debate, we know that if the investment had not been made there would be a substantial drawback in the ability of that system to deliver grain to our international markets, which is absolutely essential to the health of the economy. I know the Conservative Party has fought against that, but we have always said it was a foolhardy and shortsighted fight, because if we in any way hamper the ability of the transportation system to deliver the goods on time, at efficient prices, then we have totally and completely undermined our international market for grain.

The railways have committed $1.1 billion this year alone into that capital expansion. The Canadian Pacific Railway, as one example, has already started its work on the Rogers Pass tunnel, the largest construction project in North America.

For the Hon. Member to say that there is no work going on and that there is a betrayal, simply shows the Hon. Member does not understand what is happening in western Canada, which is that the railways are engaged in major expansionary programs to expand our transportation system so that we can sell our grain abroad.

• (1420)

Mr. Mazankowski: If there is any confusion it is in the mind of the Minister. He is obviously being bamboozled by the railroads.

EMPLOYEE LAY-OFFS—REQUEST FOR INQUIRY

Hon. Don Mazankowski (Vegreville): Mr. Speaker, there have been job losses and further lay-offs each and every day. The railways are laying off full-time productive employees, maintenance way workers, B and B workers, railway carmen, electricians and mechanics. In the past two weeks CP issued lay-off notices for another 150 people. It is now estimated that close to 2,000 people in the operating and maintenance trades have been laid off in western Canada. It will be recalled that the Minister proposed a very elaborate advertising program costing some $3.5 million, telling the Canadian people how many job and investment opportunities there were going to be.

Because of this failure to fulfil a promise and commitment, is the Minister prepared to launch a full-scale inquiry to determine why there are job losses rather than job creation? Will he undertake to do that, rather than pussyfoot around with the railways? When will he start treating the workers first rather than the railways, as he suggested in a speech in Toronto recently?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I certainly welcome the new found interest of the Hon. Member in transportation workers. It is too bad he did not show the same interest when he was in this job himself. The fact is we have already referred the matter of railway employment to the Senior Grain Advisory Committee, which was established to bring together all the major participants in the transportation system. The grain producers, elevator companies, railway companies, and unions are all there. That is the place where the issue will be examined. The railways have been asked to demonstrate that they are living up to their commitments. That is the mechanism we put into place to provide all participants in the western grain transportation system with an opportunity for that kind of review and examination.

If the Hon. Member does not believe in that kind of system, if he wants to go around it, if he does not trust the judgment and assessment of all the major participants in the system, it simply shows exactly who is pussyfooting and fooling around.

Mr. Hnatyshyn: There is not a farmer in the West who believes you.

Mr. Mazankowski: I certainly have faith and confidence in the judgment of the people involved in the transportation sector, but I certainly have no confidence in the chairman of this committee who happens to be the former chairman of the CNR. How can they expect an unbiased opinion from him on this very critical issue?

PACKING PLANT CLOSURES

Hon. Don Mazankowski (Vegreville): Mr. Speaker, one of the primary objectives of Bill C-155 was to encourage value added processing in western Canada, particularly in the livestock industry. This would create thousands of new jobs. It was suggested that the processing industry would be enhanced by some $350 million. When can we expect—

Mr. Speaker: The Chair has some concern as to whether this is a supplementary flowing from the answer to the previous question, which is the usual requirement for a supplementary.

Mr. Mazankowski: Mr. Speaker, with all due respect, if you would hear me out you will find that it is directly related to jobs supposed to have been created under Bill C-155.

Since the passage of that Bill two packing plants in Alberta, Canada Packers and Burns, have closed their operations, with the loss of 1,000 jobs. I ask the Minister when western Canadians can expect the Government to fulfil its commitment to increase jobs in the livestock processing industry? When are these things going to become a reality?

Mr. Speaker: With all due respect to the Hon. Member, the Chair again expresses concern about lengthy questions followed by lengthy answers. Again, there are a number of people on the Hon. Member's side seeking to be recognized.

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I would also like to express my concern about the accuracy of the Hon. Member's questions. In his very lengthy preamble he stated that the chairman of the Senior Grain Advisory Committee is a former head of the CNR. He is dead wrong. The chairman of that committee is Mr. Murray Cormack, a very distinguished member of the grain producing industry in western Canada. He is the chairman; not the former head of the CNR. I suggest that the lack of information and knowledge on the part of the Hon. Member in that one instance is illustrative of his total lack of knowledge of the entire area.

* * *

ENERGY

EXPORT PRICE OF NATURAL GAS

Miss Pat Carney (Vancouver Centre): Mr. Speaker, in the absence of the Minister of Energy I will direct my question to the Minister of Finance. He will know that the quickest way to support the Canadian dollar without raising interest rates is to sell more natural gas to the U.S. The Government's decision to stick with a single border price is creating hardship for the West, particularly for natural gas processors in an industry where employment has fallen by 50 per cent. Since a more flexible natural gas pricing system would earn billions of dollars in export sales, help the Canadian dollar, and create new jobs, why does the Government insist on staying with an obsolete pricing system? Is the Minister working with his colleague, the Minister of Energy, to ensure that there is a more equitable and economically efficient way of selling our resources?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member should know better. First of all, the price of natural gas was established after extensive consultations with the industry and the producing provinces. The arrangement arrived at represents the point of view of the industry and the provinces concerned, as well as of the federal Government. It was arrived at in agreement with the American authorities.

Obviously the Department of Energy and the Department of Finance are always examining and reviewing the situation, and are open to representations from anyone with views on how we could improve or expand our exports. But surely the Hon. Member cannot assume that just reducing the price would increase the revenue. You might be able to increase sales a little bit, but if you cut the price by half and increase sales volume by only 25 per cent, you end up with less money than you had before, not more. That is not going to help the Canadian dollar, or Canadians. It will only help Americans who would be able to buy Canadian gas at a very cheap rate, without the Canadian industry or people getting more benefits. As a matter of fact they would end up selling their heritage at a lower price than they are getting at the present time, with a lower total revenue. The Hon. lady's recommendation is one that she should examine much further.

Miss Carney: The Minister's answer indicates why the Government is so totally out of touch with economic reality. He must be the only person in the country who believes the single border price for natural gas is not obsolete. Everyone else doesn't.

CANADIAN OWNERSHIP CHARGE

Miss Pat Carney (Vancouver Centre): Mr. Speaker, dealing with obsolete taxes and prices, I would like to deal with the Canadian ownership charge imposed by the Government three years ago to pay for Petrofina. That has long since been paid for, yet the Government continues to pile up about $800 million in this account, and another $900 million next year. Since the Government has not brought forward the legislation which will terminate this account, and since Petro-Canada is offering cash discounts amounting to 16 cents a gallon on gasoline, is it the intention of the Government to return this money to the consumer, not through Parliament but through Petro-Canada?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the main obsolete feature in this House certainly has to be the view of the Hon. Member of the situation of natural gas. The price of natural gas was determined in full consultation and with the full agreement of the industry.

Some Hon. Members: Oh, oh!

Mr. Lalonde: Is it the Conservative Party's view that they are going to establish this independently of the views of the producers and producing provinces? That is not the view of

this Government, and that is not the policy followed by the Minister of Energy, nor is it the policy we are going to follow. We are going to continue a policy of consultation with the provincial Governments and the industry, and make changes once they have been considered appropriate by all concerned.

As far as the question raised by the Hon. Member is concerned, she knows the tax to which she referred is going to be assigned for energy purposes in Canada, and steps have already been announced in the Budget in that regard.

* * *

THE ECONOMY

INTEREST RATE LEVELS—EFFECT OF INCREASES

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I have a question for the Minister of Finance. Just about three months ago we had a major increase in interest rates. Then I pointed out to the Minister that we were going through a bad old movie, which has since become a tragic movie in its impact on the people of Canada. The Minister said on March 15: "We have forecast a decline in interest rates between now and the end of the year." I point out that, since he said that, interest rates have gone in one direction and one direction only, that is up. Today they went up by almost a half a percentage point. The 2 per cent increase in interest rates which has taken place in the last 60 days has cost the typical home owner $24,000 on a mortgage. It has cost Canadian business over $2 billion in interest rate cost increases. When is this madness going to stop?

● (1430)

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member deplores the increase in interest rates. He will certainly not be alone in that regard. This is generally deplored, not only in Canada but in the developing world and among industrial countries. If he looks at the European countries, or other countries around the world, he will find very serious and strenuous objections to the fact that interest rates are going up at the present time, fundamentally because of what is happening in the United States. For instance, interest rates have gone up a half a percentage point in Austria and Germany in the last day. They have gone up a full point in Sweden, and there are similar increases taking place in a number of other countries. The Hon. Member knows the tragic impact of these developments on developing countries also, and debtor countries in particular.

The issue is obviously related to what is happening in the United States. Strong representations have been made to the Government of the United States by other industrial countries as well as developing countries. We hope that steps will be taken, particularly in the United States, to reverse that particular trend which we all regret and certainly cannot support.

Mr. Broadbent: Mr. Speaker, I point out that the people of Canada have some interest in what the Government of the United States is doing in this issue. However, they have particular interest in the actions of the Government of Canada on interest rates rather than in what other people are doing.

REQUEST THAT GOVERNMENT ACT

Hon. Edward Broadbent (Oshawa): We have made a proposal which we think could be effective in at least curtailing the rate of interest rate increases. The Government discarded that. Farmers, business people, and home owners are suffering. Is it the Government's intention merely to sit back and watch what happens, and allow interest rates to rise to the 20 per cent plus area again, or is the Government going to take some kind of action sometime soon to stop these increases?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, we have heard rhetoric rather than proposals from the NDP. I indicated to them that I had examined carefully the suggestion they made, upon which they did not elaborate. I indicated to them that it was filled with counterproductive elements—

An Hon. Member: Like what?

Mr. Lalonde: —which would make it a very ineffective and counterproductive proposal.

With regard to whether we would sit and do nothing, I want to remind my friend that the last time interest rates went up the Government took a number of steps to help farmers and home owners.

An Hon. Member: What?

Mr. Lalonde: Now they ask what. The NDP do not even remember what took place over the last two years.

Mr. Broadbent: Bankruptcies, that is what.

Mr. Lalonde: I will tell you what is happening now. If you want to buy a house now you can open up a $10,000 RHOSP which is income tax deductible. That means that you can save several thousands of dollars on the purchase of a house at the present time. That program is available at the present time for people who want to buy homes. We have come up with a mortgage interest rate proposal which we had to drag the NDP, kicking and screaming, into approving. That is going to provide support and help for people who have loans at the present time when they must renew their mortgages.

Mr. Murphy: More for the banks.

Mr. Lalonde: These are only two among many steps which we have taken. There are a number of programs of the ministry of housing which are helping people at low income levels in terms of social housing. The Hon. Member knows, or should know, that.

Mr. Broadbent: Mr. Speaker, I point out to the Minister that it was not only the NDP but the business people involved in the mortgages who pointed out that they could not recommend to the people of Canada the proposal made by the Government. It was totally useless.

REQUEST THAT GOVERNMENT INTRODUCE SPECULATORS' TAX

Hon. Edward Broadbent (Oshawa): I would like to return to the one concrete proposal which was made in the House. It certainly was not made by the Conservatives who have talked on both sides of this issue, as they have on every other. Will the Minister tell us why he is not prepared to put a special tax on large amounts of money invested outside Canada by speculators who want to take advantage of a national economic crisis? Why does he not put on such a tax to try to deter the outflow of capital, so that we can keep interest rates down for the people of Canada?

Some Hon. Members: Hear, hear!

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Leader of the NDP was not telling the truth—

Some Hon. Members: Oh, oh!

Mr. Lalonde: —when he said that the construction industry was opposed to the mortgage rate proposal plan. I want to remind him that every organization, from the Consumers' Association to the housing organizations and the construction association, gave their full support to the mortgage rate proposal program.

Mr. Deans: That is not true.

Mr. Lalonde: If he had been in the House and followed the issue he would have known the degree of support which that Bill had.

Mr. Deans: That is not true.

Mr. Lalonde: It had very large and broad support. The fact is that that is what ended up pushing the NDP into allowing the Bill to go through.

Some Hon. Members: Oh, oh!

Mr. Lalonde: They realized they were alone out there against that Bill.

With regard to the other question, I answered it at length while the Hon. Member was visiting throughout the country in the last two weeks. I invite him to read *Hansard*.

INCREASE IN BANK OF CANADA RATE

Hon. John C. Crosbie (St. John's West): Mr. Speaker, my question is for the Minister of Finance. There was a major increase in the Bank of Canada rate to 12.36 per cent today. In other words, Governor Bouey is carrying out the intention which he expressed in his speech in Charlottetown that the Minister approved yesterday. This will cause the fourth round of increases in interest rates in Canada in the last three or four months.

Output in Canada has barely reached its level of three years ago before the recession began. In view of the fact, how can the Minister justify allowing this increase in the Bank of Canada rate, and the subsequent increases we will experience in interest rates at this time? This will bring on the recession which we are just steps away from right now.

Hon. Marc Lalonde (Minister of Finance): The best answer I could give to the Hon. Member would be to quote his statement of November 16, 1979 when he said: "Canada, quite literally, has no alternative to a temporary regime of higher interest rates." He should go back and read his own stuff.

Some Hon. Members: Oh, oh!

Mr. Crosbie: Mr. Speaker, the Minister has been there for four years and three months. That is not temporary. He has had lots of time to do something about the mess the Liberal Government left behind in 1980. The Leader of the unofficial Opposition puts the Liberal Government in, and then all he does is complain about the Liberal Government he has put in.

SALES TAX INCREASE—GOVERNMENT POSITION

Hon. John C. Crosbie (St. John's West): In addition to the increase in interest rates which is now going to go forward, the Minister has a tax increase going forward for Canadian consumers on October 1. In the next three years the Government is going to take $2.4 billion from Canadian consumers through the new special recovery tax, a 1 per cent increase in the sales tax. This year the government will take $300 million. How can the Minister justify these increased taxes on Canadian consumers whom he is crucifying with increased interest rates at the same time? How can he justify that, the unemployment it will bring, and the recession which will follow it?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, that question has been asked many times and I have answered it. I am afraid the Member must have been outside the House at that time.

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EXTERNAL AFFAIRS

PACIFIC SALMON TREATY NEGOTIATIONS

Hon. John M. Reid (Kenora-Rainy River): Mr. Speaker, my question is for the Secretary of State for External Affairs. A delegation from the Canadian section of the Canada-U.S. Parliamentary Association met recently in Washington with the two Senators from the State of Alaska and the two Senators from the State of Washington, to discuss the stalled West Coast salmon treaty negotiations. One of the recommendations of the Canadian group was to have the Minister appoint a personal representative, just as the United States Secretary of State has appointed a personal representative. Would the Minister indicate whether or not he will accept this recommendation and if, in fact, he has appointed a personal representative to fulfil these duties?

• (1440)

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, at the last meeting which I held with Secretary Shultz, the question of the Pacific salmon negotiations was fully discussed. At that time I made the suggestion that we ought to take some new steps and inject some renewed impulse into the negotiations, and raised the idea of representatives along the lines mentioned by the Hon. Member.

Since that time Mr. Shultz has appointed a personal representative and I have asked the Hon. Mitchell Sharp to act as the representative of the Secretary of State for External Affairs. Mr. Sharp has accepted. I think that he is particularly qualified to act in this capacity because, through his experience as the Northern Gas Pipeline Commissioner, he has established a personal relationship with quite a number of the persons who will be involved in this negotiation.

I make particular reference to the Senators to whom the Hon. Member has referred, because without their co-operation I doubt whether it will ever be possible for Canada to reach an agreement. We have been very close to an agreement from time to time, but in each case we have had to draw back because of some new element that was injected into the talks mainly by one State or the other, in the person of one of the Senators.

* * *

STATUS OF WOMEN

SHARE IN EMPLOYMENT TRAINING PROGRAM

Mr. Walter McLean (Waterloo): Mr. Speaker, my question is directed to the Minister responsible for the Status of Women. According to a report published recently by the Canadian Congress on Learning Opportunities for Women, the female share of skill training places in the Canada Manpower Training Program has fallen from 39 per cent in 1981-82 to only 29 per cent in 1983-84. As the Minister knows, women constitute 40 per cent of the Canadian labour force. Will the Minister explain this shocking situation which has developed since the introduction of the National Training Act in 1982? Did she and her officials see this coming?

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Yes, Mr. Speaker, I too am disturbed by the statistics. However, I must point out that it is not because there has been a decline in the availability but that there has been a decline in the demand. We had very serious discussions with the provincial Ministers responsible, regarding this decline in demand. We are looking into the matter more thoroughly at the moment.

Mr. McLean: The Minister must know that the data suggest that this is a profound neglect on the part of her Government toward the women of Canada.

MINISTER'S POSITION

Mr. Walter McLean (Waterloo): Mr. Speaker, rather than blaming the provinces, as the Minister responsible what representations has she made to the Minister of Employment and Immigration in regard to this discrimination against women in the workplace?

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, again I think the Hon. Member has his facts mixed up, because we have increased the number of places available to women. The demand has not kept up with what is available to these people. It is of great concern to me, because it is important that women go in for retraining, particularly in those jobs which offer them non-traditional occupations. I repeat that those spaces are there. We have, through Employment and Immigration, increased the number of spaces available to them through the training programs.

Mr. McLean: What have you done about daycare?

Mrs. Erola: It is the demand that is simply not there. I was suggesting to the Ministers responsible, and to the Ministers of Education, that we do a better job of explaining to these women that they must take advantage of these spaces and these training programs, and that we must have a greater program of public awareness—

Mr. McLean: It is all the women's fault, is it?

Mrs. Erola: —to make sure that they do take advantage of those seats.

* * *

THE ECONOMY

EFFECT OF INCREASED INTEREST RATES ON SMALL BUSINESSES

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, my question was intended for the Minister of State for Small Businesses and Tourism, who has left. I do not blame him a bit for leaving. I will redirect my question to the Minister of Finance, who will know that, as a result of the interest rate changes over the last three months, the cost to business in Canada has increased in excess of $2 billion. He will also know that as a result of these changes the level of bankruptcies will increase, the level of receiverships will increase, and the number of people simply walking away from their businesses will increase.

The Minister of Finance will be able to walk down the main street of Canada and see it boarded up in the next number of weeks as a result of his high interest rate policy. He knows full well that the situation will get significantly worse as a result of these high interest rates. In light of this evidence, what does he plan to do to assist the small business sector?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, we have introduced a number of measures to help the small business sector. The Hon. Member is aware of those that were

contained in the Budget of last year, which meant several hundreds of millions of dollars of tax advantage to small business. Just now, there is before the House an Income Tax Act Bill—

Mr. McKnight: Where is it?

Mr. Lalonde: It is before the House. We are in negotiations with the Conservatives to get it passed. The problem is that the critic of the Conservative Party cannot make up his mind whether he is ready to support this Bill or not. The fact is that there is a Bill before the House right now that will mean tax simplification for small business, which will mean a tax reduction of $150 million for small business this year. But what do we see? We see the Tories divided amongst themselves and unable to make up their minds. I hope they will put pressure on their spokesmen and make sure that the Conservatives will support the measure that the NDP and the Liberal Party are ready to pass today or tomorrow, if the Conservatives want to co-operate. This will mean help for small business in this country. Please get together and co-operate, and we will be able to get this for small business.

Mr. Riis: I want the Minister of Finance to leave us out of this family dispute that they are having. He knows full well that we have been ready to discuss that legislation for weeks and weeks.

SMALL BUSINESS DEVELOPMENT BOND PROGRAM

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I will direct my supplementary question to the Minister of State for Small Businesses and Tourism who will know that the cost for small business has increased nearly $2 billion as a result of increased interest rates over the last three months. The Minister says he is interested and concerned about small business. He took away the Small Business Development Bond. What does he plan to do—

Mr. Speaker: The Hon. Member is raising another question on a supplementary.

Mr. Broadbent: It is the same one.

Mr. Speaker: There are many Hon. Members seeking to be recognized. We will let it go, but we must have some rules on supplementaries.

Hon. David Smith (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the Hon. Member has forgotten some of the other things that this Government does for small business. Of course the figures just came out this week that last year we had a record year in providing loans through the Small Businesses Loans Act because of the support and the commitment of this Government.

Oral Questions

SUPPLY AND SERVICES

AWARDING OF CANADA DAY FIREWORKS CONTRACT

Mrs. Jennifer Cossitt (Leeds-Grenville): Mr. Speaker, my question is directed to the Minister of Supply and Services. It concerns the awarding of contracts for Canada Day fireworks displays.

Of the two companies that submitted tenders, two-thirds of the total contract was awarded to Amplemen of Montreal, which is a company that imports its fireworks. Hands Fireworks of Ottawa, which manufactures its product, has been forced to lay off production workers as a result of this action. Both bids were well within 2 per cent of each other. So much for the Government's buy Canadian policy.

Why was consideration not given to awarding the contract to a firm that manufactures its product here in Canada? Obviously the Government has a greater preoccupation with paying out political patronage than with saving Canadian jobs and using Canadian products to celebrate Canada's birthday.

[*Translation*]

Hon. Charles Lapointe (Minister of Supply and Services): Mr. Speaker, instead of talking nonsense, the Hon. Member would be well advised to find out exactly how contracts are managed in Canada. The Department of Supply and Services awards 360,000 contracts annually. If the Hon. Member had had the courtesy to give me notice of her question, I would have had the requisite information, which I would then have made available to the Hon. Member. However, I will now have to check before I can give further details. As far as Canadian content is concerned, Mr. Speaker, it is one of the criteria that is always considered when we evaluate contracts. However, we always try to get the best products for the best value, so that Canadian taxpayers will get their money's worth.

[*English*]

TEST SAMPLING OF FIREWORKS

Mrs. Jennifer Cossitt (Leeds-Grenville): Mr. Speaker, I ask the Minister if he will also conduct an immediate investigation into all the reasons why the majority of the contract was awarded to Ampleman. On April 17 his departmental officials were advised that a random sampling of the Ampleman product showed that the shells were only partially filled with pyrotechnic composition. The remainder contained rice hulls, bits of paper, and other stuffing which fill the shells at no cost. In other words, officials at Supply and Services, with full knowledge of this information which, in effect, constitutes possible fraud, award the contract to Ampleman, resulting in lost Canadian jobs. The Canadian taxpayer is paying for fireworks displays, not rice krispies.

• (1450)

[*Translation*]

Hon. Charles Lapointe (Minister of Supply and Services): Mr. Speaker, I am sure the Hon. Member is very fond of rice

krispies, but I think she should be more careful about referring to the possibility of fraud. I think she is using very tendentious terms. As I said in my first reply, I shall make the necessary inquiries and as soon as I have the information, I shall pass it on to the Hon. Member.

* * *

[*English*]

INDUSTRY

AWARDING OF BRAKES CONTRACT FOR CANADIAN WHEAT BOARD RAIL CARS

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, my question is for the congenial Minister of Regional Industrial Expansion. Yesterday he announced his plans for a great new Shop Canadian program which will ask Canadians to compare products and buy Canadian where possible. The day before yesterday the Minister received a telex from Wabco Limited of Stoney Creek, Ontario. In it, I believe Wabco Limited asked for a review of the recently awarded contract given to New York Airbrake for 50 per cent of the brakes for wheat cars bought by the Canadian Wheat Board. What does the Minister intend to do about this request in light of the fact that the Canadian content of the New York Airbrake parts does not even approach that of Wabco's, and the price differential on this order was only 3.5 per cent?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, when I received the telex I undertook to inquire why the decision was made to buy the vehicle with the component parts as indicated. I have not yet had a response.

EFFECT OF AWARDING CONTRACT TO UNITED STATES COMPANY

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, my supplementary question was to be for the Minister of Employment and Immigration, because I am told he as well received a telex from Wabco. However, I shall direct my question to the Minister of Regional Industrial Expansion again. Considering the fact that awarding 50 per cent of a contract to a firm based in the United States will cause the loss of 150 jobs immediately, and more in the future, what does the Minister propose to do in response to the telex he received? I trust the Minister of Regional Industrial Expansion will speak to the Minister of Employment and Immigration about this. Surely the Minister of Employment cannot stand by, nor can the Department of Regional Industrial Expansion, and see that number of Canadian jobs disappear?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): Mr. Speaker, I will make representation to my colleague as requested by the Hon. Member. But first I must get the facts to find out whether the Canadian company was competitive. I made it very clear in the announcement yesterday that in the "Think Canadian" campaign we were not saying "buy Canadian at any price". One of the most important aspects to create jobs in this country is that we have to be competitive in quality, price, service, and all the other facts that dictate why consumers buy, whether they are industrial purchasers or individuals.

* * *

HOUSING

INCREASE IN MORTGAGE INTEREST RATES—MORTGAGE PROVISION AGENCY ADVOCATED

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I was looking for the Minister of Finance, but if he is not available I will direct my question to the Minister of State for Finance. It is now clear that mortgage interest rates simply cannot be tied to the normal interest rate flow. As a result of the increases that have taken place in mortgage interest rates since February, 100,000 Canadians are in a position where they cannot enter the housing market as purchasers. Will the Minister of Finance take into consideration that it is quite well within the area of responsibility of the Government of Canada to establish a separate and independent mortgage providing agency? Will he move now to eliminate the tie between normal interest rates which fluctuate daily, weekly, monthly, normally going up, and mortgage interest rates, in order that Canadian families can afford to buy homes?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I have already indicated that there is a plan available at the present providing for tax assisted home ownership. That was provided under the last Budget. Canadians who want to buy homes can use the establishment of a registered home ownership scheme whereby they will get substantial benefit if they want to get a tax advantage coming from this particular development.

The Hon. Member knows that we have also passed a mortgage rate protection plan which is going to ensure that if interest rates rise by more than 2 per cent from the time a mortgage is taken out to the time it is renewed, there will be protection over that 2 per cent increase for the same length of time as the first mortgage was taken. We have already taken these steps, and if additional steps are going to be needed, they would be announced in due time.

Mr. Deans: Mr. Speaker, the Minister knows full well that the mortgage insurance plan offered by the Government was criticized severely by the Canadian Real Estate Association and by the Canadian Consumers' Association. In both cases they said they could not recommend the plan to anyone.

MORTGAGE PROTECTION PLAN

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, my supplementary question is for the Minister of Finance. Given that he knows people who already own a home and already have a mortgage cannot take advantage of the Registered Home Ownership Plan provisions—there is no point in it for them—and given that they are going to be affected now by the

escalating interest rates, to the detriment not only of those home owners but also of the people who would normally build the homes that would be purchased in Canada, will the Government not now recognize that mortgage protection is necessary and that a mortgage plan must be introduced in Canada, independent of all other funding arrangements for other purchasing?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the beauty of being in the New Democratic Party is that you can propose all kinds of expenditures and never have to account for the financing of them. There they are proposing another scheme that would mean significant expenditures for the federal Government. I remind my friend that we already have a $30 billion deficit in this country, and that every NDP member who rises wants the Government to spend more and more. I would be able to take the representations from that Party more seriously if New Democrats would be a little more responsible, indicate how they would finance all their activities, and indicate what kind of a Budget they would present. But thank God they will never have such a problem, the problem of presenting a Budget for this country.

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INCOME TAX ACT

PASSAGE OF AMENDING LEGISLATION

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, my question is for the Minister of Finance, who has seriously misled the House and the country with respect to the so-called provisions of the Income Tax Bill which, as he knows, have not yet been tabled on the floor of the House of Commons. How can the Minister ask this Parliament and its Members, when we have been calling for the introduction of this legislation consistently from the time of the last Budget, when the Minister did not even have the draft legislation ready until the end of May and when it was finally, because of this Party, brought before the committee for a preliminary look to deal with this legislation at this point? Will the Minister not admit that the reason this legislation has not now been passed by this Parliament is because of the incompetence of the Minister of Finance, the incompetence of this Government, and the incompetence of the House Leader of the Liberal Party?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I want to congratulate the Hon. Member for his efforts at—

Mr. Trudeau: Obfuscation.

Mr. Lalonde: —obfuscation and sloughing over the serious divisions inside his own Party. This Bill has been produced in draft form, as he indicated, many weeks ago, referred to a parliamentary committee—

Mr. Epp: Where is the Bill?

Mr. Lalonde: —and has been endorsed by the parliamentary committee. The ways and means motion has been tabled in this House. The spokesman for the Conservative Party has had the Bill in his hands for the last while—

An Hon. Member: Where is the Bill?

Mr. Lalonde: —and the Conservatives—

Mr. Speaker: Order, please. The Minister of Finance has the floor.

Mr. Trudeau: It hurts over there to hear the truth.

Mr. Lalonde: Sorry, Mr. Speaker. The Conservatives do not want to hear the truth. The fact is the Liberals are the Government. We and the NDP are ready to pass this Bill, today or tomorrow, with one speaker.

Mr. Epp: Where is the Bill?

Mr. Lalonde: That Bill means hundreds of millions of dollars of help for the farmers and for the small businessmen, and it means simplification of the tax system. It means many other benefits and advantages to Canadians. At least there are two Parties in the House which have the interest of Canadians at heart. I hope the Conservatives will muster their courage, get together a little, talk with their spokesman and ensure that the Bill is passed before we adjourn.

● (1500)

Some Hon. Members: Where is the Bill?

Mr. Hnatyshyn: We know that the Liberals and NDP Members are very cozy. They will be able to work together even more closely after the next election, in the Opposition, because that is where they will be.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

POSITION OF PROGRESSIVE CONSERVATIVE PARTY

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, why has the Minister of Finance not yet brought the Bill forward for introduction? I have not heard one word from the Government House Leader with respect to this legislation. The Minister of Finance misleads the House, because he knows that we are and have been prepared to give the income tax provision expeditious treatment. However, I can tell the Minister right now that when it comes down to one speaker per Party, he is dreaming in technicolour.

Will the Minister at least bring forward the Bill, or introduce it at the appropriate time? We will have a look at it. I am meeting with the Government House Leader at four o'clock this afternoon. Perhaps we could discuss whether we have enough time to deal with the matter, but it will not be on the basis of one speaker per Party. We in this Party do not operate in that way.

Some Hon. Members: Oh, oh!

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, that is the trouble with the Conservatives. They cannot operate on the basis of an agreed policy. They will want to have 35 speakers who will say different things. This is not new. This has been their record over the last four years. They cannot make up their minds on anything. They cannot agree. The Bill is there. We are ready to proceed. If the Conservatives want to proceed with it, that is fine.

Mr. Dick: Table the Bill.

Mr. Hnatyshyn: Where is the Bill?

Mr. Lalonde: If not, Canadians will know whom to blame when the next election comes. Because small businessmen and farmers will not have had the benefits to which they are entitled, they will blame the Tories.

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PARLIAMENTARY RESTAURANT

TABLING OF FINANCIAL STATEMENTS AND AUDITOR GENERAL'S REPORT

Mr. Speaker: I have the honour to lay upon the table the financial statements of the Parliamentary Restaurant, together with the Auditor General's report, for the fiscal year ended March 31, 1984.

* * *

HOUSE OF COMMONS

RECEPTION IN ROOM 16

Mr. Speaker: This might be an appropriate time to extend an invitation to all Hon. Members and the Press to join me in Room 16 later this evening. In view of the possibility that tomorrow there would not be as many Hon. Members present, I thought I might have the traditional Speaker's reception this evening. I hope to see a number of you present, if not all of you.

* * *

PRIVILEGE

MR. CLARKE—ALLEGED UNPARLIAMENTARY LANGUAGE OF MR. TRUDEAU

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, as Your Honour will know, this is the first time I have had an opportunity since last Friday, when I raised the question of privilege concerning the language used by the Prime Minister (Mr. Trudeau) in response to my question on that day—

Mr. Speaker: The matter raised by the Hon. Member on Friday related to alleged unparliamentary language. The Chair found at that time that there was no unparliamentary language. An examination of the "blues" has substantiated the opinion of the Chair.

Is the Hon. Member rising on another matter?

Mr. Clarke: Mr. Speaker, I was not aware that the Chair had made a decision. I understood that both the Chair and I were to wait until—

Mr. Speaker: No. A question was raised concerning the use of the word "fabrication", whether or not it was unparliamentary. The Chair made very clear that the frequency of usage of that term where it had not been deemed unparliamentary rendered the Chair in a position of not being able to recognize this instance as being an unparliamentary one.

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions presented by Hon. Members on Wednesday, June 27, 1984, meet the requirements of the Standing Orders as to form.

* * *

BUSINESS OF THE HOUSE

Mr. Hnatyshyn: Mr. Speaker, as I mentioned in my exchange with the Minister of Finance during Oral Questions, there will be a meeting of House Leaders at four o'clock this afternoon. I simply say to the Government House Leader that, in that we carry on negotiations with respect to Government business, it alarms me when a Cabinet Minister rises and makes reference to supposed arrangements which have been entered into. As the Government House Leader knows, there has been no consultation whatsoever with me as House Leader of the Official Opposition. Putting all that aside, I know that in the last and dying days of this Parliament the Minister of Finance is probably concerned about his future in Cabinet.

I bring to the attention of the Government House Leader some items of business which we may be able to introduce today, with the idea of discussing them for the purpose of making some progress. There has been much discussion about the Bill to amend the Farm Products Marketing Agencies Act. The Minister of Agriculture indicated publicly to a number of groups that he wanted this Bill tabled in the House. In light of the fact we are reaching the end of this trimester, as evidenced by the Speaker's invitation to Room 16 at the end of the day, is there any possibility of that Bill being tabled today for first reading? We are certainly prepared to give unanimous consent for that Bill to be tabled, if there is any difficulty with respect to bringing it forward.

Mr. Pinard: What Bill?

Mr. Hnatyshyn: The proposed Bill to amend the Farm Products Marketing Agencies Act.

Mr. Pinard: It is included.

Mr. Hnatyshyn: All right, it will be tabled today. Also I should like to mention to the Government House Leader the Act to correct certain anomalies, inconsistencies, archaisms and errors which deal with matters of a non-controversial and uncomplicated nature in the Statutes of Canada. Traditionally that Bill could be passed. I know the draft Bill has been received by the Standing Committee on Justice and Legal Affairs. It has received its approval and the necessary assurances have been given by Government officials with respect to it. As far as I am concerned, that Bill could go through without debate if the Government House Leader is able to table it for first, second and third readings and disposition. I would be prepared to do that immediately.

In terms of the other items with which we can deal, such as proceeding expeditiously with Bill C-50, an Act to amend the Agricultural Stabilization Act, I think the Government House Leader will find that we are prepared to deal with them. I am prepared as well, as usual, to see how much business we can get through before the end of this trimester.

Could the Government House Leader give us a report with respect to the Farm Products Marketing Agencies Act and the anomalies Bill to which I have referred? We will carry on discussions at four o'clock today.

Mr. Deans: Mr. Speaker, I must confess shock and dismay at the actions of the Official Opposition House Leader, given that when I rose not a month ago to ask a question which I felt was necessary he dressed me down for having attempted to negotiate on the floor of the House. I must say to him that I find his action today, in light of his comments on that day, reprehensible.

Mr. Hnatyshyn: I think I am making progress. I feel a lot better now.

Mr. Deans: Since the matter has been raised, the Government House Leader knows full well from private discussions which I have had with him that we were prepared to pass immediately the section of the Bill relating to the Farm Products Marketing Agencies Act which deals with the request of tobacco farmers for the right to establish an orderly marketing procedure, if it could be separated from the balance of the Bill.

Mr. McKnight: Oh, oh!

Mr. Deans: We believe the balance of the Bill requires some further consideration and hearings. However, I am prepared to make my representations on the other items at the House Leaders' meeting in 50 minutes.

Mr. Pinard: Mr. Speaker, I would like to know if the Hon. Member for Saskatoon West would like sugar in his coffee at four o'clock.

Mr. Hnatyshyn: Mr. Speaker, as the Government House Leader knows, I do not take sugar; I am sweet enough as it is.

Some Hon. Members: Oh, oh!

Mr. Hnatyshyn: When I hear the Hon. Member for Hamilton Mountain say that anything I do is reprehensible, I know I am on the right track, because this man has no judgment.

I am prepared to discuss matters in confidence, but when the Minister of Finance rises in his place and suggests that there have been negotiations in terms of legislation passing when in fact there have not been, I have to rise and ensure that the record is clear.

I have no problem with the Government House Leader in terms of the way in which negotiations have been carried on. I think we have made great progress. I look forward to black coffee and to his putting a collar around the Minister of Finance so that he does not make statements which cause me to stand in my place to repudiate them.

[*Translation*]

Mr. Pinard: Mr. Speaker, I can hardly let this statement pass. A little earlier, towards the end of oral question period, when I was not in my seat and the Hon. Member probably thought I was not in the House, he said that the Minister of Finance (Mr. Lalonde) had acted improperly and that the Government House Leader was not any good. Now he says that everything is fine, that we reached an agreement, that I am very good, and that the coffee in my office is excellent. I wish he would make up his mind. I am at my seat, and I am willing to negotiate in good faith and to continue to do so, but I do not think it is proper to reproach the Minister of Finance for his action regarding the Bill on amendments to the Income Tax Act.

In the House it is common practice that Ministers with bills to table in the House discuss them with the respective critics in the two Opposition Parties. The Income Tax Act, that's it. The Minister of Finance consulted me yesterday and asked whether he could send a copy of the Bill to his Finance critics on the opposite side of the House. The Minister confirmed that he sent a copy of the Bill to the Member for Mississauga South (Mr. Blenkarn). He also sent a copy to one of the Members of the New Democratic Party. I think that is the polite thing to do and that the Minister of Finance is to be congratulated on his attitude and the way he acted. If the Opposition is really in good faith in this instance— They could have had knowledge of the Bill. The Notice of Ways and Means appearing on the Order Paper is basically what the Bill contains. Hon. Members are familiar with the procedure, as is my hon. friend.

In the circumstances, the Hon. Member is wrong to criticize the Minister of Finance. The Minister is extremely competent and has done wonders at a time when the economy was in great difficulty. His 6 and 5 policy and his other policies have been very successful in this country, and the Hon. Member should be glad that the Minister, in spite of his success, is not

easily influenced and has remained very close to the people and to the Members of the Opposition, and that he decided to trust them and submit bills to them prior to tabling them in the House, something he did again only recently.

Mr. Speaker, it is not unusual for the Minister of Finance to negotiate directly with his parliamentary critics. This is common practice. If these negotiations prove to be successful, forty-five minutes from now the Hon. Member, who is Parliamentary House Leader for the Progressive Conservative Party (Mr. Hnatyshyn) will have a chance to agree on a limited debate tomorrow to adopt this Bill. If there is no agreement, the Bill will be considered in the fall when the House sits again.

But I certainly do not want to hear any complaints about not being consulted. The Progressive Conservative Party and the New Democratic Party have both been advised of the details of this Bill. All they have to do is tell us that they agree to a short debate. When the Hon. Member says that, to him, only one speaker per party on a Bill of this kind is unacceptable, I can understand he is not happy about having only one speaker, but, even if we had three or four speakers, we could keep debate within reasonable limits so that we could adopt the Bill in time for Royal Assent to be given before the House adjourns for the summer.

In any case, Mr. Speaker, the point I am trying to make is that the Hon. Member was wrong to criticize the Minister of Finance. The Minister's approach to these things has always been exemplary, and if the Hon. Member is really prepared to act in good faith, we can reach an agreement on this Bill, which has already been sent to his Party, this afternoon at the Parliamentary House Leaders' meeting.

As for the Bill about archaisms to which the Hon. Member referred, we shall probably have time to introduce the Bill and proceed, I hope I make myself clear, to adoption without debate.

● (1510)

[*English*]

Mr. Gamble: Mr. Speaker, I rise on a point of order concerning House business. The Government House Leader said, and I wrote down his words, "Members opposite have had access to the Bill". I am a Member opposite and I have not had access to the Bill. We are talking about an amendment to the Income Tax Act. Quite frankly—

Mr. Speaker: Order. The Hon. Member is engaging in debate. That is not a point of order. The matter has been raised by the House Leader for his Party and there has been a very explicit exchange on this subject.

Mr. Gamble: Mr. Speaker, I rise on a question of privilege.

Mr. Speaker: If the Hon. Member is raising the same point, there has been a very explicit exchange between the House Leader for the Hon. Member's Party and the Minister of Finance on the subject on which he is apparently touching. Does he have something new to add? At the moment the Chair fails to see how privilege is involved. If the Hon. Member has a point of privilege, we will hear it.

Mr. Gamble: Mr. Speaker, this is an issue which is fundamental to my being in the House.

Some Hon. Members: Bye, bye.

Mr. Gamble: If there is anything that strikes at the privilege of a Member, it is the denial of an opportunity to read a piece of complex legislation which is about to be introduced by the Government—

Mr. Speaker: Order. This is not a point of order, nor is it privilege. There has been a very explicit statement by the Minister of measures taken to date. There has been a question directly on the point and repeated with supplementaries from the House Leader of the Hon. Member's Party. In the circumstances, the Chair will recognize the Hon. Member for Simcoe North (Mr. Lewis).

ROUTINE PROCEEDINGS

[*English*]

PUBLIC ACCOUNTS

PRESENTATION OF SIXTH REPORT OF STANDING COMMITTEE

Mr. Doug Lewis (Simcoe North): Mr. Speaker, I have the honour to present the Sixth Report of the Standing Committee on Public Accounts in both official languages.

[*Editor's Note: For the above report, see today's Votes and Proceedings.*]

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PETITIONS

MR. RIIS—TELEVISION LICENSING

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I have the pleasure of presenting two petitions today, one signed by a number of residents of the Kamloops-Shuswap area who are concerned about the MAT-TV systems that are operating within the licensed area of a legitimate cable firm in the Kamloops area. The undersigned employees of Kamloops Cable Net hereby petition the Minister of Communications (Mr. Fox) to enforce the above mentioned Act, namely Section 29.3 of the Broadcasting Act.

MR. RIIS—CANADA POST/CONSUMERS DISTRIBUTING

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I have the privilege of presenting on behalf of a number of

jewellers in the Kamloops area a concern that they have regarding Canada Post becoming a partner with Consumers Distributing and really not carrying out the business of the Canada Post mandate, namely to deliver mail. They are concerned that by entering into an arrangement between Canada Post and Consumers Distributing it would be creating unfair competition for local independent retailers who pay heavily to operate their own shops, while Consumers Distributing is able to use taxpayer-financed buildings as well as taxpayer-paid employees.

[*Translation*]

MR. BERGER—ESCALATION OF THE ARMS RACE

Mr. David Berger (Laurier): Mr. Speaker, I wish to table petitions signed by some 500 individuals, including 150 residents of Nova Scotia and 350 residents of the riding of Laurier and the Montreal area. These are in addition to the 1,200 individuals who signed the petitions I tabled on April 18 of this year.

The petitioners are encouraged by the efforts of the Right Hon. Prime Minister (Mr. Trudeau) to promote a dialogue between the super powers, and they ask that Parliament support the Prime Minister in those efforts.

These petitions are particularly appropriate today, now that the House has just adopted the Canadian Institute for International Peace and Security Act—

Mr. Speaker: The Hon. Member is not entitled to make a speech at this time.

Mr. Berger: To finish what I was saying, now that the Albert Einstein Foundation has awarded its international peace prize to the Prime Minister, we can say it was ordinary citizens like those who signed this petition who awakened the conscience of Parliament and the Members of this House.

[*English*]

MR. McKNIGHT—MAIL DELIVERY TO ADANAC, SASK.

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, I rise to present a petition to the House by the undersigned residents of the Adanac area in my constituency in the Province of Saskatchewan. The undersigned are strongly protesting the decision by Canada Post to terminate rural mail delivery to the residents of Adanac. The residents of Adanac pay the same number of cents per stamp as anyone else in Canada and at times will have to travel up to 35 miles to secure mail. That does not strike me as being equitable for the people of my area.

• (1520)

MS. McDONALD—TREATMENT OF JAPANESE-CANADIANS

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I have the honour to present a large number of petitions on the issue of redress to Canadians of Japanese origin for injustices during World War II and afterwards. I will group these petitions which contain hundreds of signatures of people from all over Toronto and a few from people from other parts of Canada.

One of the petitions states that the National Association of Japanese-Canadians seek official acknowledgement from the Canadian Government of the injustices committed against Japanese-Canadians during and after World War II. Whereas the internment, exclusion and exiling of Japanese-Canadians violated individual human rights and freedoms and destroyed the fabric of the community, the National Association of Japanese-Canadians seeks redress in the form of compensation. Moreover, the National Association of Japanese-Canadians seeks a review and amendment to the War Measures Act and relevant sections of the Charter of Rights and Freedoms so that no Canadian will ever again be subjected to such wrongs.

Further, I have a petition signed mainly by persons who are not Japanese-Canadians who state that they support Japanese-Canadians in their democratic process and in their redress efforts. We urge the Government to enter into negotiations in full consultation with President Arthur Miki of the National Association of Japanese-Canadians.

Finally, there are a large number of signatures on a petition which states quite categorically that the petitioners reject Multiculturalism Minister David Collenette's proposal on the topic of Japanese-Canadian redress on the basis of lack of negotiations with the National Association of Japanese-Canadians. They support Japanese-Canadians in their democratic process and urge the Government of Canada to begin full negotiation and consultation with the National Association of Japanese-Canadians through President Art Miki.

* * *

[*Translation*]

OFFICIAL LANGUAGES ACT

MEASURE TO AMEND

Mr. Jean-Robert Gauthier (Ottawa-Vanier) moved for leave to introduce Bill C-255, an Act to amend the Official Languages Act (supremacy of the Act) and to amend other Acts in consequence thereof.

Mr. Speaker: Is it the pleasure of the House to allow the Hon. Member to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Gauthier: Mr. Speaker, I shall be very brief. The purpose of this Bill is to affirm the supremacy of the Official Languages Act over the powers and regulations of Parliament and the Government of Canada, in order to stress the truly national nature of this legislation.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read the second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

[*English*]

RAILWAY ACT

AMENDMENT RESPECTING RIGHT OF WAY FENCES

Mr. Neil Young (Beaches) moved for leave to introduce Bill C-256, an Act to amend the Railway Act (fences).

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Young: Mr. Speaker, very briefly, the purpose of this Bill is to empower the Canadian Transport Commission to order the construction of six-foot chain-link fences along railway rights of way to protect children entering onto rail lines.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

LOUIS DAVID RIEL

MEASURE TO REVOKE CONVICTION

Mr. Les Benjamin (Regina West) moved for leave to introduce Bill C-257, an Act to revoke the conviction of Louis David Riel.

Mr. Speaker: The Chair may have reservations about the infringement on a royal prerogative of mercy, but with this caveat I shall proceed. Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Benjamin: Mr. Speaker, in a number of previous years, I and other Members of the House have introduced Bills calling for the pardon of Louis Riel. From what I have heard from the Métis people of Canada, those people would prefer a Bill that revokes the conviction of Louis Riel rather than the pardoning of Louis Riel. I take great pleasure in moving this Bill and hope we can pass it through all stages tomorrow.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

NUCLEAR WEAPONS-FREE ZONE ACT

MEASURE TO ESTABLISH

Mr. Les Benjamin (Regina West) moved for leave to introduce Bill C-258, an Act to declare Canada a nuclear weapons-free zone.

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Benjamin: Mr. Speaker, in order for Canada to set an example, it should cease to be a target or a participant in the preparation for a final holocaust. I move this Bill in the hope that any participation by our country in the nuclear weapons race would be totally meaningless and therefore Canada should be declared a weapons-free zone.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

MINGAN ARCHIPELAGO NATIONAL PARK ACT

MEASURE TO ESTABLISH

Hon. Yvon Pinard (for the Minister of the Environment) moved for leave to introduce Bill C-53, an Act to establish a National Park on the Mingan Archipelago.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall this Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

ELECTORAL BOUNDARIES READJUSTMENT ACT

On the Order: Introduction of Bills:

June 22, 1984—Mr. Murphy—Bill intituled: "An Act respecting the electoral Boundaries Readjustment Act (Grand Falls-White Bay-Labrador)".

Mr. Speaker: At this point we do not appear to have the Bill of the Hon. Member for Churchill (Mr. Murphy) before us. In order for us to proceed, it is necessary for the Clerk to have a copy of the Bill. If the Hon. Member can get a copy to the Table, perhaps we can do it by consent or perhaps we can do it tomorrow. It is as he chooses.

Mr. Murphy: Tomorrow, Mr. Speaker.

* * *

PUBLIC SERVICE SUPERANNUATION ACT

MEASURE TO AMEND

Hon. Yvon Pinard (for the President of the Treasury Board) moved for leave to introduce Bill C-54, an Act to amend the Public Service Superannuation Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

FEDERAL COURT ACT

MEASURE TO AMEND

Hon. Yvon Pinard (for the Minister of Justice) moved for leave to introduce Bill C-55, an Act to amend the Federal Court Act, the Judges Act, the National Defence Act, the Canada Pension Plan and the Statutory Instruments Act in relation to judicial matters and to amend certain other Acts in relation to the reconstitution of the courts in Ontario and Manitoba.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

● (1530)

[*Translation*]

Mr. Pinard: Mr. Speaker, before proceeding with first reading of Senate Public Bills, I would like to ask the unanimous consent of the House for reverting to Introduction of Bills. Earlier, the Opposition Parties generously offered to allow introduction today of a Bill for which notice was given by the Minister of Agriculture (Mr. Whelan) and which concerns the Farm Products Marketing Agencies Act.

The notice appears on today's Order Paper, but normally, the Bill would have been introduced tomorrow. If you have the Bill, we could perhaps, with the unanimous consent of the House, introduce the Bill now. If you do not, we will see that you do receive the Bill, and it could be done later on.

[*English*]

Mr. Speaker: By consent.

* * *

FARM PRODUCTS MARKETING AGENCIES ACT

MEASURE TO AMEND

Hon. E. F. Whelan (Minister of Agriculture) moved for leave to introduce Bill C-56, an Act to amend the Farm Products Marketing Agencies Act.

Mr. Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Now.

Mr. Speaker: By consent, now?

Some Hon. Members: Agreed.

Mr. Speaker: Mr. Whelan, seconded by Mr. Pinard, moves that Bill C-56, an Act to amend the Farm Products Marketing Agencies Act, be read the second time and, by unanimous consent, referred to a Committee of the Whole House?

Some Hon. Members: Agreed.

Mr. Hnatyshyn: Mr. Speaker, I did not agree. I am prepared to give this matter expeditious treatment, and I can assure the Minister that the Bill has now been introduced. But as the Government House Leader will appreciate, he has stated the order of business and, therefore, we will deal with the Bill later this day. We are quite prepared to have the Bill

put through later this day. However, I think it would be appropriate first to distribute the Bill to Members for their consideration.

Mr. Speaker: When shall the Bill be read a second time? By consent, later this day?

Some Hon. Members: Agreed.

Mr. Pinard: Mr. Speaker, we were prepared to put the Bill through all stages now. However, if we are to deal with the Bill later today, we will seek the proper consent in due time. It may be that we will have the time to deal with the Bill today. If not, it will be made an order of business for tomorrow. In any case, it will be called before the end of this session.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 234, 398, 568, 751, 758, 809 and 814.

[*Text*]

AIR CANADA PASSES

Question No. 234—**Mrs. Cossitt:**

1. Since January 1, 1973, what are the names and job designations of all persons employed by, connected with, or in any way associated with, the Canadian Transport Commission who were issued passes by Air Canada?

2. Did the wives or personal associates of any such individuals hold permanent or temporary passes of any kind on Air Canada during the same period and, if so, what are their names?

Hon. Lloyd Axworthy (Minister of Transport): The Canadian Transport Commission advises as follows:

1. According to the records of the Air Transport Committee, since January 1, 1973 to December 13, 1983, the names and job designations of all persons employed by, connected with, or in any way associated with, the Canadian Transport Commissions who have been issued passes by Air Canada are:

(a) Annual Passes

* Hon. J. W. Pickersgill	Past President
* Hon. E. J. Benson	Past President
* G. Roberge	Vice-President
J. T. Gray	Vice-President
* R. R. Cope	Vice-President (Research)
Y. Dubé	Vice-President (Research)
M. D. Armstrong	Chairman, A.T.C.
R. Azzie	Commissioner
J. L. Bourret	Commissioner
* Mrs. A. H. Carver	Commissioner
D. H. Chapman	Commissioner
* J. F. Clarke	Commissioner
J. G. Drainville	Commissioner
* H. H. Griffin	Commissioner
D. H. Jones	Commissioner
* E. H. LaBorde	Commissioner
* G. F. Lafferty	Commissioner
P. Langlois	Commissioner
J. A. D. Magee	Commissioner
* R. M. March	Commissioner
J. M. McDonough	Commissioner
R. J. Orange	Commissioner
* L. R. Talbot	Commissioner
J. D. Thompson	Commissioner
* J. B. G. Thomson	Commissioner
Ms. A. M. Trahan	Commissioner
J. F. Walter	Commissioner
B. R. Wolfe	Commissioner
* J. W. Green	Executive Director, A.T.C.
L. G. Potvin	Executive Director, A.T.C.

(b) Individual Trip Passes

* L. Fortier	Commissioner
* R. M. March	Commissioner
J. M. McDonough	Commissioner
* J. M. Woodard	Commissioner
J. G. Drainville	Commissioner
* H. Arbique	Secretary
* J. M. Fortier	General Counsel
* G. W. Nadeau	General Counsel
* C. Norton	Legal Counsel
L. G. Potvin	Executive Director
* M. E. Burwash	Executive Director
* B. Ward	Chief
* P. Mertens	Senior Court Clerk
J. O'Hara	Executive Assistant
* S. MacLean	Director
J. S. Marko	Director
* R. G. McLaughlin	Director
* D. F. Quirt	Director
D. A. D. Saarty	Director
* F. W. Woodward	Director
* J. P. Lalonde	Secretary
* J. L. McGuire	Chief
H. G. Porter	Chief
D. C. Rennick	Analyst
R. Boyle	Inspector
* G. Brock	Inspector
G. F. Sanderson	Examiner
* L. Bigras	Secretary
* L. Boult	Administrative Assistant
* C. Errington	Secretary
E. Fraser	Secretary
* F. Roy	Secretary

2. No permanent or temporary passes are held by any spouse. However, single Air Canada trip passes have been issued to spouses of the following persons ("spouse" includes travelling companion):

* H. Arbique	M. D. Armstrong	R. Azzie
R. Boyle	* M. E. Burwash	J. G. Drainville
* A. H. Carver	D. H. Chapman	* J. F. Clark
* R. R. Cope	* C. Errington	* J. M. Fortier
* L. Fortier	E. Fraser	J. W. Gervin
J. T. Gray	* J. W. Green	* H. H. Griffin
N. M. Jarrette	D. H. Jones	* E. H. LaBorde
* G. F. Lafferty	* J. P. Lalonde	P. Langlois
* S. MacLean	J. A. D. Magee	* R. M. March
J. S. Marko	J. M. McDonough	* R. G. McLaughlin
* P. Mertens	* G. W. Nadeau	* C. Norton
J. E. Pageau	* D. F. Quirt	* G. Roberge
G. F. Sanderson	* J. C. Sullivan	* L. R. Talbot
* J. B. G. Thomson	J. F. Walter	* B. Ward
B. R. Wolfe	* J. M. Woodard	* F. W. Woodward

* No longer employed or connected with the CTC.

NATIONAL FILM BOARD

Question No. 398—**Mr. Howie:**

Who in the National Film Board is responsible for maintaining levels of acceptable good taste in its productions?

Hon. Francis Fox (Minister of Communications): I am informed by the National Film Board as follows:

The Government Film Commissioner is the final authority on whether or not a National Film Board production will be released for public viewing. It is useful to note that NFB films represent the work of one or more artists working to make the most effective film possible for a designated audience. The question of taste is recognized as a matter of individual perception and each film director as well as the Government Film Commissioner is careful to ensure accuracy of information while assuming that standards of good taste are observed.

107744 CANADA INC.

Question No. 568—**Mr. Howie:**

To the knowledge of the Government is 107744 Canada Inc. a subsidiary of Petro-Canada Inc.and, if so, what are the (a) names (b) positions of the persons who occupy positions on the Executive and Board of Directors and, in each case, what amount was he/she paid in respect of that position in the fiscal year ended March 31, 1983?

Mr. Leonard Hopkins (Parliamentary Secretary to Minister of Energy, Mines and Resources): Canertech Inc. reports as follows: No, 107744 Canada Inc. is not a subsidiary of Petro-Canada Inc. It is a wholly-owned subsidiary of Canertech Inc. which in turn is a wholly-owned subsidiary of Petro-Canada.

Executive and Board of Directors

(a) Name	(b) Position
Lorne D. R. Dyke	President and Director
Robert J. Bevis	Vice-President

No compensation was paid in respect of these positions in the fiscal year ended March 31, 1983.

CANADA POST-CONSUMERS DISTRIBUTION TRIAL PROJECT

Question No. 751—**Mr. Stewart:**

1. Did the Canada Post Corporation and Consumers Distributing Company enter into an agreement with respect to mail-order shopping through the Post Office and, if so (a) how many corporation offices are participating in the project and what are their locations (b) what is the duration of the contract (c) which party to the agreement initiated the negotiations?

2. Is Consumers Distributing Company paying corporation for the services provided and, if so, what total amount?

Mr. Normand Lapointe (Parliamentary Secretary to Minister of Labour): The Canada Post Corporation informs me as follows:

1. (a) Eight corporate outlets are participating in the test market. The outlets are located in the following communities: Pembroke, Ontario, Smiths Falls, Ontario, Cornwall, Ontario, Rouyn, Quebec, Joliette, Quebec, Montreal, Quebec (Place Bonaventure), Toronto, Ontario (two locations).

(b) The experimental trial has been in effect since March, 1984 and will be completed at the end of June, 1984 as originally planned.

(c) Consumers Distributing initiated negotiations.

2. Consumers Distributing is paying for the services provided during the market test. The amount being paid is proprietary information.

ALLOWABLE LEVELS OF SULPHUR DIOXIDE EMISSIONS

Question No. 758—**Mr. Fraser:**

1. In 1980, by source, what were the (a) actual (b) allowable levels of sulphur dioxide emission in Canada east of the Saskatchewan—Manitoba border?

2. Were there any computer analyses of how various sulphur-dioxide-emission-reduction strategies would accomplish a reduction of wet sulphate deposition in sensitive areas in Canada, east of the Saskatchewan—Manitoba border and, if so, what were their results?

3. Did the Department of the Environment state that an annual loading limit of 20 kilograms of wet sulphate per hectare would protect moderately sensitive areas in eastern Canada from further deterioration and, if so (a) what scientific justification is there for the statement (b) on what studies, papers or reports is the statement based?

Hon. Chas. L. Caccia (Minister of the Environment):

1.

	(a) 1980 Actual	(b) 1980 Allowable
Manitoba		
Inco Thompson	215,000	414,000
HBMS Flin Flon	248,000	293,000
All other sources **	31,000	
Ontario		
Inco Coppercliff	812,000	1,072,000
Falconbridge—Sudbury	122,000	154,000
Algoma Steel—Wawa	161,000	161,000
Ontario Hydro	397,000	452,000*
All other sources **	272,000	
Quebec		
Noranda—Noranda	552,000	552,000
Noranda—Gaspé	91,000	91,000
All other sources **	442,000	
New Brunswick		
New Brunswick Electric Power	122,000	122,000
All other sources **	93,000	
Nova Scotia		
Nova Scotia Power	124,000	124,000
All other sources **	95,000	
Prince Edward Island		
All sources **	6,000	
Newfoundland		
All sources **	59,000	

* 3 year projected average (1979, 1980, 1981).

** Diverse sources: No acid rain related legislated levels: Eg. Commercial and industrial boilers, residential furnaces.

2. Yes. Impact of SO_2 reductions (kilograms of wet sulphate per hectare per year):

Order Paper Questions

	Current Deposition	Deposition with 25 per cent Reduction in Canada	Deposition with 50 per cent Reduction in Canada	Deposition with 100 per cent Reduction in Canada	Deposition with 50 per cent Reduction in Canada + 50 per cent Reduction in U.S.
Boundary Waters Area	7-12	7-12	6-11	6-11	6-11
Algoma Area	18-22	17-21	16-20	14-18	11-15
Muskoka Area	29-35	27-33	24-30	20-26	13-19
Montmorency Area	27-33	25-31	23-29	19-25	15-21
Kejimikujik Area (N.S.)	17-23	17-23	16-22	14-20	15-20

Figures are approximate

3. Yes. (a) Research (described in the report named below) indicates that moderately sensitive aquatic ecosystems that were studied in Minnesota, Wisconsin, Ontario, Nova Scotia, Maine and New Hampshire which received substantially more than 20 kilograms per hectare per year wet sulphate deposition, experienced effects such as increased acidity and damage to fish population. Ecosystems receiving substantially less than 20 kilograms per hectare per year deposition experienced no effects. Therefore, the value of 20 kilograms per hectare per year is considered to be a reasonable first approximation to a target loading.

(b) Canadian justification of the 20 kilogram target is based on field research that has been described in the final report of Work Group 1 on Impact Assessment under the United States-Canada Memorandum of Intent on Transboundary Air Pollution.

CANADA-NEW BRUNSWICK SUBSIDIARY AGREEMENT

Question No. 809—**Mr. Howie:**

1. Does the Government have any financial commitment, or did it expend any funds, for the revitalization of downtown Moncton, New Brunswick and, if so (a) what amount (b) under what programs and, in each case, how and when were assistance applications filed?

2. Did any department oversee the federal role in the project and, if so, what department?

Hon. Roméo LeBlanc (Minister of Public Works): 1. (a) The federal Government entered into a Canada-New Brunswick Subsidiary Agreement under the General Development Agreement on a 80/20 cost sharing basis with the federal contribution not to exceed $8,000,000. Of this amount approximately $825,000 was expended in 1983/84.

(b) Funding for this project was made available under the Special Recovery Capital Projects Program announced in the April 19, 1983 budget. At the time the program was announced, it was anticipated that the Government would be requested to contribute to the revitalization of the downtown core of Moncton. This was confirmed on August 4, 1983 when representatives of the City of Moncton met with the Minister of Public Works Canada and senior officials of the Department of Regional Industrial Expansion, Public Works Canada and the Ministry of State for Economic and Regional Development to present their "Revitalization of Downtown Moncton Plan" and to request financial assistance.

2. The responsibility for the Moncton Core Revitalization Subsidiary Agreement was transferred to Public Works Canada.

"SOCIAL DEVELOPMENT AND THE GOVERNMENT OF CANADA"

Question No. 814—**Mr. Epp:**

Did the Government order the printing of any copies of a brochure entitled "Social Development and the Government of Canada" and, if so (a) how many (b) what was cost of (i) printing (ii) distribution (iii) postage, including special delivery charges?

Hon. Mark MacGuigan (Minister of Justice): Yes. A brochure entitled "Social Development and the Government of Canada" was printed. Details are as follows: (a) 34,000 copies. (b) (i) Printing cost: $22,360. (ii) and (iii) Distribution cost of postage: $4,499.21.

[*English*]

Mr. Speaker: The questions as enumerated by the Parliamentary Secretary have been answered.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 427 could be made an order for return, this return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that question No. 427 be deemed to have been made an order for return?

Some Hon. Members: Agreed.

[*Text*]

DPW—INTERIOR LANDSCAPING

Question No. 427—**Mr. Howie:**

In 1983 was any interior landscaping done by or for the Department of Public Works and, if so (a) at what cost (b) on which projects?

Return tabled.

[*English*]

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

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

CANADA-NOVA SCOTIA OIL AND GAS AGREEMENT ACT

MEASURE TO ESTABLISH

The House resumed consideration of the motion of Mr. MacEachen, for Mr. Chrétien, that Bill C-43, An Act respecting the Canada-Nova Scotia Agreement on Offshore Oil and Gas Resource Management and Revenue Sharing and to make related and consequential amendments, be read the second time and referred to a Committee of the Whole.

Mr. Speaker: Is it the pleasure the House to adopt this motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and the House went into committee thereon, Mr. Herbert in the Chair.

[*English*]

The Deputy Chairman: Order, please.

House in Committee of the Whole on Bill C-43, an Act respecting the Canada-Nova Scotia Agreement on Offshore Oil and Gas Resource Management and Revenue Sharing and to make related and consequential amendments.

On Clause 2—*Definitions*

Mr. Hawkes: Mr. Chairman, I rise on a point of order. Is there a Cabinet Minister here today who is responsible for this Bill? Are we going to have anyone acting on behalf of the Government who will have officials in the Chamber in order that Members can satisfy themselves as to some of the complexities of the Bill?

The Deputy Chairman: Is it the intention of the Hon. Parliamentary Secretary to respond to the question?

Mr. Hopkins: Yes, Mr. Chairman, it is.

Mr. Hawkes: Mr. Chairman, I see the officials in the Chamber and I am pleased about that. However, there is a Minister of Energy, Mines and Resources who is drawing a salary for that purpose. Can the Parliamentary Secretary tell us what is more important to the Minister of Energy than being in this Chamber at this time to answer questions about this very important piece of legislation? Why is the Minister of Energy not with us?

Mr. Hopkins: Mr. Chairman, the Minister of Energy, Mines and Resources has assigned this responsibility to me. I would suggest that any questions of that nature should be addressed to the Minister himself.

Mr. Hawkes: This legislation refers to an agreement. Was the Parliamentary Secretary present when the agreement was reached? Was he physically present?

Mr. Hopkins: Mr. Chairman, the answer to that question is obvious. I was appointed Parliamentary Secretary on March 1 of this year. As the Hon. Member knows, the agreement precedes that date.

The Deputy Chairman: Order, please. I have allowed this exchange to carry on although it is hardly a point of order. It is not essential for the Minister to be present. However, if there is another point which the Hon. Member for Calgary West wishes to raise, he may do so.

• (1540)

Mr. Hawkes: Mr. Chairman, on a point of order, I would like to turn over a decision to you. This Chamber is being asked to approve an agreement. An "agreement" is an understanding between at least two parties, perhaps more. Do we have someone from the Government side who is recommending this agreement to us who was present when the agreement was reached? Do we have anyone who can testify before us as to what happened, as to how the agreement was reached, as to the importance of it? If we do not, are we proceeding, Mr. Chairman, in the proper way for a Committee of the Whole of the Parliament of Canada?

The Deputy Chairman: Order, please. It is not necessary for the Minister to be present. It is not a point of order. It is entirely up to the Government to proceed in the fashion it wishes. The questions should be put and if the Hon. Member is not satisfied with the answers he takes the appropriate action.

Mr. Pinard: Mr. Chairman, this is being ridiculous on the part of the Hon. Member. We are dealing with a Bill, and we are at the Committee of the Whole stage. All the Hon. Member has to do, and all he is allowed to do, is to comment on the Bill, ask questions on the clauses of the Bill, but not on anything else. Parliamentary Secretaries are appointed to assist Ministers in their parliamentary duties. We have an excellent Parliamentary Secretary here. He is very well assisted by very competent officials and he will be glad to answer questions in relation to clauses of the Bill.

For the Hon. Member opposite to refer to something which happened outside the House, and to blame someone because he is not here to answer questions, is not according to parliamentary practice. We are dealing with a Bill. The Hon. Member is allowed to ask questions on clauses of the Bill. We are willing to answer him, and that should settle the matter.

The Deputy Chairman: I am sorry, I must cut this discussion off. This is purely debate. There is no point of order. The exchange has been made. Two points of view have been expressed. I feel that should be the end of that particular point. We are discussing Clause 2. Shall Clause 2 carry?

Mr. Hawkes: Mr. Speaker, I have some questions on Clause 2. The clause refers to an agreement reached on March 2, 1982. Can the Parliamentary Secretary tell us whether or not there is anything added to this piece of legislation which was not agreed to by March 2, 1982? Is there anything subsequent

which has been added? If so, can the Parliamentary Secretary identify it for us?

Mr. Hopkins: Mr. Chairman, there are some sections here which were not referred to in the original agreement. They will be identified as we go on.

Mr. Hawkes: Can the Parliamentary Secretary tell us, then, why we have this definition of "agreement", if it is not an accurate definition?

Mr. Hopkins: Mr. Chairman, the purpose of this Act, of course, is to implement the agreement. For clarification, I might say to the Hon. Member that in certain areas we had to go into explanations, and to implement the ideas, to put further definitions into the Bill to cover those items. Those are the differences we are referring to.

Mr. Hawkes: Can I repeat my question? I believe the wording of the definition of "agreement" refers to the situation as at March 2, 1982. The Parliamentary Secretary tells me that the agreements reached in this Bill extend beyond that date but it does not say that in the definition of "agreement". I am simply inquiring why it does not say that.

Mr. Hopkins: Mr. Chairman, the answer supplements the agreement which was made at that time. As we go through the clauses we have to have some flexibility in describing the agreement and putting it in. Therefore, I believe in a general sense the spirit of the agreement is in this legislation and I do not believe there are any great departures from it.

Mr. Hawkes: The same clause refers to a definition in the oil Act for oil and gas. Can the Parliamentary Secretary give us in his words the difference? Can he define for us the difference between oil and gas? It is really quite critical to some parts of this Bill.

Mr. Hopkins: Which parts specifically is the Hon. Member referring to?

Mr. Hawkes: Clause 2(2).

Mr. Hopkins: The term "gas" refers to gas or gas liquids. That is the reason there is a separation of the two.

Mr. Hawkes: I appreciate the fact that the Parliamentary Secretary is trying to be helpful. What is the critical difference between oil and gas?

Mr. Hopkins: Mr. Chairman, I do not believe there has ever been any difference between what is oil and what is gas and gas liquids. I am not quite sure what the Hon. Member is driving at.

Mr. Hawkes: If I can refer to a clause which appears a little later on the Province of Nova Scotia, the people of Nova Scotia and the Government of Nova Scotia have a right to a 25 per cent interest in one kind of deal and a 50 per cent interest in the others. Therefore, we must be able to define which is an oil field and which is gas field. We had better be able to do it precisely or we will end up in a court of law. It is pretty disturbing that we are being asked to push this Bill through the House in one day when the Government reached an agreement two years and three months ago. If something as fundamental as the definitional difference between "oil" and "gas" is not known to the Government, or it has not decided what that difference is, or if it cannot explain it, then, Mr. Speaker, I suggest we are really in trouble.

Mr. Hopkins: Mr. Chairman, the definition which the Hon. Member is seeking is laid down in another Act and I will attempt to get that definition for him.

Mr. Hawkes: Mr. Chairman, can the Parliamentary Secretary define for us the term "field"?

Mr. Hopkins: Mr. Chairman, the term "field" is described in another Act. It says right in subsection (3) that "field" has the same meaning as in the Oil and Gas Production Act. A lot of the terms which are included in this particular section of the Bill are already laid out in other Acts which are in place.

Mr. Hawkes: The Bill refers to the Oil and Gas Production Act or the definition of "field". Is the difference between an oil field and a gas field described in that Act, the Oil and Gas Production Act?

• (1550)

Mr. Hopkins: Mr. Chairman, "field" is described in the Oil and Gas Production Act and the other is described in the Canada Oil and Gas Act. The Hon. Member is asking questions related to quite a number of Acts in the energy field. I can only assure him that these definitions are already in place in those Acts.

Mr. Hawkes: Can the Government tell us why it is satisfied with the definitions?

Mr. Hopkins: Mr. Chairman, obviously if the Government has already passed other Acts with these definitions in them, then yes, the Government is satisfied with the definitions.

Mr. Hawkes: Can the Government tell us how long those definitions have been in existence in the legislative sense and whether or not they have caused any trouble or led to lawsuits, disagreements or problems of any kind?

Mr. Hopkins: These definitions are used in the collection of taxes and royalties. There seems to be no great problem there, Mr. Chairman.

Mr. Hawkes: Careful use of an adjective, no "great" problem. The definition of "great" is a subject for another time. Is there or is there not a problem with the definitions as they exist? Are they leading to lawsuits or problems in the Tax Department of any kind, great or not so great?

Mr. Hopkins: We have a legal view on that, Mr. Chairman, if you can give us a few seconds here.

There has been no problem to our knowledge, Mr. Chairman. We are not aware of any at this particular time.

Mr. Hawkes: Is there a procedure in place where the Parliamentary Secretary or the Minister would necessarily have knowledge of problems, or is that something that might simply accrue to the Minister of National Revenue, for instance? Or is there provision somewhere, somehow, that the Parliamentary Secretary has knowledge of?

Mr. Hopkins: Mr. Chairman, the Department of Energy, Mines and Resources collects the royalties, not the Department of National Revenue. As the Hon. Member knows, there is liaison between and among Government departments affected by legislation in place.

Mr. Hawkes: May I confirm, then, that there is no necessity for the Parliamentary Secretary to have that knowledge? Is that what he just said?

Mr. Hopkins: What I said, Mr. Chairman, was that the Department of Energy, Mines and Resources collects the royalties and taxes. There is liaison among the departments. As I said before, to our knowledge there has been no difficulty.

Mr. Hawkes: Has the Parliamentary Secretary himself made any personal inquiries of any private sector company as to whether or not these definitions are causing problems?

Mr. Hopkins: No, Mr. Chairman. Neither have I had any representations from them. My experience in politics is that if there is a serious problem out there, someone will be talking to you.

Mr. Hawkes: Can the Parliamentary Secretary define for us the definition of "Crown share", because it is also important to other parts of this legislation?

Mr. Hopkins: Again, Mr. Chairman, the Crown share is defined in the Act as a 25 per cent interest reserve by the federal Government in any exploration agreement that is signed. I believe that definition will be found in Section 18 of the Act.

Mr. Hawkes: The limitation is the reserve when a lease is let out, the 25 per cent reserve. So if Petro-Canada had a 50 per cent interest, even though it is a federal Crown corporation, that would not be a Crown share?

Mr. Hopkins: To my knowledge that is correct, Mr. Chairman.

Mr. Hawkes: Does the definition of Crown share apply to any known oil and gas anywhere in Canada not on Canada lands? Does the concept of Crown shares simply apply to Canada lands?

Mr. Hopkins: In this particular legislation it would apply to Nova Scotia lands because it is a Canada-Nova Scotia offshore agreement. It would apply to the Canada lands and the Nova Scotia lands as well.

The Deputy Chairman: The Hon. Member's time has expired. Are there any other Members wishing to put questions? If not, then back to the Hon. Member for Calgary West.

Mr. Hawkes: Can the Parliamentary Secretary delineate for us, because it is not in the Bill, the difference between Nova Scotia lands and lands related to the offshore? He has indicated it is offshore and he is dealing with Canada lands and Nova Scotia Lands.

Mr. Hopkins: This Act, as the Hon. Member knows, sets aside the jurisdictional debate for argument, and the Bill itself defines what would be Nova Scotia's area of jurisdiction and the federal Government's jurisdiction. To my knowledge, and I stand to be corrected, it would apply only to federal lands out there, and then in the case of the province, it would apply to Nova Scotia lands depending on the provisions of the Bill.

Mr. Hawkes: Is the Parliamentary Secretary defining Nova Scotia lands as dry lands or is there Nova Scotia lands involved in the offshore?

Mr. Hopkins: Mr. Chairman, the Hon. Member is trying to draw me out here.

Mr. Hawkes: Agreed.

Mr. Hopkins: He is asking me to make a legal interpretation of where Nova Scotia lands are, even though no court or body has ever decided that issue. I say to him in all fairness that yes, to my knowledge there are certainly Nova Scotia lands there but I would ask the Hon. Member, with all due respect, not to have me draw the lines. I do not think anyone would pay very much attention to that kind of decision.

Mr. Hawkes: In the first arrangement on the lands that are of concern around Nova Scotia, the first agreement to allow drilling to occur, was there a 25 per cent reserve on behalf of the federal Government? Or was there a fee paid or agreed to which did not include a reserve for the federal Government?

• (1600)

Mr. Hopkins: The answer to the Hon. Member's question is no.

Mr. Hawkes: Is the Parliamentary Secretary saying that in the first agreement there was no Crown share?

Mr. Hopkins: There was no such item in place before the Canada Oil and Gas Act. The answer is no. I assume that is the area which the Hon. Member is inquiring about.

Mr. Hawkes: With the passage of that Act during the life of this Parliament the Crown all of a sudden had a 25 per cent share. What did the Crown pay for that share?

Mr. Hopkins: That is a rather complex question. At the time of transfer there could be an *ex gratia* payment, but none has been made yet. We have had no transfers to date. It is in the Canada Oil and Gas Act that *ex gratia* payments would be

made at that time. Since no transfer has taken place, the answer is no. Nothing has been exercised yet.

Mr. Hawkes: I am a little confused. In existing agreements there are no Crown shares?

Mr. Hopkins: The actual Crown shares would not originate until such time as there is that transfer. They are there at the present time as a potential, but they do not actually take place until the transfer takes place. The Crown has not exercised that interest yet but they are potentially there. They do not have them in fact.

Mr. Hawkes: Given the definitions in clauses which follow, the federal Government has chosen not to exercise that right. Through the mechanism of this legislation are we transferring the power for the Government of Nova Scotia to force the exercise of that right? Are we passing power from the federal Government to the provincial government in terms of forcing the exercise of that right?

Mr. Hopkins: The Government of Nova Scotia would have that right to claim at the time that the transfer takes place, when a significant discovery takes place and is declared. It has not happened yet.

Mr. Hawkes: I think the answer is yes, that the provincial government has the power to do that. What is the cost to the provincial government to get its part of that Crown share?

Mr. Hopkins: At the time they make the transfer it costs the province 2.5 times the amount of PIP money that has been paid out.

Mr. Hawkes: So the oil industry out west is taxed. The federal Government takes the money and gives it to the companies that drill. If Nova Scotia wants to have its share it must take money out of its general revenue and pay that to the federal Government for its share. Am I correct in saying that for its portion of that Crown share the Government of Nova Scotia will pay a great deal more than the federal Government paid for its portion of that Crown share?

Mr. Hopkins: There are other areas where the federal Government is involved in payments. We are putting up money for exploration of the fields. While the Nova Scotia Government pays 2.5 times the PIP money, this does not take into consideration the *ex gratia* payments. It does not take into consideration the fact that we will never get money back for the dry holes.

Mr. Hawkes: Are we talking about holes or fields?

Mr. Hopkins: They are holes, whether they are on land or not. Perhaps the Hon. Member wants to call them offshore or wet. But there is no production of the product.

• (1610)

Mr. Hawkes: I suppose we could probably take quite a bit of time on Clause 2 of what is a very lengthy Bill. I would just like to state before we move on that my worst fears have been confirmed through this process. We are not in a process that allows elected Members of Parliament to do their job on behalf of the Canadian people. We are not in a process in which we can adequately examine the legislation and call witnesses to determine whether or not there are in fact problems of definition, real or imagined. This is certainly unsatisfactory.

On top of an unsatisfactory process, I find the absence of the Minister of Energy, Mines and Resources to be an absolutely reprehensible abomination of what on earth the Parliament of Canada is all about and what ministerial responsibility and authority is all about. I think it is atrocious.

We are prepared to let Clause 2 go on division. If there are no further questions, we can move on.

The Deputy Chairman: Shall Clause 2 carry?

Mr. Hawkes: On division.

Clause agreed to on division.

The Deputy Chairman: Shall Clause 3 carry?

Some Hon. Members: On division.

Clause agreed to on division.

On Clause 4—*Amendment of Agreement*

Mr. Hawkes: Clause 4 allows two appointed people, Cabinet Ministers, one provincial and one federal, to meet somewhere and change everything. Is that the correct interpretation of what Clause 4 would do? No matter what the Parliament of Canada or the legislature of Nova Scotia decides, those two appointed individuals could amend everything? If they cannot amend everything, would the Parliamentary Secretary tell us where the limits are?

Mr. Hopkins: Mr. Chairman, the two Ministers can change the agreement but they obviously cannot meet and change legislation that has been passed by the legislature of Nova Scotia or the Parliament of Canada. They can meet and decide on changes in the agreement itself.

Mr. Hawkes: This Bill establishes a board. Can those two people simply change the powers of that board?

Mr. Hopkins: In the agreement, the Hon. Member will realize that the powers of the board are laid down; but the Ministers can change the power of the board as it can change the agreement from time to time by way of delegation of authority.

Mr. Hawkes: Can those same two Ministers alter the terms whereby the province can acquire its portion of the Crown share? Is that something else those two can do?

Mr. Hopkins: No, Mr. Chairman, they cannot. That is set down in the legislation and it would take legislation to change that.

Mr. Hawkes: That is a nice reassurance. Could the Parliamentary Secretary tell me the exact clause that restricts them from doing that?

Mr. Hopkins: Would the Hon. Member define what he means? Restricts them from what?

Mr. Hawkes: Mr. Chairman, it would seem to me that the Province of Nova Scotia can acquire a portion of the Crown share based on the agreement. It seems to me that Clause 4 says that the Minister can amend the agreement without going back to anyone. You are telling me that those Ministers cannot amend the agreement; or if you are telling me that the acquisition of Crown share is not part of the agreement, please indicate from where you get that knowledge?

Mr. Hopkins: Mr. Chairman, the Crown shares mentioned in the agreement could not be changed by the Ministers. The legislation will lay out how this is to proceed, but the Ministers cannot change the legislation without coming back to their respective Parliaments.

Mr. Hawkes: Let me see if I can put it in a different context for the Parliamentary Secretary. Can the two Ministers, one at the federal level and one at the provincial level, decide between them the terms and conditions that shall prevail for the acquisition of any particular Crown share without going to Parliament or anywhere? Can they or can they not?

Mr. Hopkins: Mr. Chairman, if I can clarify this, the two Ministers must honour Clause 17 in this Bill. We can do nothing with the Crown shares until we have the legal authority of this Bill to do it. However, if the Ministers want to change something in Clause 17, then of course we are back to the legislative process.

Mr. Hawkes: Let us go back, given that explanation. What is Clause 4 all about? It says that those two Ministers can amend the agreement. What is the agreement?

We had trouble with Clause 2. My first question was related to the meaning of the word "agreement". What is it that they can amend?

Mr. Hopkins: Mr. Chairman, it must be clearly understood that the agreement itself is a political document, it is obviously not legislation in itself. The Bill that is before us today lays out the framework of that agreement. There are even things in the agreement itself that the Ministers could adjust and change without coming back to Parliament, because they are of an administrative nature. However, if they want to make any major changes that involve legislation, they must come back to Parliament. In the meantime they must honour what is stated in Clause 17.

Mr. Hawkes: Mr. Chairman, in that context, what is the relationship between Clause 17(9) and Clause 4 which we are dealing with now?

Mr. Hopkins: Mr. Chairman, it refers to the way in which the province will pay for its Crown share. I think that is what the Hon. Member is looking for.

Mr. Hawkes: Clause 17(9) states:

An acquisition pursuant to subsection (2) shall be made on such terms and conditions as are determined by the Minister and Nova Scotia Minister in accordance with the Agreement—

Clause 4 states that those same two people can modify the agreement. Does that mean the two Ministers for each individual acquisition can do what they please without reference to Parliament? If they can modify the agreement, and the acquisition is dependent upon the agreement, does that in effect result in a situation where two appointed people can determine the method and terms of acquisition?

• (1620)

Mr. Hopkins: Mr. Chairman, under law and in an Act the specifics override the general statements. The Hon. Member will agree, I am sure, that Clause 17 lays out the specifics whereas Clause 4 is more of a general nature.

Mr. Hawkes: Mr. Chairman, is it the Government's position that Clause 17 overrides Clause 4? Does that in effect make Clause 4 redundant or unnecessary? My original question was, why is Clause 4 in the Bill? What can the two Ministers do? Can they do everything or can they do nothing?

Mr. Hopkins: Mr. Chairman, I understand that Clause 4 was placed in the Bill at the request of the province in order to make the agreement a little more flexible and to give a little leeway in the dealings. Clause 4 is not strictly necessary, but if you stick strictly with Clause 17, you have a more inflexible Bill. As I said, Clause 4 was put in at the request of the province.

Mr. Hawkes: Mr. Chairman, I have one last comment on Clause 4. It cannot be implemented without the concurrence of the federal Minister plus a provincial Minister. We are still in a concurrence agreement kind of situation. Can that clause be used to alter the formula relating to the retail sales tax, revenue sharing or things like the PGRT?

Mr. Hopkins: First, Mr. Chairman, the sales tax is set out in the Bill. The revenue sharing is set out here and royalties are already fixed by statute. Again, Clause 4 is a very general statement.

Mr. Hawkes: Mr. Chairman, is the Parliamentary Secretary saying that it is the Government's conviction that Clause 4 could not be used? Is that really the sum total of what he is saying, that Clause 4 could not be used to change any of those taxation arrangements? Is that the Government's position?

Mr. Hopkins: Mr. Chairman, Clause 4 cannot be used to amend legislation by the two Ministers but it does allow them to consider changes to those parts of the agreement that are outside this legislation. That is the flexible part of the agreement that I spoke of earlier. There are parts in the agreement

that, because it is a political document, the two Ministers could change. But they cannot change those parts of the agreement that are included in legislation.

Mr. Hawkes: Mr. Chairman, is there judicial experience with a clause like Clause 4? If there is, could the Parliamentary Secretary tell us what other Act in Canadian jurisprudence has a similar clause in somewhat similar circumstances?

Mr. Nowlan: The Canadian Oil and Gas Act?

The Deputy Chairman: Before the Parliamentary Secretary responds, the Chair would question whether the question itself is permissible. I will let the Parliamentary Secretary respond if he wishes.

Mr. Hopkins: To our knowledge, Mr. Chairman, there is none. The Hon. Member is asking a very far-reaching question. To our knowledge, no.

The Deputy Chairman: The Chair finds such a question to be a legal-type question.

Mr. Hawkes: Mr. Chairman, thank you for allowing the question. It is a clause in the Bill and it is difficult for the Parliamentary Secretary to testify because I think it is an untested clause, an untested type of clause. It is a leap into the future, a leap into the unknown. Clearly the government of the province and the federal Government wants to take that leap. I think it is important to identify that there is a leap here with unknown complications and unknown potential for the future.

Unless there is someone else from our Party who wants to ask a question, we are prepared to let Clause 4 pass on division.

Mr. Hopkins: Mr. Chairman, let me say in reply to that that I think this legislation implementing this agreement is a real leap forward into new grounds of federal-provincial relations. We hope it will lay the groundwork and solid framework for such future agreements.

Mr. Hawkes: Mr. Chairman, this Bill would have had a lot more positive vibes if we had had it introduced a long time ago and had Members of Parliament had an adequate time to look at it so they could be helpful to the Government in making sure it was a good, solid, helpful agreement.

The Deputy Chairman: Shall Clause 4 carry?

Mr. Hawkes: On division.

Clause agreed to on division.

Clauses 5 and 6 agreed to.

On Clause 7—*Establishment of Board*

Mr. Hawkes: Mr. Chairman, what consideration is given to reconciliation of an impasse? If the board reaches an impasse on something important, how do they get out of it?

Mr. Hopkins: Mr. Chairman, the board has a total of five members. Because there is an uneven number, hopefully there will not be an impasse.

Some Hon. Members: Agreed.

Clause agreed to.

Clause 8 agreed to.

On Clause 9—*Directions*

Mr. Hawkes: Mr. Chairman, Clause 9 provides that if the board is directed jointly by the representatives of the federal Government and the representatives of the provincial government, the board must act in accordance with those written directions. Is there a potential problem for a board member getting different directions from whomever it is who appointed them?

• (1630)

Mr. Hopkins: Not really, Mr. Chairman. Even the federal Minister might be influenced by the provincial Minister or vice versa. I believe the people on the board are well qualified. I might say that this board has been operating to date without any real legal status. It has been working very smoothly. It has been a very good experiment. That is why we are implementing it now in the legislation. It is certainly a part of the Bill which has been tried and found to be a very successful procedure. The credibility and qualifications of the people on the board and the fact that they are compatible speak well for the process.

Clause agreed to.

Clauses 10 to 16 inclusive agreed to.

On Clause 17—*Definitions*

Mr. Hawkes: Mr. Chairman, why did the Government agree to Nova Scotia having up to a 50 per cent interest in a gas field and only a 25 per cent interest in an oil field? Why the discrimination against oil in favour of gas for Nova Scotia?

Mr. Hopkins: It is simply the result of negotiation on a large number of items. These two were adopted as being fair when all financial items in the Bill were discussed. It simply came out on balance this way, and the two parties were very agreeable.

Mr. Hawkes: The portion which accrues to the people of Nova Scotia would be 12.5 per cent of an oil field. If we look at provinces such as Saskatchewan, British Columbia or Alberta, what portion of an oil field tends to accrue to those provinces?

Mr. Hopkins: In this agreement the provinces get 25 per cent of the oil shares and 50 per cent of the gas shares. In addition, Nova Scotia is getting the whole series of other items to which I referred in my speech this morning. Its income from those other revenues is tremendous and very substantial.

Mr. Forrestall: That is a nasty rumour. There has not been a nickel made yet.

Mr. Hopkins: Mr. Chairman, I hear the Hon. Member. I know he is a very positive thinker. He is just waiting for this legislation to be passed because his home province will benefit tremendously and perhaps his own provincial taxes will go down.

Mr. Forrestall: I want it, I want it.

Mr. Hawkes: Mr. Chairman, let me apologize. It is 12.5 per cent of the gas and 6.25 per cent of the oil.

I will put my question to the Parliamentary Secretary in a different way. Given that there is as much oil offshore Nova Scotia as we might find onshore in the Province of Saskatchewan, in which place would you rather live if you were after the oil in the ground? Do you think the Government is being as generous to the people of Nova Scotia in this agreement as it might be?

The Deputy Chairman: Order, please. The Hon. Member should direct his remarks to the Chair.

Mr. Hawkes: Thank you, Mr. Chairman. Does the Government think that it has been as generous with the people of Nova Scotia as it should be? Are the people of Nova Scotia being treated equitably compared with the people of Saskatchewan, Alberta or British Columbia when it comes to their capacity to participate in the revenue from oil?

Mr. Hopkins: In this agreement the province is getting equalization payment protection and all the revenues which I mentioned before. It will actually receive more taxation money for its offshore sources of oil and gas than it would receive if the wells were on dry land.

As far as the question of the Hon. Member is concerned in which be asks me where I would rather live, I think that is a pretty dangerous question. I would have to say to my own people in the Ottawa Valley that I wish the rest of the people of Canada well in the agreements with the provinces. We are all very loyal Canadians, but I would rather not answer that question except to say that I am quite happy living where I am.

Mr. Hawkes: The Parliamentary Secretary is indicating that the people of Nova Scotia will receive greater revenue from the oil offshore than would be the case if that same oil were onshore and totally under the control of the people of Nova Scotia. Is he saying that the revenue to the people of Nova Scotia will be greater offshore than it would be onshore?

Mr. Hopkins: To my knowledge that is correct, unless the Province of Nova Scotia gets to the stage where it is very rich in revenues from oil and gas offshore. It would be more than it would receive if those same wells were onshore.

As the Hon. Member knows, the Bill spells out that there will be equalization arrangements for any government in Nova Scotia so that when it becomes wealthy it will not be hit with a sudden, drastic cut in transfer payments from the federal Government.

Clause agreed to.

Clauses 18 to 20 inclusive agreed to.

On Clause 21—*Security of supply*

Mr. Hawkes: Mr. Chairman, in this clause the Government of Nova Scotia is given a "reasonable opportunity" to acquire a 50 per cent interest in a pipeline. Generally the word "reasonable" is defined in economic terms. However, could the Parliamentary Secretary tell us the sense of the word "reasonable"? How and who will decide on what is reasonable?

Mr. Hopkins: Normally the National Energy Board would decide on that. It has guidelines to follow on those items.

Mr. Hawkes: If it is the Government's intention and if it is part of the agreement to have the National Energy Board decide what is reasonable, why has the Government chosen not to specify that in the Act? Why was this situation left so unclear?

The Deputy Chairman: Just for the purposes of clarity, is the Hon. Member discussing something in Clause 21?

Mr. Hawkes: Mr. Chairman, it is on the following page. Excuse me, it is not Clause 21. Are we on Clause 21 or Clause 22?

The Deputy Chairman: Clause 21 is before the committee.

Mr. Hawkes: I am sorry, my questions were dealing with Clause 22.

Clause agreed to.

• (1640)

On Clause 22—*Definitions*

Mr. Hawkes: Mr. Chairman, may I have my questions answered?

Mr. Hopkins: Mr. Chairman, I might add that the National Energy Board has a vast amount of experience in dealing with these matters. This is why it has its guidelines and formulas to go by. On Clause 22, there were discussions earlier, which were not finalized, as to whether the House would be inclined to allow an amendment by unanimous consent with regard to Clause 22. I wonder if we could have an indication from the other Parties whether they would now be willing to go along with the introduction of this amendment to Clause 22.

Mr. Forrestall: Mr. Chairman, I wish to address the question posed by the Parliamentary Secretary. It was the hope of the Province of Nova Scotia that an amendment might be included that would clearly spell out with respect to Clause 22(1) that notwithstanding anything else in the provision as suggested, it does not include laterals, gathering lines, blow lines, structures and facilities for the collection and processing of oil and gas.

I suppose there are two problems. The first is the admissibility of the amendment and, second, the undertaking that the matter would go through as it is presently in front of us. As

has been pointed out by my colleagues from Calgary and others, it is a matter that will have to be addressed because it does cause some concern. There have been widespread discussions with respect to it. For the time being, the matter can be clarified by some instruction or advice from the parties concerned. It is perhaps an oversight, a matter that perhaps falls between a number of schools. Nevertheless, we are faced with it. For the time being, we will not give consent to its introduction at this time. It may just lend further confusion.

The Deputy Chairman: The Chair should say that unanimous consent is not required in order to introduce an amendment at this stage.

Mr. Hopkins: Mr. Chairman, I thank the Hon. Member for that explanation. This morning the Hon. Member for Calgary West was zeroing in on Clause 22(2). The amendment which we were going to propose, which now we cannot, was by way of clarification of the definition of a Nova Scotia offshore pipeline in which the province has the right to acquire on a commercial basis up to 50 per cent ownership to apply only to a trunk line and specifically to exclude gathering lines, flow lines, structures and facilities for the production and processing of hydrocarbons. Because there is no agreement, we will let it go at this time.

The Deputy Chairman: Just for clarification, there is no restriction if the Parliamentary Secretary wants to pose the amendment at this time. He may choose not to, but he can if he wishes.

Mr. Forrestall: Mr. Chairman, there was the clear understanding that there may be some procedural difficulties with respect to this because it does have the effect of substantially changing the definition sections. I would invite the Parliamentary Secretary's comment. It is unfortunate, but perhaps for the time being it is best left not dealt with.

The Deputy Chairman: The Chair has had the benefit of being advised of the amendment so as to be able to study it. The Chair finds the amendment admissible if the amendment is proposed. However, it is entirely up to the Government whether it wants to propose the amendment.

Mr. Hopkins: Mr. Chairman, in the best interests of everyone and for the sake of continuing the rapport with which the Bill is being discussed, we will not carry that further if there is no agreement.

Clause agreed to.

Clauses 23 to 91 inclusive agreed to.

● (1650)

On Clause 92—*Amendment to Access to Information Act*

Mr. Hawkes: Mr. Chairman, in Clause 92 I think you will find some major discrepancies between the French and English versions of the clause. I do not know which of the versions the Government intends to be the official one. However, I think it might be easy to correct that at this point in time before we finish the Bill.

Mr. Hopkins: Mr. Chairman, could the Hon. Member please point out the precise discrepancy?

Mr. Hawkes: I do not think that the English version of lines 7, 8 and 9 accord with the French version of the same lines.

Mr. Hopkins: Mr. Chairman, I want to thank the Hon. Member for his intervention. The English version is the correct one and the French version will be changed accordingly.

Mr. Hawkes: Mr. Chairman, may I further point out to the Parliamentary Secretary that the first part of paragraph 2 in the English version is not repeated in the French version? Lines 14, 15 and 16 are the same, but lines 17, 18 and 19 in the English version are not repeated in the French version.

Mr. Hopkins: Mr. Chairman, those changes will be made. The French version will be translated from the English version.

The Deputy Chairman: The Chair regrets this, but there must be an amendment proposed to correct the Bill. This is not simply a translation error. There will have to be an amendment proposed to put in the correction.

Mr. Pinard: Mr. Chairman, I rise on a point of order. Perhaps you could consider standing this clause with unanimous consent so that we could draft the proper translation while we finish dealing with the Bill clause by clause.

The Deputy Chairman: The Chair would also like to point out that this clause by clause study goes on until five o'clock, at which time we proceed to Private Members' Hour. We could stand the clause now, proceed if you wish with the remaining clauses and then return to that clause at the appropriate time.

Mr. Hawkes: Mr. Chairman, we are certainly agreeable to whatever works best and fastest.

Mr. Taylor: Mr. Speaker, I rise on a point of order. In the interests of saving time or in the interests of not wasting time, I bring to your attention that when we dealt in the Alberta Legislature with a large Bill like this one, the entire Bill was dealt with using one or two words. If any Member wished to speak to any particular clause, he simply asked to do so. That procedure did not delay debate or hurt debate but it did facilitate the passage of a Bill like this very rapidly. I would suggest that we do that. Otherwise, it is simply a matter of saying agreed over and over again and that is really a waste of time.

The Deputy Chairman: The Chair thanks the Hon. Member for his intervention, but this is the Canadian Parliament and not the Alberta Legislature.

Shall Clause 92 stand?

Some Hon. Members: Stand.

Clause stood.

Clauses 93 to 97 inclusive agreed to.

Schedules agreed to.

The Deputy Chairman: At this stage, the Chair would suggest that it might be appropriate to call it five o'clock so that at six o'clock we could return and continue this discussion.

If that is agreeable to the House, then the Chair could report progress. Is that agreeable to the House?

Some Hon. Members: Agreed.

The Deputy Chairman: The Chair will then report progress and will continue the discussion at six o'clock after Private Members' Hour.

Progress reported.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised at the time of adjournment are as follows: the Hon. Member for Medicine Hat (Mr. Hargrave)—Railways—Alfalfa products freight rates. (*b*) Request that Minister conduct investigation; the Hon. Member for Mégantic-Compton-Stanstead (Mr. Tessier)—Trade—Textile and clothing imports—Government action to protect jobs; the Hon. Member for Winnipeg North (Mr. Orlikow)—Bilingualism—Education of immigrant children. (*b*) Native Indian children—Access to aboriginal language education.

Order. It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—PUBLIC BILLS

[*English*]

Mr. Reid (Kenora-Rainy River): Mr. Speaker, I rise on a point of order. I have had consultations with Members from all sides of the House and I would beg leave for unanimous consent to deal with Bill C-252, a Bill which stands in my name and is seconded by the Hon. Member for Lethbridge-Foothills (Mr. Thacker), through all stages. This Bill deals with the provision of access to the records of the Special Committee on the Defence of Canada Regulations which sat during the Second World War. This is the only way these

records can be opened up. Since the Government has made available most of the other records relating to the Japanese and others, this is the only set of documents from the Second World War that has not yet been released dealing with these items.

The Hon. Member for Lethbridge-Foothills is the seconder of the motion. I do not see him in the House, but the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall) has agreed to second the Bill in his place. The Hon. Member for Lethbridge-Foothills has just walked in.

Mr. Deputy Speaker: The House has heard the proposal of the Hon. Member for Kenora-Rainy River (Mr. Reid). Is it agreed?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Agreed and so ordered.

* * *

AN ACT TO GRANT RECORDS OF THE SPECIAL COMMITTEE ON THE DEFENCE OF CANADA REGULATIONS

MEASURE TO ESTABLISH

Hon. John M. Reid (Kenora-Rainy River) moved that Bill C-252, an Act to grant access to records of the Special committee on the Defence of Canada Regulations, be read the second time and referred to a Committee of the Whole.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time, considered in committee, reported, read the third time and passed.

● (1700)

PRIVATE BILLS

[*English*]

STADACONA MINES (1944) LIMITED

Mr. David Berger (Laurier) moved that Bill S-16, an Act to revive Stadacona Mines (1944) Limited and to provide for its continuance under the Canada Business Corporations Act, be read the second time and referred to the Standing Committee on Miscellaneous Private Bills and Standing Orders.

He said: Mr. Speaker, I have engaged in consultations with representatives of the other two Parties. I believe if you would seek the consent of the House, we would have agreement to pass this Bill today through all stages.

Mr. Forrestall: Mr. Speaker, the consultations referred to by the Hon. Member for Laurier (Mr. Berger) have indeed

taken place. We are more than pleased to accommodate the passage of Bill S-16.

Mr. Deputy Speaker: The House has heard the proposal which was made by the Hon. Member for Laurier (Mr. Berger). Is it agreed?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Therefore, the motion should read: "Mr. Berger, seconded by Mr. Gimaïel, moves that Bill S-16, An Act to revive Stadacona Mines (1944) Limited and to provide for its continuance under the Canada Business Corporations Act, be now read a second time and, by unanimous consent, referred to a Committee of the Whole House".

Motion agreed to, Bill read the second time, considered in committee, reported, read the third time and passed.

PUBLIC BILLS

[*English*]

Mr. Deputy Speaker: Shall all orders and items preceding Item No. 50 stand, by unanimous consent?

Some Hon. Members: Agreed.

* * *

PUBLIC SERVICE EMPLOYMENT ACT
PUBLIC SERVICE STAFF RELATIONS ACT

MEASURE TO AMEND

Mr. Les Benjamin (Regina West) moved that Bill C-248, an Act to amend the Public Service Employment Act and the Public Service Staff Relations Act (political rights), be read the second time and referred to the Standing Committee on Miscellaneous Estimates.

He said: Mr. Speaker, this is the umpteenth time that a Bill of this nature has been presented in Parliament since the 1950s. However, the last time this occurred was on April 30, 1982, at which time Members from all sides of the House agreed with the Bill, but there was no agreement for it to be passed. At this time I called as my witness the late lamented and departed Hon. Member for Nepean-Carleton who spoke in favour of this Bill and urged that it be passed. I want to remind Hon. Members, Mr. Speaker, that a gentleman by the name of Guy D'Avignon was Chairman of the special committee appointed by the Government to review personnel management, conditions of employment, the merit principle and other aspects of the Public Service. I would like to read to the House the first paragraph of his report, which reads as follows:

• (1710)

Citizens of a democracy have a right to take an active part in the political process; by their actions they assure a healthy, responsive democratic system of government. Today, no one would lightly propose the extinction of this right with regard to any individual or group.

But the Government chose to ingore that part of the report having to do with political rights. The report was made, by the way, in the spring of 1979. The Chairman of the committee recommended that public servants be put in three categories when it came to political rights. The third category would cover probably 85 per cent or 90 per cent of the federal Government and Crown corporation employees.

Just two or three weeks ago, Mr. Speaker, we witnessed a situation where rank and file federal public civil servants elected as delegates to a national convention of a Canadian political Party were threatened with dismissal, or will be dismissed, because on their own time they took part, as can any other citizen, in the political process. One of those delegates comes from the City of Winnipeg. The Minister of Transport (Mr. Axworthy) said it was a little bit of a denial of their rights but that it is the Public Service which makes the rules. The Public Service Commission makes rules, Mr. Speaker, based upon the legislation, and until we change the legislation, the Public Service Commission cannot change the rules.

I want to remind Hon. Members that in the experience of the United Kingdom, which has, one has to concede, a professional public service, that public service has had full political rights for many years. Whether or not it chooses to exercise those rights is entirely its own decision. Many public servants do, some do not.

My Bill, Sir, would exclude those who are in what one could call the "Order in Council category". They could still exercise their political rights because they have a contractual arrangement with the Government, with the Cabinet, whether it be a Deputy Minister or the head of a board or whatever. They can still choose to be politically active and would know ahead of time that they were taking their chances as to their reappointment. However, Sir, that does not apply to the tens of thousands of clerks and stenographers, people in many categories of employment in the Public Service.

In 1945, the Government of Saskatchewan under Tommy Douglas not only provided for the right to organize, the right to bargain collectively, but also the right to take part in political activity. Once and for all we removed the ability of a government of any political stripe to prohibit or inhibit any public servant or Crown corporation employee in Saskatchewan from taking part in the political process if they chose to do so. Four other provinces have done the same thing. However, this place, which should have been setting the example and leading the way, has not done so.

I can cite my own experience, Mr. Speaker, as an employee of Canadian Pacific Limited. You will agree, Sir, that there was not much love lost between my Party and the CPR in terms of what we considered bad corporate behaviour on its part for a hundred years or more. However I felt then from 8.30 in the morning until 5.30 in the afternoon, at no time did

I say or do anything of a political partisan nature when I was on duty and being paid by the company which employed me. I did all I could in as conscientious a manner as I could to earn the salary I was being paid for conducting the company's business. However, after 5.30 in the afternoon, Mr. Speaker, I went to political meetings. I obtained leaves of absence to work as an organizer, to be a candidate, and I returned to my job without any loss of seniority. It ended up, Mr. Speaker, that that corporation and I severed relationship, at my decision. I resigned. But for all the years I worked for that corporation I was able to participate in the political process on my own time, on leave of absence without pay or on holidays with pay.

Surely, Sir, we cannot allow that right for some groups and not for others. We must allow that right for all. Some day, and I am surprised it has not happened yet, some federal public servant is going to take the Government of the day to court and will win. Why should we wait around asking for that kind of trouble?

My Bill provides for deletion of Section 39(2) of the Public Service Staff Relations Act which would mean, Sir, that the organization to which the federal public servants belong could use the dues which were paid to it in any manner it sees fit, including contributions to a political Party or a candidate of a political Party. Again, Sir, other organizations in other parts of our economy are able to do this, whether it is a trade union, business association, or any other kind of organization. The members of the organization themselves decide how much they will pay in the way of dues and how they will spend those dues, and that is perfectly proper. If a chamber of commerce, a business organization, a trade union or a farm organization decides it wants to expend some of its own funds, a decision agreed to by its members, on behalf of or opposed to any political Party or candidate, it can do so and in fact it does so now. It has the right to do so.

That is a minor part of my Bill, Mr. Speaker. If the Public Service employees of the federal Government were to decide by a democratic vote that they wanted to spend their money on behalf of a Conservative, a Liberal or an NDP candidate, or any political Party, or if they wanted to spend some money against that Party, they should be able to do so as well as anyone else. That is only a minor provision of the Bill compared to what I and others before me are trying to accomplish. We have to recognize that employees of the federal Government, including the House of Commons, taking part in the political process while off duty do not harm the Government of the day or Parliament. Experience in several provinces here and in the United Kingdom has shown that any time public employees have participated in a political process, no matter what their success or otherwise, they returned to their duties and carried them out in a conscientious and trustworthy manner. That certainly was our experience in Saskatchewan. We had provincial civil servants who ran as candidates for the Social Credit, Conservatives, Liberals and New Democrats. Some of them won, some did not. The ones that did not, returned to their duties. We even had former members of the legislature from different Parties who kept their positions in the employ of the government long after they were members of the legislature, even when the government changed. To their credit, they all carried out their duties in a conscientious manner.

• (1720)

We are no longer in the days of patronage when federal public servants had no bargaining rights. They were all hired and fired by the government in power. A government in power can no longer do that. These people have their own organization and the right to bargain collectively. Those rights include their political rights.

Since the House has been in such an amenable mood these last few days, and since we just passed two Bills in Private Members' Hour by unanimous consent through all stages, I would like to ask the House to do the same thing in this instance. I have spoken to Members on all sides and I would like to obtain agreement that we pass this Bill through all stages so that it becomes the law of the land before the next federal election. Tens of thousands of federal public servants have been told by Members of all political Parties, publicly and privately, that they should have the same political rights as others. This is an excellent opportunity for all Members in this House to put their actions where their mouths are. I hope my good friends in the Conservative and Liberal Parties will rise in their places for five or ten minutes, if they want to speak on this Bill, but not talk it out. I hope they will support what our former colleague, the Hon. Member for Nepean-Carleton, had to say on this Bill in 1982. We have had two years to think about it. Surely it is time to provide federal public servants with the same political rights that the rest of us enjoy. Democracy is indivisible; you cannot divide our people into groups, one of which can go to a meeting but another which cannot. Surely it is time, particularly given our new Constitution, to put an end to this treatment of federal public servants. I hope that my colleagues on all sides of the House agree that we can put this Bill through in all stages today.

Mr. Maurice Foster (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, the Hon. Member for Regina West (Mr. Benjamin) has certainly put forward an interesting proposition this afternoon. Bill C-248 relates to political activity by public servants and amends the Public Service Employment Act and the Public Service Staff Relations Act concerning political activity. It is my understanding that the present Act provides for limited activity such as party membership, the ability to attend certain Party meetings and so on, but it does not provide for high profile political activity or senior positions in political Parties. The Standing Committee on Privileges and Elections has been studying for the last few days matters relating to the ability of people to become candidates in election campaigns and so on. The Hon. Member has made the argument about how the Bill of Rights grants certain political rights in this country. Obviously he firmly believes that we should change the historical nature of our Public Service from one that is politically neutral to one which is politically active.

I think of the Jacksonian democracy in the United States. I believe it was Andrew Jackson in the U.S. election campaign of 1820 who said that to the victors go the spoils. That of course is a very important part of the U.S. democratic system, but it is quite different here in Canada. I think the Public Service generally, certainly at the federal level, has operated very well on a neutral basis. In fact, there are very strict rules about Party activity.

I appreciate the arguments the Hon. Member makes, and if you looked strictly at the Charter of Rights I guess you would agree with his arguments. On the other hand, I think we have to look at it from the public's perception of how the Public Service operates. It is perceived to be neutral? The Hon. Member outlined how he was able to be completely neutral in the daytime and be a Party activist in the hours off work. I am interested in those comments because I noted that when the Government introduced in the House what was to become the 1967 Public Service Staff Relations Act, it had been subjected to further scrutiny and consultation on the part of interested parties. When the matter was before the special joint committee of the Senate and the House of Commons concerning the public service the late David Lewis said that it may perhaps surprise members of the committee to hear that he was in favour of organizations of public servants being prohibited from acting on behalf of a political Party. Whatever the case may be with other employee organizations, Mr. Lewis said that he did not think you could have a public service organization affiliated with or working on behalf of any political Party.

● (1730)

Mr. Benjamin: That is not the point.

Mr. Foster: The public perception of the public service is very important in this regard. Senior executives have been prohibited from becoming candidates in election campaigns because it is felt that they have a senior managerial or executive role. Staffing officers have been prohibited under Section 32 of the Public Service Act because it is felt that if they were perceived to be partisan and people got turned down for jobs that would adversely reflect on the public service. Officers enforcing regulations have not been permitted extensive political activity because when they are enforcing regulations and laws it is felt that it is important that they be perceived to be completely neutral and impartial.

Page 36 of the report of the Special Committee on Personnel Management and The Merit Principle reads as follows:

> With respect to public servants who perform a regulatory role, many intervenors stated that these public servants should not be given freedom to participate in Party politics. Otherwise, the public might well perceive that a licence denial had political connotations when, in fact, it stemmed from failure to meet the requirements for granting of a licence. The theme of most intervenors who took this position was that, when public servants are in direct contact with the general public, they must be seen to be politically neutral. The possibility of meeting a public servant during the day as a regulator of Government policy and meeting him again at night as a campaign worker for a political Party could be damaging to the credibility of the public service. Examples of employees in this category were given as: radio inspectors, customs officials, CEIC officers, and fisheries inspectors.

I think it is good that this issue be debated. Times are changing and nothing is cast in stone for all time. People are more active politically and want to be so. The Charter of Rights suggests that these are principles of freedom of expression and association which are important. I think that we have been generally served by a public service which has been able to act impartially and be perceived to be impartial to political partisan association. Before we change that we should make sure that any new directions would be perceived by the general public to be better. I think it is good that we debate this issue from time to time. However, I personally would not recommend making the changes which the Hon. Member for Regina West (Mr. Benjamin) is proposing to us this afternoon.

Mr. John Gamble (York North): Mr. Speaker, two-thirds of the Bill, in terms of section numbers, makes eminent good sense. I congratulate the Hon. Member for Regina West (Mr. Benjamin) for bringing the Bill forward in the fashion that he has. It is most appropriate having regard to recent developments with respect to a certain Crown corporation, an employee of which, a certain Ad Varma, was dismissed on Wednesday of last week because he approached two Members of Parliament with information that he had. Both Members of Parliament were sitting on this side of the House.

This gentleman, who happens to live in my constituency, was dismissed by the senior officers of Canada Post because they alleged that he had a conflict of interest. That conflict of interest is a rather strange one, having regard to the fact that he behaved in a fashion which should have resulted in his being awarded recognition by the House and the people of Canada generally for what he endeavoured to do. If this Bill in its present form were to have been in place and extended, as it should be, to Crown corporations, Mr. Varma would still be serving as an employee of Canada Post and discharging duties in the fashion that he has for the benefit of the taxpayers of the country.

Mr. Varma came to two Members of our Party, the Hon. Member for Winnipeg-Assiniboine (Mr. McKenzie) and the Hon. Member for Mississauga South (Mr. Blenkarn), having been frustrated in his endeavours to convince senior officials of that corporation, which is the successor of a Government Department, that there were some unusual occurrences within the Department which were not remedied when that Department became a Crown corporations. In particular, Mr. Varma indicated that he was hired to assist in a managerial position with respect to computer programs. He indicated that it was very strange to find, despite the fact that the corporation had acquired expensive pieces of computer equipment, that the equipment was set aside and replaced with a system acquired as a consequence of the recommendation of certain senior officials of the Post Office Department, as it then was. Upon investigation, it appears that those senior officials had a vested interest in the company supplying those services. I am not talking about small, non-consequential amounts of money. There was some $3 million involved in that little project.

He tried to convince other officers of the Department that there was something amiss with the equipment that they then

had and which was developed internally, in that the equipment broke down with some surprising regularity. Such regularity smacked of sabotage. There happened to be two sets of this equipment operating in two separate locations. It was only the set in the location where the senior officer had an indirect interest with the supplier of the new product that the product on site continued to break down.

Matters became so serious that the RCMP was called in to investigate the circumstances surrounding both the breakdown in the equipment and the supply of the new equipment, and whether or not there was in fact a conflict of interest. The conflict of interest should be given its proper name, that is corruption. The RCMP investigation has never been made public and the officials of Canada Post today allege that to make that information public would reflect badly on both officials within Canada Post and people with whom Canada Post has business dealings.

As a consequence of the release of this information by this honest, public spirited citizen, the Auditor General has undertaken a complete investigation of the activities of this bloated Crown corporation to determine whether the charges made by Mr. Varma are accurate.

It is interesting to note that this man, while hired at a senior post, resigned that position to take a position as a postal clerk. He then agreed that in the event that his charges were not substantiated he would cheerfully resign. He was approached and intimidated by officers and finally fired by a man named Mr. Bodrug in the Toronto office of Canada Post. Mr. Bodrug is a man who I have endeavoured on numerous occasions to reach by telephone to deal with this problem and others that have concerned my constituents. This pompous potentate, who believes that he is above all other authority and beyond the realm of the House, has absolutely refused not only to return my telephone calls but to even speak to me. The message that he has left is that he will not have any conversations with me at all. This is the man who fired Mr. Varma.

• (1740)

Mr. Varma is the man who has gone to the extent that he has jeopardized his livelihood for the sake of assisting the people of Canada in getting a fair and honest deal from suppliers to Canada Post. He is fired and Bodrug is there, the man who dismissed him. Of course, Bodrug will not have any conversations with Members of Parliament. However, they have appointed an official who will have conversations with us, but this official has no authority to either say or do anything. That has become so typical of the way in which Crown corporations and government departments function.

These public servants are not asking for a reward, they are simply asking that some justice be done because there is some chicanery taking place. I believe very clearly that in the event public spirited public servants cannot, within the realm of their own departmental or Crown corporation function, convince their superiors that something is amiss, and if they cannot get a fair hearing to unearth the trouble, they are surely entitled to go to the only place where there should be people interested in bringing the matter to light, that is the House of Commons. They should be able to do so without risking their livelihood.

While this Bill deals with political activities, and indeed running for a position in the House of Commons, it will go a long way in remedying some of the ills that currently exist.

However, in my view Clause 3 of the Bill is not to be supported. It is so typical of the NDP. They have an excellent idea and then ruin it by promoting something that may appear to make good sense at first, but upon reflection and examination is an underhanded way of avoiding the normal consequences that apply with respect to donations made to political parties under the Income Tax Act.

I am aware that the Hon. Member for Regina West has said that he believes all citizens should be treated the same. I suggest to him that that should be true indeed. However, certain groups of citizens should not have special rights that others cannot enjoy.

It is clear that according to the provisions of the Income Tax Act individuals, and indeed corporations are restricted in the amount of tax advantage they gain as a result of making political contributions. As a matter of fact, the amount on an annual basis is $1,150. Beyond that, one might as well pay money out and expect no tax benefit. However, up to that amount, and indeed on a declining basis, there is certain tax relief for all contributors to political parties.

But in the event that an employee of a trade union, including a Public Service union, makes a contribution with respect to his union dues, it is deductible in total whole. No limitation may be placed on them. The Public Service union does not include one nickel of the receipt in the computation of its income. If the Hon. Member for Regina West wishes to stand in his place and say that he believes union dues should be taxable in the hands of the union, we would have a different ballgame. However, knowing his inclinations, I rather suspect that that will indeed not be his message. He wants to create a special privileged group, the union bosses who reach into the pockets of the employees, extract their funds and pay it over to the NDP. Therefore, you will find that from my standpoint—

Mr. Benjamin: Mr. Speaker, I rise on a point of order. I am sorry to interrupt my hon. friend. Would he permit a brief question because I know that he would not want to inadvertently mislead Members of the House.

Mr. Deputy Speaker: Does the Hon. Member accept a question at this time?

Mr. Gamble: Perhaps the Hon. Member can put his question to me when I have concluded my remarks. I am almost finished.

My point is simply that while the Bill contains some very beneficial provisions, it is the final clause that breaks the camel's back. It is indeed based upon a special preferential arrangement which the Hon. Member decried in his own speech as being unsuitable. Therefore I could not vote for this Bill.

Had the NDP, and particularly the Hon. Member for Regina West, really wished for this Bill to pass and truly wanted to remedy the ill of which he speaks and about which I am in complete accord with him—the freeing of public servants from the detrimental effects of the Public Service Staff Relations Act as it relates to political activities—he would have left the third clause out of the Bill. However, knowing full well that he did not really want this Bill to pass but simply to make a show, we now have a situation where this Bill, because of the preferential treatment granted as a consequence of tax considerations that appear in Clause 3, has little chance of passing.

Mr. Deputy Speaker: The Hon. Member for Regina West on a question.

Mr. Benjamin: Mr. Speaker, is my hon. friend now repudiating the support given to this same Bill by the late Hon. Member for Nepean-Carleton two years ago? Second, is he not aware that the union dues of employees have already been calculated in their taxable income and they have already paid the income tax on it?

Mr. Gamble: Mr. Speaker, I think the Hon. Member should do one thing before he pursues this matter any further, and that is to look at the provisions of the Income Tax Act before he indicates to the House and the public generally what its provisions are. I can tell him that union dues are deductible in the computation of income. They are not treated in the same fashion as political contributions. They are deductible, to the last dollar. Accordingly, it is that issue which has not received the attention of the House before.

With regard to what Hon. Members in the House today, or who may have been in the House before, have done with respect to legislation, I am not answerable. I am, however, answerable for bills that are brought in today for examination. I feel perfectly content in examining every piece of legislation and commenting on it as I feel it should be commented upon. Indeed, that is the duty of every Member of the House.

Mr. Benjamin: Mr. Speaker, I put part of my question badly. The hon. gentleman is perfectly right. I meant that a trade union organization that makes a contribution on behalf of its members gets no tax benefits since it pays no taxes in the first place.

Mr. Deputy Speaker: The House will proceed to debate.

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I too would first like to commend the Hon. Member for Regina West (Mr. Benjamin) for bringing the Bill before the House. I also have concerns about the Bill. I will not speak long so that other members will have an opportunity to speak.

I suggest that there are two problems with the Bill. The first problem is clearly that which was pointed out by the Hon. Member for York North (Mr. Gamble). I think it is blatantly obvious why that particular clause was put in the Bill by the Hon. Member for Regina West.

• (1750)

Second, and we have discussed this at length in the Standing Committee on Miscellaneous Estimates with the Chairman of the Public Service Commission, others and my constituents, the Bill is too broad. It is precisely what I said when we debated this Bill two years ago when the late Hon. Member for Nepean Carleton was here and made a contribution. If my memory serves me correctly, he agreed with me that the Bill as it is drafted is too broad.

A separation has to be made in this legislation in defining political rights. This is not the case now. They are not well defined. It is a very vague situation that public servants face. But the differentiation has to be between those people who are involved in policy, who interact on a regular basis with a minister, which goes far beyond the deputy head who is the only person excluded by the Hon. Member's Bill. It has to separate those involved in direct dealings with the Minister in a policy aspect and those who are not. Those who are not involved in direct policy dealings with a Minister should not be restricted in their political activities. I do not know how many times we have to say this among ourselves before it finally gets through, but that is the way the law should read. Those involved in policy who are meeting with a minister on a regular basis should refrain from overt political activity. It is obvious why. If Governments change, it can place the jobs of those senior people in the bureaucracy in jeopardy.

The Hon. Member for Regina West knows very well what happened to identified New Democrats in the Province of Saskatchewan when Mr. Devine's government came to power. Those people under Saskatchewan legislation at the senior level were allowed to politicize themselves. They did. When Mr. Devine's government came into power he swept them out of their jobs.

We want continuity in the Public Service. It is important to have continuity. The way you can combine the notion of continuity in the Public Service with the freedom to have political activity is to separate that notion on the basis of policy. Those people who interact with ministers and those people who have a policy impact should be precluded from overt political activity. Those people who do not should be free to have political activity. But the Bill before us is too broad. It says only deputy heads, and order-in-council appointments cannot involve themselves in political activity or politicize themselves. That is where the Bill goes wrong. Again, it is still wrong. Two years ago I said to the Hon. Member, and I say it again, if he brought forward a Bill that took that into consideration I could certainly stand in this place today and support it.

We have laws in place now. Section 32 of the Public Service Employment Act says that a public servant cannot participate on behalf of a candidate or a political party during an election. And then there was some misconstrued interpretation, according to me, and I am on the record in the Standing Committee on Public Accounts when Mr. Gallant, the Chairman of the Public Service Commission was before the committee. The misconstrued interpretation of the Public Service Commission was that somehow that applies to all cases of political activity

by public servants. Through the use of Section 7 of the Financial Administration Act, which allows the deputy head to take disciplinary action, notes and memos were sent out to every public servant prior to the Liberal leadership convention indicating that no public servant could involve himself or herself in any way in the leadership convention.

There are some other problems, Mr. Speaker. The Act allows individuals to be members of political parties and to attend political meetings, make contributions to political parties, but a person cannot work on behalf of a candidate during the period of an election. We have to make this clear.

What if, for example, a person wants to run in an election. That is precluded by the Public Service Employment Act. A public servant may not stand for election to federal office, to provincial office, or to territorial office. But a public servant may, if he or she gets leave of absence from the Public Service Commission. You apply for leave of absence from the Public Service Commission, as I did when I was a public servant. I was denied. The person who ran against me for the New Democratic Party works in the National Archives. That person applied for leave of absence and he was granted leave of absence. When he was defeated in my riding he went back to the National Archives.

What criteria did the Public Service Commission use? It used precisely the criteria I am describing today. Does this person have a policy input? Does this person interact with a minister? Yes, he does. No, he may not have a leave of absence. No, he does not. Yes, he may have a leave of absence. The law the way it stands now in this particular case is an ass. It is ridiculous.

Mr. Benjamin: Pass my Bill then.

Mr. Evans: The leave of absence is clearly given so a person can express openly and plainly, so the world can see, political affiliation, political partisanship. But the person has to do it off the job so to speak.

What is the purpose of the law? The purpose according to the Chairman of the Public Service Commission, in discussions I have had with him, is that public servants' political leanings should be veiled so the public does not get the feeling that there is a partisan aspect to the service of the public. How can you possibly say that there is a veil before the partisanship of a public servant when you have just granted that person a leave of absence, he or she has gone through an eight-week campaign, having his or her name plastered all over the riding and then the individual comes back to work afterward, having lost. You now say: "The veil goes back up again. You really did not see that person campaigning."

The criteria are so loose and the provisions are so vague that public servants do not know what is possible, what is allowable, what is not allowable, or what is fair or what is not fair. The situation we have now is not fair. It is not clear, it is not just, and there is no way that we should be trying to administer a law that allows a bureaucracy to arbitrarily decide what is and what is not appropriate behaviour in the workplace on the basis of guidelines that do not exist.

Mr. Deans: Why don't we change it, then?

Mr. Evans: As I said before when we debated this Bill two years ago, if the Hon. Member would bring in a Bill that makes the kinds of distinctions that I have put forward today I will support him 100 per cent. If a person is not involved directly in policy-making, does not interact directly with the Minister, that person can undertake partisan political activities off the job, on their own time. There should be no restriction whatsoever on those kinds of people undertaking those kinds of activities on their own time. On the other hand, people involved in policy should continue to be restricted, as is the case in Britain, for example.

With that, Mr. Speaker, I will say that I have every sympathy for the apparent intentions of the Hon. Member, but his Bill just does not cut the mustard. That is the problem. I will not support the Bill as it stands, but I will not talk in out either.

Mr. Benjamin: Mr. Speaker, I rise on a point of order. In order to speed up the proceedings of the Chamber, and if it will help my colleagues on the Government side and those from the Progressive Conservative Party, we could now pass second reading and move to Committee of the Whole, where, in order to get half a loaf, I will be quite happy to move an amendment to delete Clause 3 from my Bill.

Mr. Deputy Speaker: The Hon. Member cannot move at this time. He has already spoken. The Chair would recognize the Hon. Member for Guelph (Mr. Shroder), but I must inform the House that the time provided for the consideration of Private Members' Business has now expired.

Pursuant to Order made Thursday, June 14, 1984, the House will resume consideration of Government Orders.

• (1800)

GOVERNMENT ORDERS

[*English*]

CANADA-NOVA SCOTIA OIL AND GAS AGREEMENT ACT

MEASURE TO ESTABLISH

The House resumed consideration in committee of Bill C-43, an Act respecting the Canada-Nova Scotia Agreement on Offshore Oil and Gas Resource Management and Revenue Sharing and to make related and consequential amendments—Mr. MacEachen (for the Minister of Energy, Mines and Resources)—Mr. Corbin in the chair.

Mr. Evans: Mr. Chairman, I rise on a point of order. With what clause are we dealing?

The Chairman: I was about to do that. Clause 92 was stood earlier in committee proceedings. Clause 92 is before the committee.

Canada-Nova Scotia Oil Agreement

On Clause 92—*Amendment to Access to Information Act*

Mr. Hopkins: Mr. Chairman, during the past hour we contracted officials of the Department of Justice. They have reviewed Clause 92 and have informed us that all is in order. The items on the English side of the page are not in the same order as they are on the French side. However, the clause as it stands is ready for passage.

Mr. Hawkes: Mr. Chairman, we in this Party are prepared to accept that that is what the Parliamentary Secretary was informed by officials of the Department of Justice. However, it still looks to us as if subclause (2) somehow or other contains a great deal more information on the English side than on the French side of the page. We will certainly not become involved in an argument in this Chamber. I do not have the credentials to attest to being an expert on translation, and I do not intend to try to translate it.

Clause agreed to.

Clause 1 agreed to.

Title agreed to.

Bill reported.

Mr. Fox (for the Minister of Energy, Mines and Resources) moved that the Bill be read the third time and do pass.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I should like to participate for just a minute in that we have spent a good part of today on the Bill. Again I pay tribute to the Premier of the Province of Nova Scotia. Upon reading the Bill it is clear that the Premier has driven a hard bargain on behalf of the people of Nova Scotia. I think he deserves credit for that.

Also I should like to repeat some of my introductory thoughts, thoughts which I think were expressed by Hon. Members who spoke on behalf of our Party. There is something very wrong with pieces of legislation and with thought patterns which enable the Government of Canada, in the name of the people of Canada, to confiscate a portion of someone's property without compensation. This is what the back-in provision on Canada lands really represents.

I do not blame the Premier of the Province of Nova Scotia. Once the individual landholder has been robbed, then the Premier of Nova Scotia wants a part of the proceeds for the people of Nova Scotia, and that is probably appropriate. However, it is the federal Government which is doing the robbing, and that is inappropriate. I wish we could go back in time, and that the Chamber had reached a different conclusion.

One of the things we do in the House of Commons is pay Ministers an extra amount of money for doing ministerial tasks. Surely it is an insult to the Chamber and to the people of Nova Scotia that the Minister of Energy, Mines and Resources (Mr. Chrétien) showed up today for Question Period but has not been with us at any other time during second reading, consideration in Committee of the Whole or now a third reading. It makes one wonder whether or not the Minister of Energy has earned his paycheque on this day. If there were a way to move a motion to dock the Minister of Energy at least one day's pay, if not one month's pay, I would hope the Chamber would take that action. It is an insult to the Chamber and to the people of Nova Scotia that he cared so little about this agreement that he chose not to be with us at any point in the proceedings.

[*Translation*]

Mr. Deputy Speaker: The Minister of Communications (Mr. Fox) on a point of order.

Mr. Fox: Mr. Speaker, Hon. Members ought to realize that the Minister of Energy, Mines and Resources (Mr. Chrétien) has a host of other duties. If this agreement is adopted in the House today, it is thanks to the fact that the Minister of Energy, Mines and Resources has been giving this matter special attention during the past months, and not to the comments of the Hon. Member opposite—

Mr. Deputy Speaker: Order.

Mr. Fox: There is just no comparison. Without the Minister of Energy, Mines and Resources, there would be no agreement.

Mr. Deputy Speaker: Order. The Hon. Member for Dartmouth-Halifax East (Mr. Forrestall).

[*English*]

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I will be very brief. I wanted to express some appreciation to the Government. I take particular note of the fact that this is just another step in a continuing process which started with the Right Hon. Robert Stanfield, which continued with the Hon. George Isaac Smith when he was Premier of the Province, then with the present Minister for International Trade (Mr. Regan), and in recent years with the Hon. John Buchanan, the present Premier of Nova Scotia. These premiers, together with hundreds of officials, worked diligently to try in a small but very significant way to delineate the areas of jurisdiction and the questions of revenue sharing. This is but another step in that process.

As was pointed out, while the Bill may well be frustrated in the years ahead, nevertheless for Nova Scotians it is a step of some significant note. It is historic in the sense that we now know where we stand. We know now what are the rules of the game and we are prepared to play with those rules.

I suppose it remains only for us to echo our reservations with respect to the back-in provisions. Some of the provisions within the Bill will be deemed to be confiscatory because in fact they are. It was never intended that Nova Scotia would have ownership or control of the feeder lines, the collectors or all pipelines lying offshore. In essence they are the very valuable properties of that section of our life, the private sector which put the dollars into it. The taxpayers have put very little into it.

• (1810)

With that *caveat*, I express my appreciation to the Minister of Energy, Mines and Resources. I am sure the Premier of the Province of Nova Scotia would want us to do that. I extend very particular thanks to the Parliamentary Secretary to the Minister of Energy, Mines and Resources (Mr. Hopkins) and the officials who sat with us today and helped guide us through a very technical and difficult piece of legislation. It is historic. I was pleased to be here and be a part of it. As Nova Scotians, we thank you. Keep your dollars coming.

Mr. Leonard Hopkins (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I simply wish to point out that the Minister of Energy, Mines and Resources (Mr. Chrétien) in no way deserves criticism on this package today. Indeed, he deserves our compliments. The Minister of Energy, Mines and Resources, who directed his staff and who himself participated in the discussions of Bill C-43 and on the Canada-Nova Scotia Agreement on Offshore Oil and Gas Resource Management and Revenue Sharing, was indeed the negotiator with Premier Buchanan of Nova Scotia. With an alliance like the Premier of Nova Scotia and the federal Minister of Energy, Mines and Resources, how could any agreement fail?

I am glad that my Minister gave me the opportunity to pilot this legislation through the House. I appreciate the remarks of the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall), who was elected to this Parliament on the same day I was, for commenting on it. Indeed, it is a very historic day for the Province of Nova Scotia. Our compliments must go to those who put this agreement together and followed up with the legislation. I was not concerned about the comments about this Bill today and the other comments that were made about my Minister, the Minister of Energy, Mines and Resources, because I have faith in his negotiating skills. We have faith in Premier Buchanan. With a team like that, you are going to have a very good piece of legislation for Nova Scotia.

Following on the comments of the Hon. Member for Dartmouth-Halifax East, it is fair to say that this is indeed a very historic day in energy legislation. It is a perfect example of absolute co-operation between the federal Government and one of the provinces. Within this framework we hope that other agreements will come much easier in the future.

I want to thank my colleagues on both sides of the House for their co-operation in getting this Bill through, and to say that we wish Nova Scotia well. We hope that other negotiations between Nova Scotia and the federal Government will be as constructive, useful and as long term. I am sure the Minister would want me to express on his behalf our appreciation to the House for the quick passage of this legislation.

Mr. Pat Nowlan (Annapolis Valley-Hants): Mr. Speaker, I will be even more brief than the other speakers. I certainly appreciate the comments of the Parliamentary Secretary to the Minister of Energy, Mines and Resources (Mr. Hopkins). I want to associate myself completely with the remarks of my colleague, the Hon. Member for Dartmouth-Halifax East (Mr. Forrestall), in what he said about this Bill and the historic note that it has. Finally, after many years of discussion and planning, the officials of both governments put the details into an agreement that is complex, complicated and does go into unchartered waters. We are in a new era. This perhaps establishes the legislative framework in this new era which certainly we in Nova Scotia look forward to with eagerness, anticipation and hope.

With the greatest respect to my colleague from Calgary West, I want to completely disassociate myself with him and his remarks about the absence of the Minister of Energy, Mines and Resources (Mr. Chrétien), who has many things on his mind. Perhaps he had even more on his mind today, if I understand some of the reports correctly. I do not give a darn whether he was here today or not. The fact is, he was the one with the Premier of Nova Scotia, the Hon. John Buchanan, who came together in the agreement of general principle. We have seen the results of it here in the Bill. It illustrates that there can be federal-provincial co-operation. Co-operative federalism is not dead as long as Members look at things constructively in the interest of their constituent parts.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to and Bill read the third time and passed.

* * *

BANK ACT

MEASURE TO AMEND

Hon. Roy MacLaren (Minister of State (Finance)) moved that Bill C-30, An Act to amend the Bank Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Evans: Mr. Speaker, I rise on a point of order. There has been discussion, and the agreement is that the Bill will be referred to a Committee of the Whole, not to a standing committee, and that we will deal with all stages of the Bill tonight.

Mr. Forrestall: Yes, Mr. Speaker, that is the understanding that we have.

Mr. Deans: Mr. Speaker, we also agree.

Mr. Deputy Speaker: Of course, the Chair can only take cognizance of the proposal for unanimous consent once it is put to the Chair. Is there unanimous consent?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: It is so ordered.

Bank Act

Mr. MacLaren: Mr. Speaker, since the Bank Act revisions of 1980, which allowed for the first time foreign bank subsidiaries to become Canadian chartered banks, nearly 60 foreign bank subsidiaries have been incorporated as full members of the Canadian banking community. Under the terms of the 1980 Bank Act, foreign bank subsidiaries are limited to 8 per cent of the total domestic assets of the banking system. The legislation now before the House would raise the domestic asset ceiling on the foreign bank section to 16 per cent.

Experience suggests that the foreign bank subsidiaries have benefited Canadians in a variety of ways, including the provision of a competitive source of medium-size business financing, promotion of export activities and the creation of new employment opportunities. Moreover, the foreign bank sector as a whole is responsible for a substantial inflow of new capital into the Canadian economy. I would add that this is a matter of some urgency since some of the foreign bank subsidiaries now benefiting borrowers are already constrained in their ability to make additional loans.

It has long been a policy of the Government to increase competition in the banking industry. This reflects the fact that a handful of major banks control an overwhelming share of the domestic banking market. Accordingly, the 1980 Bank Act made provision for the entry of foreign bank subsidiaries as a way to increase competition. At the same time, however, the Government was conscious of a need to ensure that control be maintained in such an important sector. As a result, the foreign bank subsidiaries were limited in their share of the domestic market. The 8 per cent domestic asset ceiling is enforced by provisions in the Bank Act that limit the total domestic assets of each subsidiary of a foreign bank to 20 times the deemed authorized capital distributed by the Minister of Finance.

● (1820)

We are a trading nation, dependent to a large degree upon international trade and capital flows for our prosperity. The fact that Canada's largest chartered banks are active internationally is a reflection of that basic fact. The presence of Canadian financial institutions in foreign markets benefits Canadian exporters and serves as an efficient conduit for the international flow of funds. Since Canada has a comparatively small capital market, we require foreign funds to assist us in developing our abundant wealth of natural resources and to create jobs. However, the fact that our domestic banks are active in foreign markets results in demands for reciprocity by foreign Governments. Consequently, the Government feels that it would be advantageous to our long-term interests to ensure that Canadian banks remain active in foreign markets. The measure now before the House will assist in achieving that goal.

When the 8 per cent domestic asset ceiling was implemented, it was envisaged that as the domestic assets of the Canadian banks grew, so too could the domestic assets of the foreign bank subsidiaries. That is, the foreign banks would expand their asset bases, but because the banking system as a whole would be growing, the 8 per cent ceiling would be maintained. However, in late 1982, the banking system began to contract as personal and business borrowers repaid bank debt. Consequently, while foreign bank subsidiaries applied for and were granted increases in their deemed authorized capital as they neared their individual lending limits, there was an increasing risk that the 8 per cent domestic asset ceiling would be reached. As a result, the issue of the domestic asset ceiling and the status of the foreign bank subsidiaries was referred to the Standing Committee on Finance, Trade and Economic Affairs.

The report that was prepared by that Standing Committee was tabled last autumn. It contained a number of unanimous recommendations including a recommendation that the domestic asset ceiling be removed completely. The committee also proposed that the Government undertake a review of all financial institutions. I am pleased to say that this process is already well under way. However, the foreign bank sector remains constrained by the 8 per cent domestic asset ceiling.

In making its recommendation that the ceiling be lifted, the Standing Committee noted that foreign bank subsidiaries have greatly contributed to the development of more competitive practices. This view was voiced by most witnesses who appeared before the committee. In addition, the committee found that the foreign bank subsidiaries have been a source of innovative financing practices and an important catalyst for change. Further, the evidence clearly indicates that the foreign bank sector has become an important and competitive source of funds for medium-sized businesses.

Since the Government's objective in introducing foreign bank subsidiaries into Canada was to promote competition, I am gratified that the committee determined that this goal has been met. As I have noted, the Government's policy is to encourage competition in the banking system. All the available evidence suggests that raising the domestic asset ceiling would benefit Canadians by providing a greater level of competition.

It should be pointed out that some Members are concerned that Canadian non-bank financial institutions are not getting a fair deal from the Government. I can assure them, however, that this is not the case. I have personally been in contact with representatives of such institutions and have held useful discussions with them. Moreover, at the beginning of this year, I established a private-sector advisory committee to assist me in identifying potential policy problems inherent in the changing structure of the financial services industry and examining proposals for change to non-bank financial institution legislation.

The convening of this committee underlines the fact that the Government has no intention of embarking on an *ad hoc* program of legislative change. Rather, it seeks to formulate a reasoned, well balanced approach to important public policy issues. I should like to point out that the Standing Committee explicitly recommended that this review process be undertaken. This has now been done. It is now our intention to respond to the main concern raised by the committee, namely, that the foreign bank subsidiaries be given the opportunity to expand.

The Government's decision to raise rather than remove entirely the domestic asset ceiling reflects the fact that the removal of the ceiling would involve important questions of principle that should be considered in the context of a broader review of financial institution legislation including the decennial Bank Act review. At the same time, however, raising the ceiling to 16 per cent will provide the foreign bank sector with the additional room to expand and to continue serving Canadian borrowers in a manner consistent with the original intent of the Government.

In conclusion, Mr. Speaker, I would ask the House to consider the following facts. First, foreign bank subsidiaries have contributed to the introduction of more competitive banking practices, particularly by providing services to medium-sized businesses. This was the guiding principle which lay behind the 1980 Bank Act revisions. Second, the all-Party Standing Committee unanimously recommended that the domestic asset ceiling be removed completely. Third, while the Government endorses the view that foreign banks have made the Canadian banking system more competitive, the retention of a market share restriction will ensure that Canadian control of the financial system will not be gradually eroded. Finally, the Government has been responsive to the concerns of non-bank financial institutions. The review process now being conducted by my committee will assist us in ensuring that the process of legislative change is conducted in a rational and orderly manner.

It is the Government's view that Bill C-30 will enable the foreign bank sector to continue to serve Canadian borrowers and that Canadians have reason to expect to benefit from its passage. A larger foreign bank sector will make our banking sector less concentrated and should contribute to a business environment more conducive to small and medium-sized enterprises.

Mr. John Gamble (York North): Mr. Speaker, after listening to the rosy prediction just read by the Minister of State for Finance (Mr. MacLaren), it seems that there is no doubt that this Bill should pass, if we are to believe all that we have heard. I have some serious doubts about the comments that were made, however.

For instance, the Minister said that Canada's control of the banking system will not be gradually eroded. In 1980, four years ago, the maximum amount of domestic asset holdings by foreign banking institutions in Canada was 8 per cent. Four years later, it will double to 16 per cent under this Bill. Is that gradual erosion or is that rapid erosion? Did the Minister really say that Canadian control of the banking institutions in this country would not be gradually eroded but would be rapidly eroded? Is there any significance to Canadian control of the banking institutions in this country? If there is, then I think the Government might well look at what it is doing.

There are a number of things about this Bill that bother me. Indeed, in his rather lengthy written speech, the Minister made no reference to those things at all. I am troubled by the fact that the chief reasons for the amendments to the Bank Act of 1980 that was given to the House and the country was that it would permit Canadian banks to engage in activities worldwide. It was indeed a measure of reciprocity. Canadian banks were becoming international with head offices in Canada. If that is the case, where are the reciprocity clauses? We know, for instance, that Canadian banks cannot engage in banking activities in France because the French Government has nationalized the banks in France. Unless our banks wish to become nationalized, they cannot engage in banking activities in that country. Why then are French banks entitled to engage in banking activities in Canada?

I know what the Minister would say in answer to that. He would say that he heard evidence from those who appeared before the Finance Committee indicating that the emergence of foreign banking activities in Canada has created greater competition and the customers of Canadian banks have all benefited from that. I was not present at the hearings of the Standing Committee on Finance. That evidence may indeed have been offered. I do not doubt it for a moment.

However, I will say that there has been in large measure an attraction of foreign banks, carrying on activities in Canada, to the subsidiary businesses of foreign corporations that operate in Canada. Some of these corporations are large and very profitable and the banking profits that can be generated from them would be an asset to the Canadian banking institutions. By and large there has been an attraction, as I have indicated, and a siphoning off of that very profitable banking business which was formerly done exclusive by Canadian banks. It is now done by foreign banks which, through their parent operations in foreign nations, act for the parents of the Canadian subsidiary customers.

● (1830)

There is a matter which has been drawn to our attention which should be dealt with before this Bill is passed. The matter concerns an action by a foreign justice department against a Canadian bank. I am talking, of course, about the U.S. Justice Department and the bank is the Bank of Nova Scotia. Members will know that as a consequence of an investigation into organized crime, the United States Justice Department went to its Grand Jury with evidence that ultimately gave rise to the issuing of subpoenas for material which was in the hands of a U.S. branch of the Bank of Nova Scotia. That branch had been used by a customer to dispatch funds to another branch of the Bank of Nova Scotia in the Cayman Islands. The suspicion of the U.S. Department of Justice was to the effect that the funds were derived as a consequence of illegal activities in the United States and, more particularly, the offensive and horrendous drug trade activities in the U.S.

The laws of Cayman would apparently preclude the release of information which was in the hands of the Bank of Nova Scotia through its branch on the island. The U.S. Justice Department employed the tactic of pressuring the Bank of Nova Scotia, through its U.S. branch, to provide information to it which it did not have at its disposal and could only obtain through the branch in the Cayman Islands.

In order to obtain that information in a third jurisdiction, it was necessary to approach the Government of the Cayman Islands with evidence of the illegal nature of the activities which gave rise to the transfer of those funds. The U.S. Justice Department refused to do so and its officials said that under their laws, because the issue had first been presented to the Grand Jury, it was contrary to the rules of evidence to admit to the scrutiny of a foreign country the nature of the evidence before the Grand Jury had ruled on it. That is all very well. It would then appear in law that the U.S. Justice Department was precluded from exercising its ordinary rights to obtain that vital piece of information from the Cayman Islands.

However, they decided to proceed in a devious fashion. They decided that they would oblige the Bank of Nova Scotia to release the information to them on penalty of a substantial daily fine. Of course, that fine would ultimately be paid out of the revenues of the bank. They are asking a Canadian bank to breach the laws of confidentiality in a third foreign country on penalty of a substantial fine every day that the information is not made available. It has made a determined effort not to follow the normal course that is available to the U.S. Justice Department of going to the Government of Cayman and releasing the information, which would then give rise to a proper release of whatever information the branch of the Bank of Nova Scotia happens to have on the Cayman Islands.

The U.S. Government has made a mistake and it is trying to make a Canadian bank pay for it. I believe that that kind of issue should have been resolved before this Bill was brought before the House. We rarely get an opportunity to have any direct influence from this House of Commons on the way in which our nationals, be they individuals or corporations, are treated in foreign countries. The Government allegedly looks after Canadian citizens and corporations. Sometimes it does that in a rather slipshod fashion. It is in this House that we might well have delayed the passage of this Bill until we had an undertaking by the U.S. Government to proceed in the proper fashion and not badger and fine excessively a Canadian banking corporation which, if it follows the demands which have been made upon it, will be subject to criminal proceedings in a third country.

In making these comments, under no circumstances do I wish anyone to interpret my remarks as being some kind of condonation or protection for illegal activities. However, there is a way to obtain the information in a very proper legal fashion. Certain governments fail to take the steps required in order to obtain what they say they need and then use the clout of a fine against a Canadian bank to get indirectly what they cannot obtain directly. It should have been the duty of this House and its Members to speak out with respect to this issue before the Bill was brought before the House. I regret the fact that that has not been done.

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I am very pleased to have an opportunity to say a few words about Bill C-30, and Act to amend the Bank Act, particularly when we consider that Canadian home owners today are being driven to the wall, that the Canadian farming sector is experiencing probably the most difficult time since the 1930s, and that the small business sector is debating whether it is time to walk away from its operations and declare receivership or bankruptcy.

It is a very tough situation. Canadians are expecting action from this Government on a regular basis. That action is not forthcoming. However, there are certain groups which are receiving some attention by this Government. We are discussing one of those groups at the moment—the foreign banks which operate in Canada.

Almost 60 foreign banks have asked for a very special concession. They have said that we ought to break with tradtion and freeze the Bank Act in this country for ten years in order to bring some stability into the banking system of Canada. The foreign banks have asked the Government to change this precedent. They have asked for a special concession. The 58 foreign banks from Japan, Korea, Israel, Greece and France which are operating in Canada, want a special concession from the Government. The Government is allowing that special concession.

The Government is ignoring Canadian small businesses. It is ignoring the fishing sector, the forest sector and the mortgage holders of Canada. The Government is ignoring the average Canadian individual who wants to borrow from the bank. However, when it comes to foreign banks, the Government feels that they ought to receive special treatment. That is what Bill C-30 gives—special treatment to the handful of foreign banks which are operating in Canada. I think it is a very black day when the Government considers this to be a priority item. It brings this legislation forward in the closing minutes of this Parliament. The Government considers this to be a priority item and it wants the House to pass this particular Bill. The assumption was, in terms of the government's explanation, that these banks provide a great deal of competition. Having 58 foreign banks operating in Canada with a greater amount of flexibility in terms of their banking operations, and with more of the banking action available to them, the Government says is going to help the small business people. But when one looks at the facts, they indicate something totally different.

• (1840)

The foreign banks have come into this country, almost falling over themselves, since 1980, getting into position to cream off the corporate loans of Canada. After all, when one considers that the overwhelming majority of these banks are located in three cities, Montreal, Toronto and Vancouver, and the overwhelming majority of them is in one single province, and when one considers that for all intents and purposes there are no branch offices at all, one cannot help but see that it is impossible for the foreign banks in their present state to offer much of a service to the small business sector and to the consumers of Canada. Yet these banks say, "Oh, yes, we are interested in helping the small borrower". However, when one looks at the size of their loan portfolios, one finds that loans in the $5 million to $25 million range account for 44 per cent of the foreign banking action, whereas with respect to domestic

banks, only 16 per cent of their total banking action are the $5 million to $25 million accounts. What about the loans under $1 million? The foreign banks have 6 per cent in that particular category, whereas the domestic banks have 28 per cent. It is perfectly clear from the data available, Mr. Speaker, that the service to the small business sector is simply not there. Of the assets of foreign banks, 70 per cent has been loaned to corporations with yearly revenues in excess of $80 million. This is not where we need help today, Mr. Speaker. This is not the sector which requires special consideration. We are saying that if the foreign banks want to expand their operations in this country, if they want special consideration in order to benefit themselves, they ought to indicate a little more clearly that they are here to assist those people who need help these days, namely, the consumers and the small business sector.

Out of the House of Commons report on foreign banks came a set of eight recommendations. It was agreed upon by the Finance Committee that some changes ought to be required, but the Government chose to focus on only a single recommendation. We have not not heard clearly about the whole set of other recommendations which came out of that particular analysis, Mr. Speaker. Quite frankly, I feel it is a little arrogant of the Government to say, "This is the kind of approach we are going to take. We are going to ignore seven recommendations out of eight and, by and large, focus on the one which is going to provide special assistance to the foreign bank". The institutions most likely to be hurt by this Bill are going to be the small Canadian owned banks which are today struggling against the oligopolistic role which the "big five" have in our country, and one can see that they are also going to to be up against the 19 American banks, the two Israeli banks or the seven Japanese banks, and now with this Bill there will be another seven or eight Arab banks and a number of other banks coming in. When we look at the smaller banks such as the Mercantile, the Canadian Commercial or the Northland, we can see that these banks are going to be up against some very special competition, and the Royal Bank of Canada and the Bank of Montreal are not even going to notice these new banks in place.

What we are going to see as a result of this move is a widespread closing of branch offices across this country, branch offices which exist in small communities and in the rural areas of Canada. These are the banks which are available to the small business people and to the general public. We are suggesting in this Bill that we now bring more of the foreign banks into Canada. The existing cross-subsidization which exists with the larger banks, which enable them to keep open a number of money-losing branches, simply will not be there any longer, Mr. Speaker.

I cannot, for the life of me, see how this Bill is going to benefit Canadians by allowing more foreign involvement in our particular economy. I suspect it is certainly going to result in a greater outflow of banking profits from this country. There have already been concerns raised because of the expanding role of Canadian banks overseas, that certain funds will be moved out of Canada to take advantage of those overseas opportunities. What I feel is worse than that, Mr. Speaker, is that the profits from these 58 foreign banks, of course, are naturally going to be going back home, to the United States, to Japan or into the European banking system.

The foreign banks would also be less likely to assist in the pursuit of national goals such as the promotion of Canadian exports. Indeed, country lending limits imposed by the parent bank, whether that country be the U.K. or West Germany, could actually hinder the banking subsidiary operating in Canada from financing the sale of Canadian goods to one of the many financially hard-pressed developing countries.

What we are suggesting, then, is that at a time when we should be asking our banks to work with us in pursuing certain goals as a nation, goals which would see the economy revived and some direction in terms of economic development and investment, we are asking our friendly foreigners to join with us in this endeavour. We are asking them to act against their own set of priorities.

I am very concerned about this particular Bill and I am concerned that it is being brought forward in this particular fashion. I am concerned that it is not going to assist us in terms of providing greater competition, although the challenge will now be there. I believe that, as we work toward the next major change to the Bank Act, because of the fact that this concession has been given to the foreign banks by the Government, the foreign banks in the months and years ahead will have to indicate to the Government very clearly that a major portion of their loan portfolio has been moved into the small business sector and that a major part of their banking business has been done in co-operation with credit unions or other financial institutions. We are really tossing the ball now, Mr. Speaker, into the court of the foreign banks and saying to them, "Now that we have allowed you to increase your roll from an 8 per cent to a 16 per cent ceiling, we want to see some benefit accruing to the average Canadian citizen and to the small business community."

In closing, Mr. Speaker, I want to say that we are very concerned about the nature of this particular Bill. We stand unconvinced that it is in the best interests of our country or that Canadians are going to benefit. As a matter of fact, from some of the points which have been made, Mr. Speaker, we are convinced that the net result will be a loss to Canadians, that in fact the existing level of the banking and financial services will deteriorate as a result of the so-called competition which these additional 58 banks—and likely to be more—will offer the people of Canada. So we will be opposing this particular Bill with some enthusiasm.

Mr. Bill Kempling (Burlington): Mr. Speaker, contrary to the previous speaker, I must say that I support this Bill wholeheartedly. I believe the more competition which we can get in our banking service and banking facilities, the better off we are going to be. We are a trading nation. Exports are more important to us than probably to any other nation of our size. I believe the Schedule "B" banks, with additional capital, will help us with some of that export financing.

• (1850)

The subject matter of Bill C-30 was before the Standing Committee on Finance, Trade and Economic Affairs several weeks ago and, after hearing from witnesses that included the Inspector General of Banks, representatives from the Schedule "B" banks and representatives from the Trust Companies Association, the committee unanimously recommended that Schedule "B" banks be allowed to increase their capital base in their operations in Canada. As you are aware, the present Act limits the assets of Schedule "B" banks to 8 per cent of the total domestic assets of Canadian banks, as shown on a schedule prepared at the time that provision was enacted. The committee recommended that the 8 per cent limit specified in the legislation be lifted. This recommendation was based on the advice of the Inspector General of Banks that adequate control could be exercised by monitoring the deemed authorized capital of the Schedule "B" banks. However, when the Bill came through, it did not follow the recommendation but it raised the limit from 8 per cent to 16 per cent of the total domestic assets of all banks in Canada. That is the matter we are dealing with today.

We, of course, support Bill C-30 notwithstanding representations made to the committee. I understand the Canadian Bankers' Association supports the Bill, but some members of the CBA are not happy with it and would like to see this Act used as a lever against certain governments which will not grant reciprocal arrangements to our banks. There is another matter of the extra-territorial application of the law of a country against a Canadian bank where its court levied substantial fines for non-compliance. I understand that both these matters are the subject of discussion at a ministerial level and a resolution may be forthcoming. The request of the trust companies association was more direct. In effect they asked that we not pass this Bill until we have dealt with the trust companies, insurance companies and other financial institutions.

The Minister of State for Finance (Mr. MacLaren) has set in motion a committee of representatives from trust companies, insurance companies and other financial institutions to get their recommendations as to where they should fit in a new expanded picture of financial services. Certainly they want to broaden their base of operations to utilize their substantial cash flows. Some would alter their base so as not to be so dependent on one service. I agree that we should await the report and have discussion with the provinces so as to prevent the sort of jungle that was developing in the trust industry through unclear jurisdiction between federally and provincially chartered trust companies. Certainly there is a need to overhaul the legislation covering trust companies, insurance companies and other financial institutions. But while we want to see this matter dealt with on an urgent basis, we did not feel we should hold back this matter until we could deal with that larger question.

We are constantly being told that we must find a solution to higher interest rates. Perhaps competition is the best solution. We noted, when the trust companies ran mortgage rates up to 21 per cent and locked in the mortgages with unreasonable penalties for prepayment, that our chartered banks found themselves very liquid because of a low level of demand of commercial loans. They moved into the mortgage field, and the rates came tumbling down. The trust companies followed the bank led mortgage rates down the scale until housing starts increased and the sluggish real estate market came alive.

Perhaps what we are doing here today will have a ripple effect and with more money available in the market-place the rates may modify. Of course, the one action that may defeat this is if the Government of Canada moves to take a larger piece of the money market. In the past year it took about 75 per cent of the money available in the commercial market, thus making it difficult for those businesses which need term money to find adequate sources. It is plain for anyone to see that we need a more active equity market. Most of our businesses have equity problems. Many have serious cash flow difficulties as they adjust to the regime of low inventories on hand and "just-in-time" suppliers. We wish to co-operate and pass this Bill through all stages so that we may send it to the Senate which we hope will deal with it on a priority basis.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, it is my intention to speak fairly briefly on this matter in support of Bill C-30 to amend the Bank Act. I am certainly in general agreement with the idea that foreign banks be allowed to operate in Canada. Since we started this experiment some years ago with an initial 8 per cent ceiling, the experience has been good on balance. It has added competition in the banking field, of which I would like to give you a couple of illustrations.

The first that comes to mind is in the market for municipal loans. I know one or two municipalities in my area which wanted to borrow money but were not able to do so at competitive rates from the Canadian chartered banks. However, they were able to do so from foreign banks which were looking for customers and very interested in this particular market. Another example, on a geographic basis this time, is the market for loans to people in the oil and gas field, not necessarily the big operators, the Essos and the Domes—although some of the people who lent money to Dome will have wished they had not—however, the people in the shipping and other businesses ancillary to oil and gas exploration and production. When the National Energy Program killed the oil and gas business generally in western Canada, the banks, the headquarters or the regional offices of which were in Calgary, automatically came up with the idea that they were not to make loans to people who were dependent on the oil and gas industry because that industry was pretty sick as the result of Liberal Government policy. However, in the Beaufort Sea the opposite was happening. There the exploration business was booming, so to speak. But the operators there found themselves caught up in the same net because the banks with which they dealt had their offices in Calgary where things were going badly. A number of people and businesses in that area were unable to borrow money from the Canadian banks at reasonable rates, if at all, but they were able to borrow money from the foreign banks.

These are two illustrations of how the presence of foreign banks in the Canadian lending market can be an advantage to Canadian municipal taxpayers on the one hand and small and medium-sized businessmen on the other. I do not know where the 8 per cent limit came from. It was probably a compromise between 5 per cent and 10 per cent. I do not know where the 16 per cent comes from in this Bill but it seems to me to be a reasonable figure. I do not know why it is 16 per cent rather than 15 per cent or 17 per cent or 18 per cent. Perhaps that can be explained to us. But it would seem to be a reasonable figure. Recommendations have been made that there be no restrictions on them, that foreign banks be allowed to do as much business as they can get without any restrictions. I think it is prudent of us at the present time to continue with the experiment, so to speak, and raise that ceiling. However, we should have some ceiling there for the time being. Perhaps in a few years we could review the situation again and elevate the ceiling or remove it in its entirety.

• (1900)

Others have argued that there should be no restrictions. I have some doubts about that. Although the amount of lending which can be done and the amount of assets which a foreign bank can hold are controlled, I do not think we have quite as much control over a foreign subsidiary as we do over a Canadian bank. I am going to argue this in reverse order. A few years ago in the halcyon days the banks were making a lot of money and lending money to Third World nations. That was the business to be in. That was where the big profits were in banking. I remember the Canadian banks coming to the standing committee and arguing that the reserve requirements imposed upon them should be removed or reduced in respect of loans which Canadian banks were making overseas. When you start reducing the reserves which a bank is required to hold in respect of loans it has made, you are getting on shaky ground. Everyone knows that any system of fractional reserve banking is inherently insolvent. It is incumbent upon governments to prescribe certain mandatory reserves in respect of loans which have been made.

I suspect that the arguments which were made by Canadian banks at that time may well have come back to haunt them, because a lot of the loans that were made offshore prove to be of doubtful value today. The same argument which was used at that time by Canadian banks in their efforts to enhance their profitability overseas has probably been made by foreign banks in their country of origin. In certain circumstances there is a likelihood that foreign banks may be more shaky than our Canadian banks. To a certain extent we must protect the interest of Canadians who make deposits in these banks.

In view of the time and the amount of further business which the House has to do this evening, I think those are the main points which I would like to make. Although there are one or two small additional ones that I would like to make. I listened with interest to the remarks made by the Hon. Member for Kamloops-Shuswap (Mr. Riis). He was presenting the official NDP position. However, I hope that he was really trying to encourage the foreign banks to be more competitive and to stay honest. I hope that was the intent of what he was saying.

In conclusion, I would like to register some concern about a matter which has already been alluded to by the Hon. Member for York North (Mr. Gamble) with regard to banks from countries which do not allow Canadian banks to operate in their countries. There ought to be reciprocity. If we allow banks from another country to operate in Canada, they ought to allow our banks to operate in their country. One of the biggest bugbears here is France. France will not allow our banks to operate in their country, but presumably we allow French banks to operate in Canada. I would encourage the Government, through the Department of External Affairs, to try to get agreements with countries whose banks we allow to operate in Canada so that they will allow our banks to operate in their country.

The Acting Speaker (Mr. Guilbault): Are there any questions or comments? The Hon. Member for Prince Albert (Mr. Hovdebo) on debate.

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, I am pleased to be able to say a few words on this Bill which is to accommodate foreign banks. In this session we passed the Bank Act which allows foreign banks to work in Canada to the extent of 8 per cent of the Canadian market. A couple of years later a number of banks are close to reaching this level and we are suddenly going to accommodate them.

I have heard Members on both sides of the House talk about how much they abhor the control of the economy which foreign corporations have. If they could possibly get rid of it they would like to do so. Foreign business and financial institutions have such a hold on the country that the Minister of Finance (Mr. Lalonde) admits daily that we are unable to do anything about the interest rates. Does the Government think that by adding foreign banks and increasing their control of the country we are going to improve that situation? At the moment, every time profits are made by a corporation in Canada they are either sent out of the country or used to buy up more of the country. Does the Government think that by increasing the amount of investment by foreign banks in the country and allowing them to get a greater control of the financial structure we will improve the situation?

Instead of giving foreign banks extra control over the economy, we should be giving the Government the structure to allow it to take much more control of the economy than the Minister of Finance suggests it is able to take at present. These foreign banks have suddenly decided that Canada is a very lucrative market which they can enter with very little investment. They can move their money in here and maintain one office to supply other banks or only large business corporations. As my colleague pointed out, we know that 70 per cent of the assets of foreign banks in Canada has been lent to corporations with yearly revenues in excess of $80 million. They are obviously going for the lucrative and large markets. That is not going to help the man on the street.

Canadian banks are in support of accepting foreign banks into the market. They have told us that they want this. They support this move because the "big five" are not really worried about this little bit of competition. It will give them a lever for investing in other countries. I suggest that we should perhaps study this. Is the ability of our so-called Canadian banks to invest in foreign countries going to help our economy? Is it going to put the man on the street to work? Will it help the unemployment situation at all? We are ignoring the basic requirements that would help the economy of this country and would make a difference to the man on the street. Instead, the Government and the Opposition are accommodating the large banks in Canada and the foreign banks, which really cannot be expected to make decisions that are in the best interest of Canadians. Consequently, we are opposed to this Bill and would rather not see it come forward. It does give an indication of the priority which the Official Opposition and the Government gives to the financial institutions of Canada which are in the process of selling us out to foreign countries as much as possible and will continue to do so.

• (1910)

Canadians must consider a government which will move away from large financial institutions. Perhaps that will be the issue in the next election; large corporations against the people. The Official Opposition and the Government will be led by leaders whose real responsibility is not to the people of Canada but to the large corporations in Canada that are closely connected to the foreign banks. It has been shown here this evening that both of those Parties support the take-over of Canada by foreign interests.

The Acting Speaker (Mr. Guilbault): Questions or comments? Debate. Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Guilbault): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Guilbault in the chair.

Clause 1 agreed to.

Title agreed to.

The Assistant Deputy Chairman: Shall the Bill carry?

Some Hon. Members: Carried.

Bill reported.

Mr. MacLaren moved that the Bill be concurred in.

Motion agreed to.

Mr. MacLaren moved that the Bill be read the third time and do pass.

Motion agreed to on division, Bill read the third time and passed.

Mr. Evans: Mr. Speaker, I rise on a point of order. There was a disposition to move forward now with Bill C-24, but it appears that the report has not yet come down. Rather than begin now with Bill C-36, which is the other business we were to deal with tonight, I suggest that the House recess to the call of the Chair until the report is available to be tabled in the House by the chairman of the committee. I understand that that will be at approximately 7.30 p.m. Perhaps the House could take a 15-minute recess until the report is available for tabling.

Mr. Hnatyshyn: Mr. Speaker, I very much appreciate that kind offer of the Parliamentary Secretary. We are anxious to deal with these matters. Bill C-24 is an important Bill.

I think the staff deserves a 15-minute break. They have been working very hard over a period of time and I appreciate that offer.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent that the House recess to the call of the Chair?

Mr. Evans: Mr. Speaker, it is my estimation that the report will be available at 7.30. Perhaps we could recess to the call of the Chair and agree that there would be a five-minute bell to call Members back to the House at the time the report is prepared.

The Acting Speaker (Mr. Guilbault): Is there consent for a five-minute bell?

Mr. Cook: No, there is not consent to a five-minute bell. Rather than a five-minute bell, I would suggest that we bring the House back at eight o'clock.

Mr. Hovdebo: Mr. Speaker, I rise on a point of order. The point I wish to make is that if you ring the bell for five minutes everyone will think they will be coming back for a vote. Why do we not just agree to return at 7.30 and let it go at that?

Mr. Hnatyshyn: Mr. Speaker, I think there is probably a consensus developing that if you were to return to the chair at a certain time and we would agree to a specific time, that is, 15 minutes hence, which would make it 7.32 p.m., the House will reconvene at that precise moment and we will try to get the word to those who are participating to be here. I think you would find agreement to that.

The Acting Speaker (Mr. Guilbault): Is there agreement to this last proposal?

Some Hon. Members: Agreed.

SITTING SUSPENDED

At 7.17 p.m., the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 7.36 p.m.

Mr. Evans: Mr. Speaker, I think there is a disposition or unanimous consent to revert to the tabling of reports of standing and special committees and to recognize the Hon. Member for Ottawa-Vanier (Mr. Gauthier).

The Acting Speaker (Mr. Guilbault): Is there unanimous consent to revert to the presentation of reports?

Some Hon. Members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

MISCELLANEOUS ESTIMATES

PRESENTATION OF FIRST REPORT OF STANDING COMMITTEE

Mr. Jean-Robert Gauthier (Ottawa-Vanier): Mr. Speaker, I have the honour to present the first report of the Standing Committee on Miscellaneous Estimates. Also I would like to table evidence on Bill C-24 with this report, as agreed.

Mr. Evans: Mr. Speaker, contrary to normal procedure, if you would seek unanimous consent, you would find that there is unanimous consent for us to receive the report now and to proceed with report stage and third reading of this Bill at this sitting tonight.

The Acting Speaker (Mr. Guilbault): Is there unanimous consent for the proposal just enunciated by the Parliamentary Secretary?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

FINANCIAL ADMINISTRATION ACT

MEASURE TO AMEND

Hon. Herb Gray (President of the Treasury Board) moved that Bill C-24, an Act to amend the Financial Administration Act in relation to Crown corporations and to amend other Acts in consequence thereof, as reported (with amendments) from the Standing Committee on Miscellaneous Estimates, be concurred in.

Motion agreed to.

The Acting Speaker (Mr. Guilbault): When shall the Bill be read the third time?

Mr. Hnatyshyn: By leave, now.

Mr. Gray moved that the Bill be read the third time and do pass.

He said: Mr. Speaker, it gives me great pleasure to take part in the debate on third reading of Bill C-24 and to speak briefly about a Bill which has been changed through amendments that were worked out through the efforts of members of all Parties. Because of this agreement, it is clear that this Bill will be adopted by the time the House adjourns tomorrow.

The Bill, as amended, speaks highly indeed of what can be the effectiveness of our parliamentary process, especially committee stage, and of a willingness on the part of the Government, the Official Opposition and other Hon. Members to consider carefully and respond to the views expressed about the Bill, including those of witnesses at the committee and key people such as the Auditor General, those in the business community, the arts community and other interested groups like the Canadian Institute of Chartered Accountants.

● (1940)

[*Translation*]

Mr. Speaker, the Government and the Opposition have worked together to make a practical and effective Bill, a Bill of which all Members may be proud. Our joint efforts in the course of this parliamentary process will result in the first major and successful update in more than thirty years of the legal framework that provides for control and accountability with respect to Crown corporations. That is no small achievement.

The purpose of Bill C-24 is to clarify the roles and responsibilities of the corporations' chief executive officers and boards of directors, of Ministers, the Government and Parliament, and to establish this updated legal framework for control and accountability of Crown corporations. Mr. Speaker, the Bill, including the amendments on which agreement was reached in committee, will provide that framework. I would now like to highlight very briefly the main amendments that were made.

[*English*]

There has been much discussion about the inclusion of the cultural corporations in the legislation in its original form. One of the major concerns expressed has been that from the point of view of the arts community, the legislation appeared to give too much authority over program priorities of the cultural corporations. Therefore, in response to these concerns, the Canada Council, the Canadian Broadcasting Corporation, the National Arts Centre and the Canadian Film Development Corporation will not be covered by this Bill. It is the Government's intention to clarify its accountability framework for them and other cultural corporations, where necessary, through separate legislative measures.

In drafting this Bill, we intended that it would be binding on the Crown, and we obtained the view of the Department of

Justice that this was the case. However, the Bill as amended will eliminate any uncertainty in this regard.

In view of the concern expressed about the special motion procedure for creating parent Crown corporations set forth in the original version of this Bill, the Bill as amended will provide that all parent Crown corporations would be created through Acts of Parliament, subject, of course, to the rules of the House. In this connection, it has been agreed that the Bill as amended would remove those provisions in certain pieces of existing legislation which allow a Minister to create Crown corporations, with the exception of the Atlantic Fisheries Restructuring Act and the Canada Ports Corporation Act, two Acts only recently adopted by Parliament. This change responds to a concern of the Auditor General.

It has always been the Government's contention through this Bill to have a strengthened role for the boards of directors of our Crown corporations and to set out clearly how they and the senior officers would be appointed and held accountable for the corporations' conduct of their affairs. In order to clarify this intention, the Bill as amended would provide that the Board of Directors would be appointed by the appropriate Minister with the approval of the Governor in Council. The chairman and the chief executive officer would be appointed by the Governor in Council, but only after the board of directors has been consulted by the appropriate Minister. Additionally, the Canada Post Corporation Act would be amended so that vice-presidents of that organization as well would be appointed by its board of directors.

The Bill as amended will provide that henceforth for all new parent Crown corporations, all officer appointments other than chairman and chief executive officers would be made by the board of directors. As well, the appropriate Minister, representing the sole shareholder, would be responsible for the appointment and removal of all non-officer directors, subject to the approval of the Governor in Council. Furthermore, wording has been added to the Bill to specify sanctions for wilful neglect of duties by corporation officers.

Concerns were expressed about the role given to Ministers in the version of the Bill originally presented to this House. To respond to these concerns, a statement has been inserted in the Bill, the one that appears in the current Financial Administration Act that, "each crown corporation is ultimately accountable through the appropriate Minister to Parliament for the conduct of the affairs of the corporation." This amendment responds to another concern raised by the Auditor General.

Still another concern of the Auditor General was with respect to the criteria for the scheduling of the various Crown corporations. As a result, the Bill has been amended to provide that Crown corporations would be scheduled in Part II of Schedule C only if, in the opinion of the Governor in Council, they operate in a manner generally independent of operating appropriations and in a competitive commercial environment. A section will be added which will state that no corporation can be added to Part I or Part II unless, in the opinion of the Governor in Council, that corporation would not more appropriately be placed in Schedule B.

The Bill has been amended to respond to concerns expressed by the Canadian Institute of Chartered Accountants. First, we have deleted from the Bill all provisions that would allow Treasury Board to authorize departures from the generally accepted accounting principles in the preparation of the financial statements of Crown corporations. Second, the auditor of a Crown corporation now would be granted qualified privilege similar to that provided by Section 166 of the Canada Business Corporations Act so that he or she would be protected from liability in respect of statements made fairly in the discharge of his or her duties. The auditor's report would be addressed to the appropriate Minister and it would include separate opinions on both financial and non-financial information.

In addition to the changes in the Bill that I have just highlighted, it has been changed by a number of other amendments of a technical nature which obviously the House would not expect me to describe in detail at this point in time.

To conclude, I would like to extend my thanks to all Members in the House who have participated in the debate on this Bill and in the development of amendments to turn it into what I believe Members of the House will agree is a very good piece of legislation. I would like to particularly extend my thanks to the Hon. Member for Calgary South (Mr. Thomson), chief spokesperson on Crown corporation policy for the Official Opposition. He has spoken out consistently and forcefully for an effective and workable Bill.

I want to recognize again the efforts of the Hon. Member for Algoma (Mr. Foster), my Parliamentary Secretary. The agreement on the amendments to the Bill and the working out of an agreement for a short time frame for its passage is to a large part a result of the efforts of these two Members. It shows the kind of co-operative activity that can be found in this House when it is operating at its best.

I want to again recognize the co-operative spirit in which the Official Opposition and other Members of this House have approached the matters of amendments and of the allocation of time to enable the Bill to pass before the House adjourns tomorrow. This Bill will put in place for the benefit of all Canadians an effective new framework for the control and accountability of these important corporate instruments of public policy. I commend this Bill to this House for its support in the interest of good administration of our Crown corporations and the over-all public interest.

● (1950)

Mr. John Thomson (Calgary South): Mr. Speaker, I thank the Minister for his kind remarks. I rise to speak this evening on Bill C-24 as amended with mixed emotions. This will almost certainly be my last speech in the House of Commons before returning to private life. I must admit to a sense of satisfaction tinged with irony that my last speech will relate to this Crown corporations Bill.

I have spent a great deal of time and energy over the past year studying the subject of Crown corporations in my capacity of co-chairman of our Party task force on Crown corporations. I shared the chairmanship of that task force with

Senator Bill Kelly and we spent the last nine months studying most of the aspects of Crown corporations and how our new Government should address the problem.

Indeed, it is a major problem with which we must deal. After all, we are today talking about over 300 Crown corporations with assets in the neighbourhood of $70 billion and liabilities in the neighbourhood of $80 billion. They cost the taxpayers somewhere between $5 billion and $10 billion a year. It is a major problem, one with which this Government and our previous Government lived for the last ten years. I suppose we have lived with the problem for longer than that, but the problem has grown and certainly the number of dollars involved has increased over the last ten years.

Some of my colleagues know that I have often been frustrated and disenchanted with the role of back-bench Member of Parliament, frustrated and disenchanted with the lack of impact a Member can have on the issues that come before this House, whether they be great or small. I have learned to appreciate the wisdom of a gentleman by the name of Walter Bagehot who wrote in 1867 that a Member of Parliament must sacrifice not only his time, his labour and his money to be a Member of Parliament, but perhaps the greatest sacrifice of all is the sacrifice of his mind. I am therefore pleased to note that my colleagues and I on this side of the House at least played a major role in the improvement of Bill C-24 from the state it was in when it was initially introduced. After long and arduous discussions and negotiations, we on this side of the House proposed roughly 100 amendments, many of which were accepted by the Government and now form a part of the Bill that is before us.

One of the major amendments we were able to have accepted was the removal of clauses that would have allowed the Government to continue to set up new Crown corporations with little or no control by Parliament. We were able to enhance and clarify the role of the individual Minister. We took a significant step forward in creating ministerial accountability. After all, ministerial accountability is one of the key factors in coming to grips with the accountability of Crown corporations. We were also able to increase the amount and quality of information provided to Parliament.

Another important amendment attained by the Conservative Party was the protection for the unique and historic independence of our cultural organizations. The Canada Council, the NAC, the CBC and the Canadian Film Development Corporation will no longer fall under the jurisdiction of the legislation amended by Bill C-24. Since 1979, the Progressive Conservative Party has supported the concept of a separate cultural agencies Act, an Act which would set cultural agencies entirely apart from other Crown corporations. In his statement agreeing to exempt the cultural corporations, the President of the Treasury Board (Mr. Gray) has committed the Government to that concept.

I am gratified that we were able to have that impact on the Bill, and the impact of the many other amendments which were reflected in the legislation. I only regret that we did not have time to do more, and that we were not allowed to have the same impact on the majority of Bills that came before this House, including many of the Bills with which I have been associated since I have been a Member of this House of Commons. It is reassuring to know that every once in awhile, the House of Commons does in fact work.

Do not misunderstand me. This is an imperfect Bill. I suppose one could say that to find a perfect Bill in an imperfect world is beyond human capacity. Nevertheless, this is an imperfect Bill. It goes only part way toward addressing the serious problems that have bedevilled Crown corporations. The process by which the Bill was prepared certainly left a lot to be desired.

As we look back over the last decade, we see a host of scandals in which Crown corporations were involved. We have seen studies done *ad nauseam* about what to do with Crown corporations. There have been royal commissions, commissions of inquiry, white papers, blue papers and previous Bills all the way back to 1972. Yet I must condemn the Government for waiting for over ten years until the dying days of this Parliament, and very likely the dying days of this Government, to table this complex and very difficult Bill. After waiting for ten years, the Government asks for passage of the Bill in only two months.

In my short time in public life and, as a matter of fact, in my private life as well, I must say that I have never seen anything in such a state of shambles as this Bill was when it came before the committee after second reading. The final package of amendments reviewed by the committee was almost two inches thick. Right up until the last moment, the Government was bringing in housekeeping, technical and other amendments. The last minute changes were so extensive that I understood it would take three days to print the Bill. It is a miracle that it could be printed in three days.

In its haste to move the Bill forward, the Government apparently tried to intimidate Crown corporations into not airing publicly their problems with the Bill and not appearing before the Parliamentary Committee.

Mr. Beatty: Francis Fox gave the orders too.

Mr. Thomson: As I said, this is an imperfect Bill. It is a far cry from what we on this side think is necessary.

I am afraid to say that Bill C-24 will, I believe, cause a further bureaucratization of Crown corporations, something which I do not think is in the best interests of our attempt to bring Crown corporations under control. The Bill does not go far enough in so far as describing the role of the board of directors. I happen to believe that the board of directors has a very, very vital role to play in the control and management of Crown corporations. If they are not given anything to do, if they are not part of the chain of accountability, from the chief executive officer to the board of directors to the Minister, and if they are not allowed to function in a manner in which they can financially control that corporation, they will not be able to respect their position of responsibility.

• (2000)

However, improvements have been made. While many of those changes are worthwhile, the Bill still confuses and obscures ministerial responsibility for Crown corporations. It confuses what the Lambert Commission referred to as the vital chain of accountability to Parliament. I am afraid that this legislation ignores many of the issues which we think Crown corporation legislation should address.

One of the most vital issues which is not addressed in the legislation—and I hope that a future Progressive Conservative government will come to grips with it—is the appointment of a chief executive officer. As long as the chief executive officer's appointment process is retained as a Prime Ministerial prerogative, instead of being an appointment which is made by the board of directors, the chief executive officer will never be accountable to the board of directors and the board of directors will never be able to hold that chief executive officer accountable. When that chain of accountability is broken, we cannot expect to receive the measure of control which I believe is necessary to protect Canadian taxpayers.

As well, the complex and contentious subject of privileges and immunities which are enjoyed by Crown corporations has not been dealt with.

Another very serious problem which I feel most strongly about is the creation of a standing committee of this House—I would prefer it to be a joint committee of the Senate and the House of Commons—to deal specifically with the subject of Crown corporations. As I said earlier when introducing my remarks, the area of Crown corporations is a huge one within the federal Government's domain. The standing committees of this House simply do not have the time to deal with the review of mandates of Crown corporations on a continuing basis. Crown corporations must have a review of their annual reports, operating plans, capital budgets and corporate plans. It is an immense undertaking for Parliament to monitor Crown corporations. There simply is not enough time for the existing standing committees to do that. If this Parliament is going to offer a measure of control on behalf of Canadian taxpayers, I feel very strongly that a standing committee of the House should be created.

With all the deficiencies in the Bill which I have indicated, why have we decided to let the Bill go through? The decision was certainly not easy. Many of my colleagues are still less than enthusiastic about the passage of this legislation in its present form. In so far as I am concerned, I had a good many anguished moments in committee and have had anguished moments since that time. We will pass this Bill because we realize that it is impractical to expect anything better at this time from this Government. It is impractical to think that it could prepare alternative legislation within the time it has left.

Second, much of what is good about this Bill stems from many of the initiatives which my colleagues and myself have taken on this side of the House. We were reluctant to see all of our efforts go for nothing.

Third, we did not want to send to Crown corporations another message after all these years that the passage of any Crown corporation legislation by Parliament was not possible. We did not want to confirm the impression that Crown corporations can sit in isolation, immune from review by Parliament. Further, we did not want to send a message to future governments, whether they be Liberal or Conservative, that the passage of even a half-hearted Crown corporation Bill was politically impossible.

Finally, having rescued the cultural organizations from Bill C-24, we wanted to entrench their separate status before the Government had a chance to change its mind. Therefore, reluctantly and with many misgivings, we have decided to let Bill C-24 pass.

Most of the real problems which Crown corporations face will have to wait for the advent of a new government which will be free from the legacy of the past, willing to take a hard look at the problems and possible solutions, and with the political will to be a vigilant and intelligent shareholder. All the legislation in the world can be written about Crown corporations, but we will never be able to come to grips with the problems without political will. It requires the political will of the Prime Minister, and the Cabinet to control and manifest a regime of proper accountability. I look forward to that day. I only regret that we missed that golden opportunity in Bill C-24. I also regret that I will not be here to see it happen. In the meantime, Bill C-24, such as it is, will have to do.

I would like to extend my thanks to the clerk and the people who worked so hard in committee. I think that thanks should go as well to some of the bureaucrats for their efforts and the time which they spent in the preparation of this Bill. Those who think that all of our bureaucrats are "nine to fivers" are operating under a great misapprehension.

Some Hon. Members: Hear, hear!

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, my intervention on this Bill will be very brief, because I think the Hon. Member for Calgary South (Mr. Thomson) said it all. I would like to begin by complimenting the Hon. Member for Calgary South and the Hon. Member for Algoma (Mr. Foster) who have by the process of negotiation come forth with a Bill which at least serves notice on Crown corporations that Parliament feels some responsibility for them and that in the future they will have to understand that their position is relative to Parliament's need for them. I feel we have gone on long enough with Crown corporations which have been given a mandate, have been organized and then have quickly forgotten their mandate and gone their own way to become organizations with their own ends in mind and with very little accountability to the Parliament of Canada.

• (2010)

I have really two points to make. First, the process which took place in this particular Bill needs to be looked at very closely by this Parliament. It is a process which we should try and emulate in many other Bills. We had put before us a bill

which had been created by the bureaucrats, by the Minister, the Deputy Minister and had gone down through the system. It had behind it the prestige of the department and the people who had created it. Only the circumstance of this particular situation allowed us to take a look at this Bill in a way which made it possible for the opposition to have some kind of an input. If there had not been the leadership race, if there had not been the time limitation on the Government to get the Bill through, it may not have been the case that the ideas of the Opposition were accommodated.

I strongly believe that the process which was forced on the Government because of this Bill is the kind of process which would make the best use of parliamentarians, because it allowed this Parliament to recognize the quality and ability of all Hon. Members of Parliament to make a contribution to legislation instead of just government Members and the bureaucrats behind that Government. I believe it is very important that this kind of procedure be incorporated into the traditions of Parliament at some time in the future for the good of Canada.

Another point I want to make is that for years this Government and other Governments have tried to establish some kind of accountability for Crown corporations and have, to a great extent, failed. This Bill may have warts. I am not going to go through the shortcomings which we suggest are in this Bill. However, as I mentioned before, it will serve notice on Crown corporations that Hon. Members on all sides of this House are not going to let them go their own way in the future. By passing this Bill we are saying that from now on we want to be sure that the mandate which is given to a Crown corporation is adhered to. We want to be sure that the expenditures of money by Crown corporations are made at the behest of Parliament, not at the behest of a member of Cabinet or the Cabinet itself. This Bill does not do this entirely, but we are serving notice that this is the direction in which we want to go. I feel it is a very important Bill in that way. It does not go far enough, Mr. Speaker, but it does go in the right direction.

I have to agree entirely with the Hon. Member for Calgary South, that even if we put an absolutely perfect Bill in place—which this Bill is not—we would still require the political will of the Government of the day to have the kind of accountability from Crown corporations which this Parliament has indicated it wants. After almost five years on the Public Accounts Committee, I know that Hon. Members of this House, regardless from which Party they come, do want accountability of Crown corporations. The process we went through in getting at least a portion of that accountability is a valuable experience for this House which we would extend possibly to other Bills. I hope whichever Government is in power after the next election it will take a look at this Bill and see that there are still some things which are not the way they should be and change them, so that eventually those Crown corporations which are already in place, as well as future Crown corporations, will be instruments of public policy and will be controlled by the Parliament of Canada for the people of Canada.

Crown corporations have a role to play in the economy of Canada, but that role is only worthwhile if they are instruments of the Government and controlled by this Parliament. Thank you very much, Mr. Speaker, and I say to you that we will be supporting this Bill.

Mr. Maurice Foster (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, it is not my purpose to speak at length tonight. I believe there was an understanding that we would have about 20 minutes on each side with only two speakers for the Official Opposition and the Government. I believe my Minister has taken up almost all of the time which would have been available to me.

I just want to say how pleased I am to see this Bill finally come out of committee and get to third reading tonight. I believe it is an important piece of legislation which will have far-reaching implications for the Crown corporations which daily affect the lives of Canadians. We only have to think about Petro-Canada, Air Canada, CNR or any of the other commercially competitive Crown corporations, as well as the many other corporations which serve the needs of Canadians on behalf of the Government of Canada, to realize that this Bill has very far-reaching effects.

I want to pay tribute, as did the President of the Treasury Board (Mr. Gray), to the kind of co-operation which existed between Hon. Members of the Opposition and the New Democratic Party, especially the Hon. Member for Calgary South (Mr. Thomson), the Hon. Member for Rosedale (Mr. Crombie), the Hon. Member for Wellington-Dufferin-Simcoe (Mr. Beatty), and the Hon. Member for Prince Albert (Mr. Hovdebo), because without that kind of co-operation in moving and dealing with amendments at committee stage, and agreeing to work long hours all of this week, we obviously could never have moved this Bill out of committee late this morning and into the House tonight. I believe we had over 100 speakers on second reading in the seven days of debate. Therefore, since March 16, when this Bill was introduced, it has been a long and tortuous period of time.

I also want to pay tribute to the Clerk of the Miscellaneous Estimates Committee who worked all through last night on the amendments to the Bill. I also understand that some 12 or 15 people on the task force from the Treasury Board have been working for over eight or nine months on this Bill, many of whom are in the gallery tonight. As well, the Department of Justice officials worked through the night last night on the amendments.

I believe this Bill, with the amendments we have added, really meets many of the ideas which the Government had in mind in its original introduction. There have been a lot of compromises and the President of the Treasury Board and the Government have accepted many amendments. I think in all cases we are agreed that we have strengthened the Bill and the role of Parliament, both in the creation of Crown corporations and in the supervision of budgets and so on. I just want to express my appreciation to all those who have made the passage of this Bill possible. I think it will really meet the

needs of Canadians regarding these important institutions of the federal Government.

• (2020)

Hon. Perrin Beatty (Wellington-Dufferin-Simcoe): Mr. Speaker, I am pleased to be able to say that I came here tonight not to bury the Bill but to praise it. That is a tremendous change from the second reading debate which was marked by a good deal of very deep and divergent feelings on both sides of the House. Frankly, I did not expect that I would have the opportunity to say that I believe we have a Bill which is vastly improved and which will improve considerably on the *status quo* for Canadians.

Going back to 1979 and the days of the Clark Government, I had the responsibility for drafting legislation which would serve as an omnibus Bill to bring control and accountability to Crown corporations. What was so striking to me at that time and remains so today is the tremendous range, power and cost of Crown corporations which extend into virtually every aspect of Canadian life. It was made apparent to me that these Crown corporations, many of which had served useful purposes at the time they were set up, and continue to do so, had in many instances moved well beyond the purposes intended by Parliament. In some instances Parliament and perhaps even the Government were not aware of even the existence of some Crown corporations. Certainly it became apparent that parliamentary and governmental controls were weak or non-existent in many instances. It was essential that legislation be put in place that would vastly improve the quality of the relationship between Crown corporations and the government and people of Canada.

I want to make reference to my colleague, the Hon. Member for Calgary South (Mr. Thomson). As he said, what we heard tonight was his last speech as a Member of the House of Commons, unless through some measure which would be of great surprise to all of us we found ourselves back here in the fall. I had the pleasure of working with the Hon. Member and I can tell you that he is a tremendously diligent and hard working, conscientious and principled person. The House will be poorer for the fact he has decided not to stand for re-election. He has another quality, one of modesty. One of the things he did not do was to take credit for the fairly dramatic improvements which have taken place in this Bill as a direct result of his efforts and those of Members on this side under his leadership.

When the Hon. Member for Calgary South co-chaired the PC task force on Crown corporations with Senator Bill Kelly, they launched an energetic schedule which was designed to develop a set of principles which would be useful for a PC Government or the present government in trying to come to grips with the control and accountability of Crown corporations. As one who has seen the results of that task force, I can tell you that is one of the finest pieces of work ever to have been done by a group of parliamentarians, certainly in the 12 years in which I have been in Ottawa. The report speaks volumes about the conscientiousness of the Hon. Member.

However, what speaks equally well of his work are the dramatic improvements made in this Bill as a direct result of his leadership. The Hon. Member is a very modest man, but I think I can say this is a good day for Parliament because of the Hon. Member's leadership. We have been able to remove provisions from this Bill which would have allowed the Government to do an end run around Parliament. If the Bill as originally drafted had passed, we would likely never again have seen the Government come to Parliament with a special act to incorporate a new Crown corporation. There were easier measures which would have allowed them to put it through Parliament with virtually no study or debate. It is a victory for the taxpayers of Canada because we have had better controls placed on Crown corporations to ensure that their financial management is conducted in a more business-like, sane and rational manner. The changes improved upon both the original draft and upon the *status quo*. That, again, is a victory for the Hon. Member for Calgary South and for my colleagues.

It is a victory as well for the Progressive Conservative Party. Under the leadership of our colleague from Calgary South, we fought hard to have amendments made which would make this bill infinitely better than what it would have been if the Government had been able to force it through in its original state. I think the Hon. Member, as he prepares to leave the House of Commons, can take considerable satisfaction in his work.

Some Hon. Members: Hear, hear!

Mr. Beatty: He leaves us as well with a commitment. The position in which my Party finds itself tonight is that we have a Bill infinitely preferable to what it would have been if we had not fought this fight. No question about that. If the Government had all the time in the world and all the numbers to get its way, then the Bill would not have been what it is today. He has given us a much better Bill. He has also put us in a position where we have gone part of the way towards achieving the goals he set out as chairman of the PC task force on Crown corporations. There is more work to be done, as he pointed out. In many ways, the Bill is deficient. One of the things he did not mention would be the controls on subsidiary corporations. We should have had a better definition as well of the implications of agent of Her Majesty status and the immunities and privileges that Crown corporations claim on the marketplace.

Notwithstanding the fact the Bill is flawed, we have moved well along the way and we now have a vehicle in place where, if there is a PC Government following the next election, we can make the amendments to bring the Bill to the stage where it is consistent with what we have recommended to the Canadian people and Parliament. That will be a considerably less time consuming process for this Parliament and the people of Canada than it would have been had we had to reinvent the wheel. That in itself is to the credit of the Hon. Member and he can take considerable satisfaction from that. He will be able to see his efforts continuing long after he has left this place.

I am pleased by another amendment made to this Bill. Wearing my hat briefly as the joint chairman of the Standing Joint Committee on Regulations and Other Statutory Instruments, I know that my co-chairman, Senator John Godfrey, would also be pleased to see that the rights and position of that committee have been respected as a result of the amendments made to this Bill. That is positive. I am pleased as well that the traditional arm's length relationship between the Government and the cultural corporations, which is so essential if they are to preserve their integrity and if there is to be any confidence in the ability of the Canada Council to function free of government manipulation and interference, has been maintained. That is a significant victory. In addition, one of the great concerns Members on this side have had has been with the creation of the Canada Development Investment Corporation. If the new leader of the Liberal Party decides to dissolve the House after the swearing in on Saturday, we will have achieved a major victory in that the CDIC will not have be forced through Parliament. A new government will have to be seized with the issue of what to do with this massive holding company which has tremendous scope to interfere in virtually all aspects of commerce in Canada. From the vantage point of Members on this side of the House, that in itself is a very significant victory again.

This Bill has had provisions included in it that ensure that the passage of this Bill in no way means the Government will not have to worry about coming to Parliament with specific legislation if it hopes to have CDIC recognized and appropriations going directly to the parent corporation.

I do not want to go on at great length, because the Parliamentary Secretary indicated there was a disposition in the House to act quickly. I want to acknowledge the flexibility shown by the President of the Treasury Board, and I might also single out the Parliamentary Secretary himself. His genial good humour, even in times of considerable disagreement was very helpful in keeping lines of communication open and ensuring that this sort of agreement could be reached. I think he deserves credits for doing that.

• (2030)

I would also like to pay tribute to my colleague from Prince Albert (Mr. Hovdebo). During the time he has served on the Public Accounts committee, and also during his time on this committee, he has demonstrated that he has a genuine desire to see proper controls placed on Crown corporations to ensure that the rights of the taxpayers of Canada and the rights of Parliament are protected and enhanced.

My colleagues have mentioned other people to whom thanks should go. I would like to mention a couple of them. One of them is Mr. Donald Gracey. I first met Mr. Gracey when I was sworn in as Minister of State for the Treasury Board in 1979. I inherited Mr. Gracey who was the Chairman of the Crown corporations task force. At that time he was a senior official in the Privy Council office. It was largely as a result of his efforts that Bill C-27 was drawn up so rapidly and was able to be presented to Parliament within a matter of days of the Government meeting the House for the first time. Mr. Gracey and many of the members of the Crown corporations task force have moved on to other areas and are not able to see the culmination of their efforts to date. It was those people, with their commitment dating back to over a decade in some cases, who laid the groundwork for any progress which has been made since. Mr. Gracey served both as a consultant to the P.C. Crown corporations task force and also as a consultant to Members on this side of the House as the Bill went before committee. He served us extremely well. We are tremendously grateful to the contributions he has made and tremendously proud to have been able to work with him.

There are others whom I cannot mention tonight. They know who they are. If it had not been for their efforts and their diligence over the years in wanting to see good legislation passed, and fighting against tremendous obstacles to have legislation brought forward which would give some element of control and accountability to ensure that the abuses, scandals and problems which we have seen over the course of the past 15 or 20 years come to an end, there would be no way that we could stand where we do today. Even though they cannot be publicly acknowledged, they have certainly laid a foundation which is essential.

A Progressive Conservative Government will honour their commitment. It will complete the work which has been begun. Their efforts will not be lost or dissipated as a result of having a measure which goes only three-quarters of the way. They deserve to see Parliament passing legislation which does the whole job. Taxpayers, and my colleague from Calgary South deserve to see the whole job being done.

I will not go on at any greater length. I simply want to say that I am pleased to be able to support the Bill at this stage. It is a significant achievement. I want to underscore my thanks to the Member for Calgary South for his leadership. On behalf of my colleagues and I, I would sincerely like to wish him well as he goes on to other pursuits. We have valued his counsel, leadership and friendship.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Motion agreed to and Bill read the third time and passed.

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Mr. Deputy Speaker: Unless there is unanimous consent to dispense with the normal time delay for report stage of Bill C-36; we would not be able to proceed at this time. The Hon. Parliamentary Secretary to the President of the Privy Council.

Mr. Evans: Mr. Speaker, there have been discussions and there is a disposition that we should move on at this time with report stage of Bill C-36 and move on to third reading expeditiously.

Mr. Deputy Speaker: Is it agreed?

Some Hon. Members: Agreed.

* * *

INTEREST ACT

MEASURE TO AMEND

Hon. Herb Gray (for the Minister of State (Finance)) moved that Bill C-36, an Act to amend the Interest Act, as reported (without amendment) be concurred in.

Motion agreed to.

Mr. Gray (for the Minister of State (Finance)) moved that the Bill be read the third time and do pass.

Mr. John Gamble (York North): Mr. Speaker, if this Bill were given its proper title, it would be called the Regulations Bill. By regulation the Government intends to allegedly correct some of the difficulties faced by people who have approached a lender for the purpose of prepaying a mortgage. If you examine the Bill in detail you will find in Clause 6:

Whenever the amount of principal money expressed to be secured by a mortgage on real property given after the coming into force of this section is greater than such amount as is prescribed by regulation,—

I think it is appropriate to ask why the Government has decided not to disclose exactly what the principle amount should be. It is also appropriate to make that same inquiry with respect to the provisions of Clause 7(1) as they presently appear in the Act. Under Clause 7(1), as amended, we find, among other things that:

—no interest is chargeable, payable or recoverable on the principal money unless the mortgage contains a statement in a form prescribed by regulation showing—

A number of things which are contained in the Act follow. I would have thought that we could have had a schedule attached to this Bill showing the prescribed form. I would also think that the information in Clause 7(1)(b) might well have been spelled out in the Bill itself. The Section would now read:

—no charge within such classes of charges prescribed by regulation for the purposes of this paragraph is chargeable, payable or recoverable unless the mortgage contains, in the form and manner prescribed by regulation—

We must remember that this Bill was allegedly designed to accomplish a very simple and specific purpose. The purpose was to permit mortgagors to prepay their mortgages, coming up with a figure which they could well understand since the majority of mortgagors are not solicitors but are average individuals in the country who, in large measure, desire to terminate the payments on mortgages secured on their own personal residences. Why is it, therefore, that we have these complicated, convoluted provisions which, I must confess, use every bit of imagination of anyone reading them to understand.

Let us continue on with provisions of the Bill. We find once again that Clause 7(3) on page 3 of the Bill states that paragraph 1(*a*) does not apply if the information referred to in subparagraphs 1(*a*)(i) and 1(*a*)(ii) was, prior to the execution of the mortgage, disclosed in a form, once again, prescribed by regulation.

● (2040)

Clause 7(4) provides that paragraph 1(*b*) does not apply with respect to any particular charge within such classes of charges as are prescribed by regulation for the purposes of that paragraph if, prior to the execution of the mortgage, the amount of that charge was disclosed in a form prescribed by regulation.

Then we come to what is surely the most troublesome clause of this Bill. Under what will be amended Clause 11.1 of the Bill, Section 10 and 11 do not apply in such circumstances as are prescribed by regulation.

What this Bill proposes to do is repeal, by regulation, a specific provision of a statute. I submit that that is a process which is not recognized by the law. Parliament enacted Sections 10 and 11 of the Interest Act. Parliament is now providing that those sections may be restricted or eliminated in such circumstances as regulations may require. The proper course for the House is to delete, amend or change sections of existing statutes and not delegate that right to the Governor in Council. That is exactly the process that the Government is undertaking now. It is delegating the right to pass laws and amend existing statutes to the Governor in Council. I submit that that process has no legal foundation. It is improper and beyond the scope of any authority granted to the Governor in Council.

I must say that in the event that we look at the provisions of Section 12.2 as they would be amended, a section which allegedly provides the relief that this Bill is supposed to provide to those people who wish to prepay their mortgages, we find spelled out exactly what the mortgagor must do in order to obtain a discharge. He must pay a number of amounts. The amounts spelled out in the Bill are "(*a*), the amount of principle money due at the time of the tendering of the payment or such lesser amount of principle money as is allowed by regulation". What are they talking about? When a draftsman prepares such a specific insert in a statute, what does the ordinary home owner calculate as being the principal amount of the mortgage that he must pay when he tenders a payment for the discharge of his mortgage? While he can determine exactly what is the principal amount due under the mortgage, what is this other lesser amount of principal money as is allowed by regulation?

He also must pay the interest on the principal amount. That is the normal, logical and sensible procedure that has taken place since mortgages were invented.

Now comes the crunch. The other amount he must pay is the prepayment charge provided by the regulations, calculated in the manner prescribed by regulation or any other agreed or prepaid charge if it is less than the prepayment charged provided for by the regulations. I do not know what that is and I want to say that neither will the home owner who tenders an amount for payment know what that means.

Obtaining a discharge of a mortgage is a very important facet in the lives of home owners. Let us take the case of

someone providing a cheque to a mortgage. The process requires that the cheque must be certified because they will not take an ordinary cheque unless it happens to be with the lending institution on whom the cheque is drawn. If that cheque is $10 too little, that person is still obliged to pay the interest and the mortgagee can refuse to accept payment of that cheque. That individual can go to court and argue that he should have had that discharge because he tendered his payment. If the payment is not in the right amount, interest will run on the principal amount of that outstanding obligation. By the time that individual gets to court and the case is heard two years later, interest will be running on the amount that was not accepted as a proper payment to discharge a mortgage.

Surely some element of certainty must be available for the average citizen who tenders an amount to obtain a discharge of his mortgage. Will this Bill accomplish that purpose? Absolutely not! I do not know what amount that is and neither does the Government House Leader know what that amount would ever be.

Mr. Pinard: What about tabling in the courts?

Mr. Gamble: What we have done as a result of the amendment which will change Section 10 is provide for the elimination of the one thing that the citizen could look to, perhaps with some judicial assistance in connection with what a five-year mortgage is, which is knowing what three months interest by way of bonus discharge meant. That was easy to calculate. The principal amount was spelled out and one could get a computer print-out of the exact calculation. He could calculate the three months' interest bonus and tender that payment, together with the interest due up to the time of tendering. He was entitled to a discharge of his mortgage. He also had to pay a discharge fee which was required. Now he will never know what this amount is because it is a prepayment charge provided for by regulation.

This whole Bill is a fraud. It is pretending to remedy a recognized problem in society but does not do that. The prepayment charge provided for by regulation may be, if the Governor in Council decides, interest at the fixed rate under the mortgage until the end of the term. The House is asked to pass this Bill which leaves in the hands of the Governor in Council the right to determine what that amount is. There is no limitation placed upon the Government. I would be interested to hear the comments of the Government House Leader. It may indeed be the whole amount of interest until the end of the term because we do not know.

Even if the Government was to file the proposed regulations under this Bill with the House today, they could be changed tomorrow. That is the magic of regulations: they do not have to be brought before this place. Parliament will never again see them. The Government alone will decide what the amount is to be. We are asked to pass a Bill which is supposed to provide relief for Canadian home owners. This Bill does not provide that relief. It is an attempt to employ phraseology that is loose and inconclusive. It smokescreens the problems.

With the coming election, I know that Government members will be able to travel throughout the country and say that they have amended the Interest Act so that now there is a method for prepaying a mortgage. It may cost Canadians twice as much as it would have otherwise, but nobody knows. I want to say that this type of legislation which the Government has presented does not do justice to the House and to the duties and obligations imposed upon the members in this place.

* * *

● (2050)

BUSINESS OF THE HOUSE

Mr. Pinard: Mr. Speaker, I rise on a point of order. I understand my colleague has completed his speech. My point of order concerns House business for tomorrow. We will be dealing with the following Bills in the order enumerated: Bill C-50, C-47, C-56, C-51, the Saltfish Bill, which does not have a number as yet—that Bill will be introduced tomorrow—Bill C-54, S-11 and C-53.

Mr. Hnatyshyn: What is Bill C-53.

Mr. Pinard: I will talk to the Opposition House Leader about it afterward.

Some Hon. Members: Oh, oh!

Mr. Hnatyshyn: Before Saturday if possible.

Mr. Pinard: Except for Bill C-53, Mr. Speaker, we have had consultations and that is the package for tomorrow. For my hon. friend's information, Bill C-53 is the Mingan Archipelago. I am told consultations took place and it looks very good. There is a Bill, a miscellaneous statute, which has no number yet. Notice will be given tomorrow, the Bill will be introduced and passed without debate. I think that is enough. This is the list of some nine Bills. I hope they will get through before two o'clock in order to allow the Senate to deal with them.

Mr. Hnatyshyn: Mr. Speaker, that is a very interesting list. I look forward to the debate tomorrow. The two o'clock estimated time of arrival at the end of that list is one which I hope one can achieve, but one gets carried away with some of those important pieces of legislation which the Government has brought forward when one has speeches welling from one's bosom, wanting to get the benefit of speaking on such Bills as the Archipelago Bill and so on. I have mentioned the Anomalies Bill to the Government House Leader. I do not anticipate any particular problem with that. I would like to give notice to the Government House Leader that possibly one of our Members has a few remarks to make on this Bill because it is a technical Bill. We will face that very substantial list tomorrow at the appropriate time and see what progress can be made.

Mr. Deputy Speaker: The Hon. Member for Kamloops-Shuswap (Mr. Riis) is rising. Is the Hon. Member rising on the same point of order or is he rising for debate?

Mr. Riis: Mr. Speaker, I am rising on debate.

* * *

INTEREST ACT

MEASURE TO AMEND

The House resumed consideration of the Motion of Mr. Gray, that Bill C-36, an Act to Amend the Interest Act, be now read a third time and do pass.

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I am pleased to speak on Bill C-36. I listened with a considerable amount of interest to the previous speaker. I find myself agreeing with him to a large extent, which surprises me. But nevertheless the arguments he made were more than deserving.

In the last several days I have received a number of phone calls and letters from people asking me when Bill C-36 will pass, giving them a significant amount of interest relief on their mortgages. An impression has been created for some reason or other that Bill C-36 will provide lower interest rates and relief for mortgage holders, or people negotiating a new mortgage from high interest rates or, as we have seen in the last few days, the escalating interest rates. I have had to tell people that that is not the case, that this Act to amend the Interest Act has nothing to do with assisting them with their mortgages. It will not do anything to make life easier for people or enable them to afford a home mortgage during these difficult times. When you think of what it is going to do, I believe the Government has misled the people of Canada.

I recall on many occasions in the House when the Minister of Finance (Mr. Lalonde) would stand in his place and say that as far as he was concerned a three-month penalty clause on a mortgage being renegotiated to take advantage of a low interest rate as the rates came down was more than appropriate. The Minister felt that that was quite all right, and if we were having any difficulties with lending institutions which were not co-operating that we should send our cases to him and he would take care of these matters. What his term "take care of it" meant was that "I will do nothing except send along your letter to the appropriate financial institution", and whatever the institution decides to do will be appropriate for the Minister of Finance and the Government of Canada. I am afraid that hundreds, perhaps thousands, of Canadians had their hopes lifted in the belief that the Minister of Finance was serious in what he said and that the Government of Canada was prepared to act, only to have those hopes dashed as a result of the phoney and quite inappropriate comments of the Minister.

In essence, what this Bill does is make it clear to people what it will cost them to prepay their loans. I am not certain how this will assist anybody or how it will make life easier for anybody who has a mortgage at 14 per cent or 15 per cent. Perhaps we might be lucky enough to have interest rates drop to 10 per cent or 11 per cent, and therefore be able to renegotiate a mortgage to take advantage of improved times. But this Bill does nothing for that situation.

This Bill misrepresents to the people of Canada what the Government is doing. The Government is attempting in this pre-election period to give the impression that we are amending the Interest Act to assist people who have home mortgages or who would like to take out a home mortgage. The Bill will do virtually nothing for the hundreds of thousands of Canadians who find themselves pressed up against the wall as a result of today's high interest rates. It will not bring any relief to any of those people. The Bill will not assist anybody in terms of being a home owner. Quite frankly, Mr. Speaker, the Bill is a bit of a sham.

I, for one, am looking forward to an election campaign when people in an assembly will say to a Liberal candidate: Surely, the Government has taken action to provide assistance from these high interest rates. As a matter of fact, people will say: I remember Bill C-36 being introduced and passed in the House of Commons. Then I will be able to pull this Bill out of my hip pocket and say to them: Here is the Act. It does absolutely nothing to assist you. It does absolutely nothing to bring relief to people suffering from high mortgage interest rates. The Bill does nothing to encourage people to take out a home mortgage today knowing that rates will likely escalate in the months ahead. The Bill is a sham. It is an attempt to mislead the people of Canada. It is an attempt to misinform Canadians and to give them a false sense of hope and security.

In order to allow other people time to make some comments, I will bring my remarks very quickly to a close. Let me say that we had the opportunity in the Standing Committee on Finance, Trade and Economic Affairs to see some very intensive gruelling questioning by a number of Members of various officials in an effort to find out how this Bill would benefit Canadians. After a considerable period of intensive questioning by various officials such as Mr. King, others, and the Minister of State for Finance (Mr. MacLaren), we found out nothing. What we found was that this Bill would not assist the average Canadian citizen in bringing any relief from high interest rates. What came out of the committee hearing, in an effort to prepare ourselves for today, was the fact that the Government introduce a Bill to try to respond to the criticisms being levied against it that high interest rates were causing concern to home owners and to potential home owners. This Bill was an attempt to deflect some of that criticism and to say: Yes, we have passed a Bill. It is called an Act to Amend the Interest Act. And the intention to bring some relief. It has done anything but that, Mr. Speaker. It has not brought any relief. It is a sham. I believe I should now call it nine o'clock.

• (2100)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A Motion to adjourn the House under Standing Order 45 deemed to have been moved.

RAILWAYS—ALFALFA PRODUCTS FREIGHT RATES. (*B*) REQUEST THAT MINISTER CONDUCT INVESTIGATION

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, this adjournment debate concerns the question of railway freight rates for alfalfa products shipped by railway containers, specifically by Tirol Dehydrators of Tilley and Rolling Hills in southern Alberta. The reference is my question to the Minister of Transport (Mr. Axworthy) on May 29, 1984, as reported at page 4181. This is the second occasion on which I have brought the matter to the attention of the Minister of Transport.

I should like to give a brief review of the developments in this issue involving the shipment of dehydrated alfalfa cubes in containers to Japan. As a result of a favourable recommendation emerging from Bill C-155 last year, that is the Crow debate, alfalfa products were recognized as a specialty crop and became eligible for the new so-called Crow rate, effective January 1, 1984. Prior to this date all such alfalfa products paid full commercial freight rates for railway hopper cars, boxcars or containers. The Minister of Transport personally supported recognition of alfalfa as a specialty crop. Regardless of this new recognition, railways continued to charge commercial rates because the product was being moved in containers rather than in boxcars or hopper cars.

Following my first question last January, the Minister requested the CTC to instruct railways to use the authorized, lower new Crow rate for container shipments, and apparently the railways complied. However, in May the railways applied to the CTC for additional surcharges of $400 for 40-foot containers and $241 for 20-foot containers, retroactive to January 1, 1984. The CTC rejected these surcharges on May 23.

During June, this month, the railways persisted and informed Tirol that they intended to charge a lower $230 surcharge for containers effective August 1, 1984, when the new crop year begins. At this stage railways were still trying to increase their freight charges, even though they were told twice not to do so by the CTC.

Also this month the railway indicated that they will go to court, probably next October, for authority to charge demurrage fees on alfalfa and all other new specialty crops included in the Western Grain Transportation Act. We should note that original Crow crops did not have demurrage charges since they were protected by Order in Council. It would seem that the new specialty crops were never added to that Order in Council list. There is also an additional "positioning charge" now being imposed by the railways. If the shipping customer fails to pay the positioning charge of $253 and $127, for the two sizes of containers, a shortage of containers develops—one pays or goes short. The only positive development in this alfalfa saga is that satisfactory minimum tonnage limits have now been resolved for both west and east container movements.

In my question of May 29 to the Minister of Transport, I made the blunt statement that "The railways are obviously playing games here". The Minister concurred with my comments. Surely it is now appropriate for the CTC to rule that alfalfa products as a new specialty crop come under the authority of the Western Grain Transportation Act, not under the Railway Act. It seems so obvious that the railways are deliberately going out of their way to circumvent not only the details of the new Crow agreement but, perhaps more importantly, the spirit of this new commodity approach that had such positive and enthusiastic support during the Crow debate last year by all on the standing committee, especially by the Minister of Transport (Mr. Axworthy).

• (2105)

Tirol Dehydrators are presently in a serious quandary, resulting from an improper surcharge bill that totalled $336,000, and have found it prudent to drastically reduce their Japanese shipments from around 11,000 tonnes to about 500 tonnes per month, and the competition in the United States is picking up the difference. Tirol Dehydrators in southern Alberta are experienced and competent, with over eight years of trading with Japan. Their management team of Alex Chrumka and Ike Schroder deserve something much better than this railway runaround.

[*Translation*]

Mrs. Éva Côté (Parliamentary Secretary to Minister of Transport): I am pleased with this opportunity to reply to the question put by the Hon. Member for Medicine Hat (Mr. Hargrave). I can inform the Hon. Member that the surcharge applied to containers in the rate schedule has not been approved by the Canadian Transport Commission. The railways are now submitting the appropriate schedule.

We must not forget that Section 51 of the Western Grain Transportation Act does allow for rates that differ from those applicable to movement of grain by box cars or hopper cars, but that any increase allowed under the section cannot be retroactive. Mr. Speaker, I shall, if I may, read Secton 51 of the Western Grain Transportation Act.

51. The Commission may, by order, prescribe the amount by which a rate applicable to a movement of grain by means of railway cars other than box cars, hopper cars or shipper supplied tank cars may differ from the level provided by section 43, but in no case shall that amount exceed the level that, in the opinion of the Commission, is necessary in order to reflect the difference in costs.

It is therefore up to the Canadian Transport Commission to justify any surcharge that is, or may be, applied pursuant to Secton 51 of the Act.

Adjournment Debate

• (2110)

TRADE—TEXTILE AND CLOTHING IMPORTS—GOVERNMENT ACTION TO PROTECT JOBS

Mr. Claude Tessier (Mégantic-Compton-Stanstead): Mr. Speaker, I would like to ask the Minister for International Trade (Mr. Regan) to explain and reconfirm his answer in the House that the Celanese plant in Coaticook is not modern enough and worse, that polyester imports do not come from countries where prices are lower than they are in Canada, and that we must develop modern and competitive plants, something Celanese failed to do in Coaticook, which has only eighty modern looms out of a total of 801. I am saying this because there is a tendency to put all the blame on the Government, and also because failing to counter often gratuitous charges would not only mean admitting the Government is wrong, but also discourage other textile workers and employers who have been, or will be, doing what must be done to maintain the textile sector, which can and must be kept as a viable and even a dynamic and stable industry. I therefore insist that we look at the facts, and if we do, we shall see that part of the responsibility lies with the industry. Personally, I believe we must preserve our textile industry, and I believe it can be done.

Mr. Speaker, it is therefore vital that the Minister establish exactly what the facts are, so that workers in Coaticook will be told the truth, and we must also provide reassurances for other textile manufacturers who are anxious to adjust to market requirements with plants that are modern and truly competitive. This is particularly important, because what is involved here is the political will of the Government of Canada and also the new decisions the Government will have to make to act in a manner consistent with the extended mandate of the Canadian Industrial Renewal Board.

The Government has already made it clear that the textile, clothing and footwear industries and the jobs they provide were very important, but also that adjustments were needed to guarantee a market and especially to provide guarantees within a normal national and international market situation, without undue and costly artificial intervention by the Government itself. The textile problem is a complex one, even textile workers realize this—but in Coaticook, they are no longer willing to stand up for an industry they kept going because of their sacrifices, because today, they realize that all their efforts have gone down the drain, now the company wants to reorganize or owing to strictly financial considerations such as maximum profits, which ignore the fact that people in a community depend on the industry for jobs. It makes matters even worse when we have workers like those in Coaticook who have reached maximum productivity, at a time when the company should have adjusted its technology to be truly competitive.

Mr. Speaker, I would, however, like to note the generosity of a number of Celanese executives, who wanted to offer workers some kind of compensation by giving them the plant building, which is certainly a considerable advantage for the Town of Coaticook which may, in turn, use the building to attract industry and so replace the jobs that were lost. Before turning over a new page, however, I want those workers who gave the best years of their lives to the Celanese plant in Coaticook, and younger workers who were already applying their skills in the plant to be fully and accurately informed about what is happening in their industry.

Mr. Speaker, the purpose of these comments is not to point the finger of guilt at another party, it is to ensure that all parties concerned, especially the workers, have access to the same facts when accepting a decision that has become inevitable. These workers cannot be allowed to be the victims of such a decision. All responsible parties in Coaticook must be committed to providing alternative solutions, involving the co-operation and approval of the workers, in order to preserve their economic stability and to find new jobs as necessary.

To avoid giving workers the impression that they are just pawns in an industrial chess game, I think the solution to their problem lies in dialogue and understanding, and they are entitled to full information. To me, it is the only way to create the atmosphere of trust that is a prerequisite for finding a solution to the problem.

Can the Parliamentary Secretary, speaking for the Minister who knows the industry and its present and future requirements, inform the House what other reasons there were besides those given to justify closing the Celanese plant in Coaticook? In other words, to what extent is Celanese justified in putting the blame on imports alone, and should the company not admit that its reluctance to invest is now obliging it to reconsider its own priorities for achieving maximum profits, and thus to reorganize, restructure and even relocate, while turning an almost blind eye to the present and the past?

Mr. René Cousineau (Parliamentary Secretary to Minister of Regional Industrial Expansion): Mr. Speaker, first I would like to commend the Hon. Member for Mégantic-Compton-Stanstead (Mr. Tessier) for his interest in this matter after Celanese Canada announced the closing of its Coaticook plant. The Minister and his officials share the concern of the Hon. Member about the economic impact and the consequences of that closedown. According to our information, the company took that decision with a view to consolidating its operations in Drummondville so as to cut costs, improve efficiency, use much more modern equipment, rationalize production and produce more, something which Celanese Canada feel will make the company more competitive.

When the company explained the reasons for closing, Mr. Speaker, they said that it was due to imports of similar products from developed countries, meaning the United States and Japan, not from Korea or Taiwan which are considered as underdeveloped countries. I hope that the expectations of the company will materialize so that it will be in a better competitive position against import products which come from trade

partners, as I said a moment ago. I might add that the Government has an assistance program under which the employees which unfortunately have been laid off will be retrained in other fields of specialization.

• (2115)

[*English*]

BILINGUALISM—EDUCATION OF IMMIGRANT CHILDREN. (B) NATIVE INDIAN CHILDREN—ACCESS TO ABORIGINAL LANGUAGE EDUCATION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, a few days ago I addressed two questions to the Secretary of State (Mr. Joyal). I pointed out that in a number of our larger cities, Montreal, Winnipeg, Vancouver and Toronto to mention a few, there are a substantial number of students who just are not making it. They have not got the background and the command of the official languages which permit them to keep up with their classes and to get the education which they need if they are to succeed as adults in our society.

Who are these students? They are immigrant children, children who come from families who have come to Canada from countries where they speak neither English nor French, and the language which is spoken at home is a language which is not used in our schools or in our society as a whole, or, they are Native children. Native people have been moving into our cities in very large numbers.

The immigrant children are here because the federal Government encouraged immigration from the countries from which they came. Native children are in our cities because Native people have been leaving the reserves in very large numbers. Both of these groups of children are finding it very difficult to succeed in obtaining the education which they need.

Country-wide testing is done. There is a test which is called the Canadian Basic Skills Test. It was recently applied in Winnipeg. It was found that in the core area of Winnipeg—and it is true in other cities, I am sure—the schools which are largely populated by immigrant and Native children had test scores which were disastrously low. They were as low as 5 per cent or 10 per cent on a scale of 100 per cent. The average pass mark is 50 per cent.

By the time these children reach Grade 6, many of them are only reading at a Grade 3 or Grade 4 level. The result is that they fall further and further behind as more pressure is put on them in the higher grades. Many of them leave school. In fact, it is very clear that a high percentage of these students never finish high school.

We are in a period of time when society demands that young people entering the job market need to know a great deal more than ever before. They must have a firm foundation, not just in language, but in mathematics and in some of the sciences. These young people are doomed to failure. They are the immediate losers, but society as a whole will be the loser for generations to come because these young people who are not receiving adequate education simply cannot succeed.

The Minister answered my questions by saying that the federal Government was already involved in helping to finance the education of these people by a program known as English as a second language. The program is working. In the City of Winnipeg, 1,100 immigrant children and 1,500 Native children are participating in that program.

• (2120)

The Minister is wrong if he thinks that all that is needed is help through the program for English as a second language. A great deal more is needed if those young people are to be brought up to the standards which society demands. There is a need for more teachers' aids and special work books which relate to immigrant and native children and their cultural backgrounds. The hours need to be longer so that these children can be helped to make up the difference in their shortcomings and their backgrounds. We need teachers who are trained to meet the multicultural challenge. The parents need to be helped to learn the language and to learn more about our history, particularly the mothers who do not go out to work, many of whom will never learn either the English or French language. What is required is a tremendous effort on the part of the local school district. But, Mr. Speaker, they do not have the financial ability to meet the requirements, and neither do the provinces.

What I am urging the Minister and the Government to do is to face up to their responsibilities. I know that the constitutional responsibility for education rests with the provinces. However, the children I talk about are there because the federal Government encouraged them to be there. I say that the federal Government should accept its moral responsibility and help to finance the educational programs which are needed to help these young people fit into our society and become full citizens, able to take their places as they should.

Mr. Robert Bockstael (Parliamentary Secretary to Secretary of State): Mr. Speaker, in replying to the Hon. Member for Winnipeg North (Mr. Orlikow), when he mentions the requirements of children whose language spoken at home is neither English or French, the Minister of Employment and Immigration (Mr. Roberts) has already made arrangements with his provincial colleagues to renegotiate the federal-provincial agreement on the citizenship and language instruction agreement, as well as the language text book agreement. The impetus for renegotiation of the agreements has come from the Treasury Board, which expressed concern over the "open-ended" nature of the agreement; from the provinces, who reviewed these agreements in 1980 with a view to renegotiating the needs of these particular children; and from the community, which following an immigrant women's conference in Toronto in 1981 gave a report which is reflected in these recommendations.

At present there is a departmental discussion paper drafted and there are consultations under way with CEIC, the Ministry of State for Social Development, the Treasury Board Secretariat and the federal-provincial relations office. Following the completion of consultations with the central agencies

and other federal departments, a memorandum will be sent to Cabinet to be drafted for ministerial attention within the next two months. A major decision will then be taken to consider the approach and timing for negotiation of these agreements.

When we speak of the native children, the Secretary of State (Mr. Joyal) tries to address the needs of native children not addressed by the DIAND. The recommendations presented to the Secretary of State were that native children must be assured of instruction in their native language, customs and heritage, as well as in the official language of their parent's choice. This is being done by improving training opportunities for teachers of native languages; furthering development of native language curriculum; developing of written materials in the field of native languages for use in schools and communities; and strengthening of cultural identity through improved ability to communicate in native languages. Provincial and territorial departments of education and the Department of Indian Affairs and Northern Development must be required to support and provide adequate funding for innovative educational programs such as survival schools and other alternate schools.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 2(1).

The House adjourned at 9.25 p.m.

HOUSE OF COMMONS

Friday, June 29, 1984

The House met at 11 a.m.

• (1105)

STATEMENTS PURSUANT TO S.O. 21

[*English*]

EXTERNAL AFFAIRS

YUGOSLAVIA—SUGGESTED ESTABLISHMENT OF CANADIAN CONSULATE IN ZAGREB

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, earlier this month the 27th Annual Croatian Day celebrations took place in Vancouver. These celebrations mark the long and honourable history of Canadians of Croatian heritage, who number in the tens of thousands. Many Croatians settled on the West Coast more than a century ago and played an important part in the building of British Columbia. Canada owes much to these people, yet the federal Government continues to ignore its obligations to an issue of concern to 80 per cent of the Yugoslavs in Canada who are of Croatian origin.

One major problem results from the lack of adequate Canadian consular services in Yugoslavia. Members of the Canadian Croatian community have long requested that a Canadian Government consular office be established at Zagreb in Croatia, Yugoslavia. This seems only fair, given that the Yugoslav Government maintains three consular offices in Canada, one in Montreal, one in Toronto, and one in Vancouver, as well as an embassy in Ottawa.

Additionally, a Canadian Consulate in Zagreb is a reasonable request when one considers that the only office of our Government in Yugoslavia is in Belgrade, several hundred miles from where Croatians live. Many Croatians must therefore travel a great distance to the Serbian capital of Yugoslavia in order to process passports, visas, and immigration documents, or to consult with the Canadian Government on business matters. Surely if the Yugoslav Government deems it important to operate—

Mr. Speaker: The Hon. Member's time, unfortunately, has expired.

LABOUR CONDITIONS

LEVEL OF UNEMPLOYMENT—CALL FOR GENERAL ELECTION

Mr. Jim Hawkes (Calgary West): Mr. Speaker, one of the real tragedies of this Parliament has been its failure to address the very serious unemployment problem in the country. Most Members and most Canadians know that there are fewer Canadians working today than there were four and a half years ago at the time of the last election, even though our population has increased since then. What they are less likely to know and understand is that, in the midst of this unemployment tragedy, the Government has also chosen to cut the training opportunities for Canadians by some 20 per cent. That runs counter to what more progressive and successful nations have been doing.

We hope to see an early election so that more Canadians can be put to work and so that more Canadians can have training opportunities, thus giving more Canadians hope for the future. All that Canadians need to do is turf the Liberals out of office and put the Progressive Conservative Party in office. If they do that, jobs will come.

* * *

NORTH ATLANTIC TREATY ORGANIZATION

CANADIAN CONTRIBUTION

Mr. Stanley Hudecki (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, in many publications and media reports, well meaning but poorly informed writers and journalists have been unjustly critical of the financial input of Canada to NATO. In 1978, at a key meeting of the Alliance, a decision was reached to increase defence spending in real terms by 3 per cent annually.

A table compiled by *The Sunday Times* of London, and recently published in *The Toronto Star*, showed the amount each member of NATO contributed in 1983 as compared with the previous year's spending. In summary, the Europeans as a group never reached the 3 per cent benchmark. Belgium and Denmark actually decreased their contributions to NATO in the past year. Canada has increased its spending by 5 per cent.

In response to all of the doubting Thomases who have been critical of Canada's NATO defence spending, Canada in fact is in second place among all NATO members. Only the annual increase of the United States continues to stand ahead of Canada's substantial annual increase in NATO spending.

S.O. 21

• (1110)

HOUSE OF COMMONS

FAREWELL MESSAGE FROM MEMBER FOR SASKATOON EAST

Mr. Bob Ogle (Saskatoon East): Mr. Speaker, there are rumours that there could be a summer election. If that is true, this will be my last time in the House of Commons, and I would like to say a few words of farewell to you, Mr. Speaker, and to my colleagues. I had fully intended to run in the next election and had been nominated on January 28 in my constituency. However, on February 21 I received a message from the Vatican which indicated that under the new code of Canon Law it is no longer possible for me, as a Catholic priest, to continue in active political life. Because I had made a very firm commitment that I was a priest first, and that I would be a priest before, during, and after my political activities, I resigned my nomination on March 1.

I would like to say that it has been a very good, beneficial, and happy experience for me in this House. I appreciate and thank all Members of the House of Commons who have become my friends. I feel that I have been able to state positions clearly which are important concerning international peace and development. I trust that those particular things will be carried on by my colleagues and, in particular, I hope that the person whom I have nominated to represent my constituency, Rev. Colin Clay, who is an Anglican priest, will continue what I have started and will be able to have the same good experiences which I have had in this House.

To one and all, my sincere thanks. It has been a great experience.

Some Hon. Members: Hear, hear!

* * *

TRADE

THREAT TO STEEL INDUSTRY POSED BY POSSIBLE UNITED STATES QUOTAS

Mr. Maurice Foster (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, the past three years have been difficult ones for the steel industry in North America, both in Canada and in the United States. In steel producing cities we have seen tens of thousands of steelworkers laid off, many of whom will never return to their jobs. This has been a very serious problem at Algoma Steel, in Sault Ste Marie.

The reduced demand for steel in the United States market, due to the recession and the dumping of cheap imports by countries in South America and Asia, has caused the United States Congress and administration to take legislative action to impose quotas on steel imports in Congress, and to hold hearings of the International Trade Commission.

Canada has always been a fair trading partner with the United States in steel products. Our steel industry, markets, and source of raw materials span across the international boundary. Canada should be exempt from any quotas imposed by the United States Government. These quotas, if applied to Canada, could result in the loss of as many as 2,000 jobs, many of them in Sault Ste Marie.

The future Prime Minister, who will be sworn in tomorrow, is very aware of this problem as he recently visited Sault Ste Marie and consulted with steel company officials. I would urge him, in the early days of the new administration, to speak with President Reagan in order to ensure that no action will be taken by the United States Government to harm the vital Canadian steel industry further.

* * *

THE SENATE

REFORM COMMITTEE RECOMMENDATIONS—CONDEMNATION OF GOVERNMENT POLICY

Mr. Howard Crosby (Halifax West): Mr. Speaker, media reports indicate that the nation should brace itself for a new round of Senate appointments. Will these new appointments be based on the enrichment of the Senate? Will they be based on the merits of the appointees and the contributions they have made to their communities and Canadian society? No, this is Canada. We base Senate appointments on one element, political expediency. If the person who is appointed has any abilities, that is a coincidence, and it more often appears in the case of appointments made of political enemies of the Government rather than of political friends.

What has happened to Senate reform? A joint committee of the Senate and the House of Commons studied the problems of the Senate and tried to make recommendations which would lead to the advancement of that body. Those recommendations have been ignored. The most important recommendation was that the Senators should have term appointments. The second most important recommendation was that appointments should reflect the society of Canada. All of this has been ignored in the name of political expediency. Government takes whatever action it chooses. If there is a favoured public servant who has no place to go, he or she is appointed to the Senate. If there is a politician who has stayed too long in office, he is appointed to the Senate.

If we are to have Senate reform it must start now with the present Prime Minister (Mr. Trudeau), and continue with the new Prime Minister. We cannot have a Chamber that does not reflect Canadian society.

Mr. Speaker: The Hon. Member's time has expired.

[*Translation*]

THE ECONOMY

TRIBUTE TO GOVERNMENT ASSISTANCE FOR QUEBEC NORTH SHORE

Mr. André Maltais (Manicouagan): Mr. Speaker, since today is probably the last day of this session, I wish to thank the Minister of Finance (Mr. Lalonde) for the tremendous work he has done for the designated towns of Schefferville, Gagnon, Fermont, Sept-Iles and Port-Cartier, in accommodating workers seeking employment outside the North Shore region.

In addition, Mr. Speaker, I wish to thank the Government for all the work done on the harbour of Sept-Îles and the various infrastructures that have been put in place on the middle and lower North Shore over the last three years.

Speaking on behalf of North Shore workers laid off by the local mining industry, and on behalf of the metal workers union, I would like to thank the Government of Canada at this point for helping to alleviate the lay-off situation and making it possible for individuals to make a living in other parts of the country.

* * *

● (1115)

[*English*]

THE ADMINISTRATION

COMPOSITION OF FORTHCOMING CABINET

Mr. Gordon Taylor (Bow River): Mr. Speaker, we are not getting a new Prime Minister tomorrow, and we are not getting a new Cabinet. We are getting another Prime Minister, and what is left of an old, worn out Government. The Cabinet that will be presented to Her Excellency the Governor General, really means an endorsement of policies which have disunited Canada, which have aroused separatism in every part of our Dominion, that continue the increased freight rates imposed on the western grain growers, that retain the exorbitant and unfair taxation contained in the national energy policy, that give CPR—is Mr. Turner still a director?—not only the benefit of increased freight rates but also the whole shortfall amounting to millions of dollars, indeed a guaranteed annual income for the railways.

It will be an endorsement of the high interest rates which have resulted in hundreds of our people losing their homes, and farms, and businesses. It will continue the confrontation with the provinces and the abuses under the Official Languages Act, and trigger withdrawal of investment money and the flight from our country of thousands of investment dollars. The 1.5 million unemployed, many of whom are without work because of the policies of the Ministers of this temporary Government, are left without hope.

It is the same old gang with a leader from Bay Street, the same old body with another head. Indeed, it is a sinking ship from which many are fleeing. What Canada needs is a brand new Progressive Conservative Government with a brand new leader, Mr. Brian Mulroney!

Some Hon. Members: Hear, hear!

* * *

EXTERNAL AFFAIRS

POLAND—DENIAL OF VISAS TO REUNITE FAMILIES

Mr. David Orlikow (Winnipeg North): Mr. Speaker, three people, two men and a woman, are conducting a hunger strike outside the Polish consulate in Toronto. They are endangering their health, and certainly risking their lives. Why are they involved in this very dangerous situation? Because the Polish Government has refused to permit their families permission to leave Poland to join them, in violation of the Helsinki agreement with regard to reunification of families. I am certain that all Members of Parliament will join with the New Democratic Members of Parliament in urging the Government of Poland to live up to its obligations under the Helsinki convention, and permit the families concerned to leave Poland on humanitarian grounds.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

IMPACT OF INTEREST RATES ON UNEMPLOYMENT

Hon. James A. McGrath (St. John's East): Mr. Speaker, my question is directed to the Minister of Finance. Yesterday the banks increased their prime lending rate to 13 per cent. This came at a time when the Canadian Council on Social Development was finding that one in four families in our country were living below the poverty line. This confirmed earlier findings by Statistics Canada in February that 46 per cent of the unemployed were forced to live at or below the poverty line. Given the fact that there are fewer people working full time in Canada today than when we came here four and a half years ago, I think the House and the country have a right to know from the Minister what rate of interest rates he will tolerate to condemn thousands and thousands more Canadians to unemployment and poverty?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, first of all I would like to remind my hon. friend that one of the latest pieces of legislation passed by this Parliament, at the urging of this Government, has been a measure to come to the aid of elderly single people, 75 per cent of whom were women, who still lived below the poverty level. Thanks to the measure

which this Government has passed, there will be no single senior citizen in the future who will be living below the poverty level in this country. This is something which this Government has done, and this is a policy which we have pursued.

In the last 16 years, under the leadership of the current Prime Minister, we have been able to reduce very significantly the percentage of Canadians living at the poverty level. We have cut that percentage by more than half. That has been brought about because of the steps which have been taken by the Liberal Government during that particular period.

I want to point out to my friend that the social assistance programs are under provincial responsibility, although the federal Government pays 50 per cent of whatever the provinces decide to pay. Surely he knows that the level of social assistance is the responsibility of provincial Governments, under the Constitution. They determine the level of those payments. Once more, we are providing 50 per cent of those payments.

• (1120)

As far as interest rates are concerned, the Hon. Member knows that the policy of the Government is to follow the lowest possible interest rate policy. We are now in a situation where we have the same prime rate as in the United States, and we kept those rates below the U.S. level, thanks to our policies, for as long as we could. We will continue that policy of the lowest possible rates, taking into account the reality of our economic environment internationally.

GOVERNMENT RESPONSIBILITY

Hon. James A. McGrath (St. John's East): Mr. Speaker, my concern is that unemployment in Canada continues to increase while it is continuously on the decline in the U.S. A StatsCan survey shows that in February 46 per cent of the unemployed were forced to live at or below the poverty line. Unemployment is going up, which means the ratio of poor people is also increasing. Surely the Minister and the Government have to bear the burden of responsibility for this. Surely he has an obligation to tell the House, and the poor, and the unemployed, how much more they are expected to tolerate.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I remind my friend that employment has been rising during the last several months in this country. We have created more jobs, not less. The economy is growing and jobs are being created.

Mr. Broadbent: The economy is not growing.

Mr. Lalonde: As to the unemployed, the Hon. Member knows that we have set up a number of direct job-creation and recovery programs. A number of steps have been taken to increase the money for training and retraining of workers and unemployed. We are spending billions of dollars in that area, more than at any time in our history. There could be a few other things done. For instance, I am still hoping against hope that the Conservatives will support the income tax amendments before the House at the present time which would help small business considerably, as well as farmers and medium-sized businesses.

Mr. Kempling: Where is the Bill?

Mr. Lalonde: We cannot get the agreement of the Tories to pass the Bill.

Mr. McDermid: You have not tabled the Bill.

Mr. Lalonde: This is one area where the Conservatives could co-operate and help the unemployed, instead of arguing amongst themselves and being unable to agree on what should be done.

IMPACT OF INTEREST RATES ON CONSTRUCTION OF HOUSES

Hon. James A. McGrath (St. John's East): Mr. Speaker, the fact remains that there are fewer Canadians working full time today than when this Parliament first met four and a half years ago. The economic indicators show that Canada could be heading back into recession. For the last quarter construction is down, and housing starts are down. The Minister knows, or should know, that for every one percentage point increase in interest rates there is a drop of 10,000 housing starts. That means 25,000 jobs are lost. We know increased interest rates mean higher mortgage rates, which will mean lower housing starts. Surely the Minister can tell the House to what level he will tolerate these high interest rates going before he moves in to protect Canadians from another recession.

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member is taking the typical Conservative pessimistic and negative line that the economy is going into a recession. That is not a view shared by any serious analyst in this country. The economy is growing, and is expected to grow significantly this year. Even if the economy were to grow at the rate of 4.4 per cent, which is the projection on the basis of the growth in the first quarter, that would still be the best rate of increase since 1967. Inflation today is lower than it has been since 1972.

We are not in a recession and we are not heading into a recession unless, I suppose, we were to follow the Conservative prescriptions, and unless the Conservatives form a Government. That obviously would be a real recession for the country in many respects.

* * *

• (1125)

CANADA SPORTS POOL CORPORATION

SIZE OF FINANCIAL LOSSES

Mr. John Bosley (Don Valley West): Mr. Speaker, in the absence of the Minister of State (Fitness and Amateur Sport) my question is for the President of the Treasury Board. Yesterday Cabinet confirmed additional funds for the sports pool. Will the Minister confirm that the figures presented to

the Cabinet indicated that the pool has lost in the order of $20 million to date? Will he give the House a guarantee that, whatever happens in the negotiations with the provinces, no more public money will be put into the sinkhole of the sports pool and that the House of Commons can expect that the sports pool will be closed before the House resumes sitting in the fall?

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, I can say that we will follow what Parliament has said in passing a law about the sports pool. My hon. friend should be concerned about efforts made to subvert a decision of this Parliament to set up this particular operation, the objectives of which are to fund the Olympics and other worthy causes. That is what my hon. friend should be concerned about.

Mr. Bosley: Mr. Speaker, the Liberal Government ought to be very grateful that there are provinces which are prepared to assist in funding the Olympics.

REQUEST THAT FUNDING OF CORPORATION BE HALTED

Mr. John Bosley (Don Valley West): We embark on a new era tomorrow. It appears that the Liberals are proposing to hold off closing the sports pool until the new Prime Minister is sworn in tomorrow so that he can take the credit. Why will the President of the Treasury Board, who, it appears, will continue in a position of authority over public money, not tell the House of Commons today that $20 million so far, and potentially $50 million by the time we return in the fall, is a terrible waste of public money and should be stopped right now?

Some Hon. Members: Hear, hear!

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, if my hon. friend thinks that supporting the Calgary Olympics is a waste of money, that is his opinion. If my hon. friend thinks that helping medical research and sports is a waste of money, that is his opinion. However, I do not think that opinion is shared by Canadians. I will make sure that his representation, for whatever it is worth, and it is not much, is brought to the attention of the future Prime Minister.

* * *

THE ECONOMY

FAMILIES LIVING BELOW POVERTY LEVEL

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is for the Minister of Finance. It is with regard to the alarming report that came down yesterday which indicated that 26 per cent of Canadian families live in poverty and 100,000 of those families live on an income of $5,000 or less. Just a minute ago the Minister tried to suggest that the responsibility for this rests entirely with the social programs of the provinces. What nonsense.

Two years ago his Government brought in a Budget which reduced by 20 per cent the tax rate on all those earning more than $130,000 a year. Last year he himself brought in a Budget which increased federal sales taxes which impinge most directly on the poor. Could he explain to the people of Canada, and most specifically to the poor, why his Government continues to do most for those who need it least, and least for those who need it most? Is this the new Liberalism?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member has been very selective in his comments on the effects of Government policies and budgets. I informed him that a few weeks ago, for instance, Parliament passed legislation under which the Government agreed to increase by $50 its monthly payments to the elderly who live alone. This will bring all Canadians 65 years old or over above the poverty line. It is an exceptional achievement, which compares very favourably with what has been done by other countries, because practically, we shall have eliminated poverty among the aged in Canada.

The Hon. Member knows perfectly well that in recent years, the percentage of Canadian families living in poverty in Canada has been reduced by more than half. This was possible thanks to a host of measures initiated and promoted by the Government of Canada and adopted by Parliament. I may remind him once again that the levels of payments for families living in poverty or on welfare are determined by the provincial governments, and the federal Government pays 50 per cent of whatever the provincial governments are prepared to give. The Hon. Member may have a centralist view of Canada's political structure. However, we live under a federal system, which means certain areas are the responsibility of the Government and the Parliament of Canada, and others fall under provincial jurisdiction, and we are trying to work together with the provinces, with all parties discharging their share of the responsibility. However, if the Hon. Member considers the economic situation in recent years, he will realize that this Government and the Liberal Party of Canada have done a great deal to help those who are most in need in this country, and that is our policy.

● (1130)

REQUEST FOR INCOME TAX REFORM

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the facts are as follows. With the policies the Liberals have brought us, the majority of Canada's elderly will continue to remain at a certain poverty level. That is a fact. Unfortunately, the Minister failed to answer the question about our tax system here in Canada. It is the most unjust tax system in the world! It is the most unjust system of any democratic society.

[*English*]

Since he has tried to suggest, by talking about the slight amount they have done for a part of the elderly poor, that that

is all they have to do, why does he not bring in some tax reform so that upper income Canadians will pay their share? He could do a lot more, not only for the elderly poor but for the rest of the poor in the country, if his colleagues in the Cabinet and the rest of upper income Canadians paid their share of taxes. Why does he not do that?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member's statements are absolutely unfounded. Let him compare Canada's tax system with systems in most other industrialized countries and he will realize that our tax system is very fair, in comparison.

I would urge the Hon. Member to do his homework, and if he does not want to do his homework, he should get a better research service. He will find that the information he is getting is not accurate and does not reflect the real situation.

Once again, what the Hon. Member is saying with respect to the aged is totally inaccurate. Thanks to the measures we have taken, the elderly in Canada now have the assurance that they will be protected against poverty. There is no longer any reason why Canadians over 65 and living alone should be living below the poverty line, and that is thanks to the latest measures adopted by this Parliament.

As far as tax reform is concerned, the Hon. Member knows perfectly well that we tabled a broad range of budget measures designed to stimulate the economy, create jobs and provide for a fair distribution of the tax burden in this country. More specifically, we now have before Parliament a major piece of legislation which concerns an amendment to the Income Tax Act, legislation which the Opposition is reluctant to adopt. I suggest we start by adopting the reform proposals that are actually before the House before talking about reforms next week or in two years' time.

[*English*]

FUNDING ALLOCATED TO SOCIAL HOUSING

Hon. Edward Broadbent (Oshawa): Mr. Speaker, I can certainly understand why John Turner has kept the Minister in the Cabinet. If the Minister would take the time to read them, I would like to send him a number of comparative studies of tax systems in countries in western Europe. I wish he would read them. He will hear more about that in the days ahead.

Since the Minister refuses to do anything about our unfair tax system, will he understand that the major cost burden for the poor, apart from food, which is very important, is housing? Would he explain why the important part of the housing program, namely, social housing in general, and the co-operative housing sector in particular, has not been increased by the Government but decreased in terms of its budgetary allocation? Why does the Government not announce today, on this last sitting of the House before the summer, and perhaps before an election, a major increase in funds allocated for social housing which could meet a human need and also provide jobs that are badly needed?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member looks at one single program in the housing area. I invite him to look at the entire spectrum of our housing measures.

Mr. Broadbent: The housing that affects the poor. That is what I asked.

Mr. Lalonde: He will find that the Minister responsible for housing has taken steps to ensure that those who really are in need are getting help and support. It is not as much as we would like to do. Obviously we would like to be able to do more and we will try to do more but, contrary to the NDP, we realize that there is only so much money available.

Mr. Broadbent: Why did you give it all to the rich, then? Why did you give it to the rich?

Mr. Lalonde: That is typical of the Hon. Member. He prefers to shout than listen. I listened politely to his question—

Ms. Jewett: It is high time you listened.

Mr. Lalonde: —but politeness is a little bit too much to ask of him. He is so concerned about his own rhetoric that he cannot sit down for a few seconds to listen to what is being said.

I invite him again to look at the total package of measures in the area of housing. He will find that the Government has put a high priority on providing support for those in need in the area of housing.

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VISIBLE MINORITIES

INTERNED JAPANESE CANADIANS—REQUEST THAT PRIME MINISTER TENDER FORMAL APOLOGY

Hon. Brian Mulroney (Leader of the Opposition): Mr. Speaker, in this, the Prime Minister's last day—

An Hon. Member: Where have you been?

Mr. Mulroney: I was in your riding saying goodbye for you. It won't be long now.

In this, the Prime Minister's last day in the House of Commons, on behalf of my colleagues I want to wish him good health and happy days in his retirement years ahead.

Some Hon. Members: Hear, hear!

Mr. Mulroney: On this, his final day, would the Prime Minister grasp the moment to right an historic wrong that has been inflicted on Canadians of Japanese origin? Will the Prime Minister, on this special day, take the time to convey, either on behalf of the Government or on behalf of the Parliament of Canada, a formal apology to Canadian citizens

whose rights were so trampled upon in the war years? I think it would be a gesture that would sit well with all Canadians who believe so fundamentally in the sanctity of minority rights.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I thank the Hon. Leader of the Opposition for his good wishes. I will remember this place with no nostalgia but some kindness, and certainly I have been honoured to serve the people of Canada as best I could in this place for some years. I am very proud of it.

With respect to the matter that he raises, I put it to the Leader of the Opposition that he might want to associate himself with the response of the Government to the recommendations of the Task Force on Visible Minorities when we did express regrets at what had happened to the Canadians of Japanese ancestry on the occasion of the Second World War, and when we announced the setting up of a fund in order to promote racial equality in Canada.

If the Leader of the Opposition and the Leader of the New Democratic Party want to go that far, I think it would be a progressive step, and an encouraging one.

I am not sure what more the Hon. Leader of the Opposition would have in mind when he talks about redressing an historic wrong. There is no way in which we can relive the history of that period. In that sense, we cannot redress what was done. We can express regret collectively, as we have done.

If the Hon. Leader of the Opposition intends going further and indemnifying individual Canadians with sums of money, I think he should make it clear. I know that there is a fair amount of confusion in that. I would have respect for him if he suggested that, and made some provision for the many millions of dollars that would be involved, but the sum of money is not the main question. The main question is how many other historic wrongs have to be righted.

Even today we know that there are people living in Manitoba who have been deprived of their constitutional right since 1890, and who are deprived of a very real freedom of expression in that province. It is not of the same material order as the deprivation that the Japanese Canadians suffered after the war, but I think a deprivation of the spirit of a freedom is also worth some redress. Yet this Government has never suggested that they be given money. We have just suggested that we right the wrong which has been perpetrated in these recent months by a Conservative Government in Manitoba. I know that the Leader of the Opposition shares the regret that we on this side have for that. I just hope that his fellow Tories, if they are so anxious to right wrongs in the case of Japanese Canadians, will think of these wrongs and will do something to right them.

● (1140)

Mr. Mulroney: Mr. Speaker, I regret that the Prime Minister's sense of partisanship will remain with him to the end. I hate to have to remind him with regard to the Franco Manitobans that it was a Liberal Government that removed the rights of French Canadians in Manitoba.

Some Hon. Members: Hear, hear!

Mr. Nowlan: Laurier did not do a thing.

REQUEST THAT GOVERNMENT APOLOGIZE

Hon. Brian Mulroney (Leader of the Opposition): Mr. Speaker, I have another question for the Prime Minister on this his last day. We are talking about a specific problem, and there is a world of difference between a regret and a formal apology. Canadians of Japanese origin had their rights trampled upon. The reputation of this country was besmirched. All I am asking the Prime Minister today is to acknowledge the fact that this country, this Government, this Parliament, was wrong, and to convey our deep and genuine apologies to the Japanese Canadians, and in so doing tell all visible minorities in this country that this kind of heinous action will never again take place in Canada and, if it does, that we will have the nerve and the courage to stand up and apologize for it and deal with it honourably.

Some Hon. Members: Hear, hear!

Mr. Mulroney: That is all I am asking the Prime Minister. I am not trying to cast aspersions or blame. There is enough blame in our history to go around for all of us, Mr. Speaker. I am pointing out to the Prime Minister on his last day that there is a specific problem, and I am asking him if he will rise to the occasion and convey, on behalf of the Government of Canada, a genuine apology to Canadian citizens who were so badly done by. This does not preclude action in other areas in the future.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I appreciate the emotion with which the Leader of the Opposition speaks. I respect that. He feels deeply indignant about what happened to the Japanese Canadians some 40 years ago. I share that indignation. I have expressed it on other occasions. It seems to me he is making much of a semantic difference between an apology and a regret. As for me I am always prepared, with some effort, to apologize for my actions.

Some Hon. Members: Oh, oh!

Mr. Trudeau: I do not see how I can apologize for some historic event to which we or these people in this House were not a party. We can regret that it happened. But why mount to great heights of rhetoric in order to say that an apology is much better than an expression of regret? This I cannot too well understand. All I am asking the Leader of the Opposition is why only regret this particular aspect of our history? He mentions the Liberal Government of 1890. Why doesn't his Party, as a Party, apologize for those events too, to the French Canadians? Why don't they do that? Why does the Leader of the Opposition not use the same amount of rhetoric for this? Why does he not apologize for what happened to Riel? Why

does he not apologize for what happened during the Second World War to mothers and fathers of people sitting in this House who went to concentration camps? I know some of them, Mr. Speaker. They were not Japanese Canadians. They were Canadians of Italian or German origin, or some old French Canadians who went to jail, who went to concentration camps during the Second World War. Why do we not apologize to them?

I do not follow the Leader of the Opposition who talks about my political partisanship. Why suddenly only the Japanese, Mr. Speaker? Why suddenly only the Japanese Canadians? Is it because there are votes in it?

Some Hon. Members: Oh, oh!

Mr. McDermid: Come on.

Mr. Trudeau: Yes, come on. Is it because there are no votes in Manitoba for his Party? Is it because there are no votes in all the other groups? Some of these other groups—

An Hon. Member: You are sad.

Mr. Trudeau: You are sad over there, my friend.

Mr. Dick: You are sick.

Mr. Trudeau: And you are sick if you are trying to take one wrong out of Canadian history and make great speeches about it and say that we—excuse me, Mr. Speaker, through you—say that we are going to deal with this particular problem because there is a particular pressure group now. We could mount pressure groups across this country on many areas where there have been historic wrongs. I do not think it is the purpose of a Government to right the past. It cannot re-write history. It is our purpose to be just in our time, and that is what we have done by bringing in the Charter of Rights.

Some Hon. Members: Hear, hear!

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REGIONAL ECONOMIC DEVELOPMENT

ATLANTIC PROVINCES AND ECONOMIC DISPARITY

Mr. Tom McMillan (Hillsborough): Mr. Speaker, it does not give me a great deal of pride to follow such sophistry from the Prime Minister.

Some Hon. Members: Oh, oh!

Mr. McMillan: My question is for the Minister of Regional Industrial Expansion. Will the Minister confirm that there has been no significant progress in reducing economic disparity between the Atlantic Provinces and the rest of Canada since the mid-1970s? If so, to what does he attribute that failure?

Hon. Ed Lumley (Minister of Regional Industrial Expansion): No, Mr. Speaker, I would not confirm that at all.

ASSESSMENT OF REGIONAL DISPARITIES

Mr. Tom McMillan (Hillsborough): Mr. Speaker, may I direct my supplementary question to the Minister of State for Economic and Regional Development? Is the Minister aware of a confidential federal Government document which I have in my hand, prepared by his own Department, entitled "Regional Disparities: A Statistical Overview"? This document concedes the fact that economic performance:

—has slowed considerably in all regions since the mid-1970s.

And the document goes on to state that the gradual reduction in disparities between the Atlantic Provinces and the rest of Canada:

—has come to a halt since 1975.

Does the Minister reject that assessment by his own Department and by the Government of which he is a part?

Hon. Donald J. Johnston (Minister of State for Economic and Regional Development and Minister of State for Science and Technology): Mr. Speaker, we have had this debate at some length in the House just a few weeks ago when we threw statistics back and forth across this Chamber. The point is that the Government had a dedication to correcting regional disparities. That was the purpose of DREE. DREE has been an outstanding success in Atlantic Canada. These successes have been built upon, and that commitment to regional development is ever present and has been moved forward aggressively by this Government.

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[*Translation*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF DELEGATION OF FRENCH PARLIAMENTARIANS

Mr. Speaker: Order.

It is with great pleasure that I draw the attention of the House to the presence in our gallery of a delegation of twelve French parliamentarians, headed by Mr. François Loncle, Deputy of the French National Assembly. Our distinguished visitors are attending the Seventeenth Annual Meeting of the Canada-France Interparliamentary Association.

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[*English*]

EXTERNAL AFFAIRS

U.S.S.R.—TREATMENT OF PERSONS RECEIVING GIFT PARCELS FROM ABROAD

Miss Aideen Nicholson (Trinity): Mr. Speaker, my question is for the Secretary of State for External Affairs. For many years Canadians with ties to the Baltic States and the Ukraine have been able to send gift parcels to relatives in the Soviet occupied territories. However, recent changes to the U.S.S.R. Criminal Code render a person who receives help by way of

parcels from abroad liable to conviction and imprisonment for "anti-soviet agitation and propaganda". Can the Minister say what steps have been taken to persuade the U.S.S.R. to reconsider this step which appears to breach the Helsinki Final Act?

Hon. Allan J. MacEachen (Deputy Prime Minister and Secretary of State for External Affairs): Mr. Speaker, on this particular point I can only say that at the current meeting, for example, which is taking place at Stockholm, the Canadian representatives and others are continuing to press the Soviet Union and the Eastern Bloc countries to live up to the Helsinki Accord and to recognize the necessity of the greatest possible communication and interchange among the peoples of the world, particularly between the Soviet Bloc and other countries.

I am thankful to the Hon. Member for raising this particular point with respect to gifts and parcels which friends and relatives may want to exchange. I will be pleased to have officials of the Department raise the point with Soviet representatives as soon as possible.

* * *

• (1150)

SOCIAL AFFAIRS

FAMILIES LIVING IN POVERTY—PRIME MINISTER'S ADVICE

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my question is directed to the Prime Minister. It concerns poverty in Canada. The Canadian Council on Social Development reports that 2.3 million Canadians are poor. Many of these people are very poor, lining up at food banks in order to survive. A whole generation of children, young people and youth, are seriously at risk.

I should like to ask the Prime Minister a very sincere question, not a partisan one. In his last day in the House, what message would he leave for all political Parties that we should be doing together to try to decrease poverty in Canada and to try to guarantee an adequate level of income for all Canadians?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I would not intend to be a valedictorian today. However, the best advice I could give to the people of this country, to continue to help solving these problems, would be to vote Liberal in the next election.

Some Hon. Members: Hear, hear!

Some Hon. Members: Oh, oh!

Ms. Mitchell: He is just as bad as the Minister of Finance was earlier. They do not care about poverty.

Mr. Speaker: It is very difficult, within the confines of Question Period, for such a question to be answered. The Chair has to observe certain limits on time. The Hon. Member should bear in mind, in asking a question, whether it will be possible to answer it within the traditional confines of Question Period.

PLIGHT OF SINGLE FEMALE PARENTS

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, my supplementary question is directed to the Minister responsible for the status of women. The Canadian Council on Social Development report also documented the feminization of poverty. The Minister knows that many women would be able to survive alone, but because they have children to support on their own, with very low wages or welfare, they just cannot make it. Would the Minister recommend, therefore, an increase in family allowances to assist low income mothers particularly? Would she also advocate a change in the welfare system to provide continuing social assistance for children while low income parents work?

Hon. Judy Erola (Minister of Consumer and Corporate Affairs): Mr. Speaker, the Hon. Member is always looking for simple solutions to very deep problems.

Ms. Mitchell: Give me another solution now.

Mrs. Erola: The problem of women is much greater than the suggestions which she put forward. We have to fight for a complete change in the way women are paid, in the way they are treated in the workforce—

Ms. Mitchell: What about women on welfare?

Mrs. Erola: —and the way they are treated in their senior years. This is one of the reasons the Government just increased the GIS payment by $50. Those most affected are the poorest of the poor, the elderly women.

Mr. Broadbent: That's right; make it complex so that nothing is done.

Mrs. Erola: I wish she would support the programs that we are putting forward.

* * *

INCOME TAX ACT

IDENTIFICATION OF AMENDING LEGISLATION

Mr. Bill Kempling (Burlington): Mr. Speaker, my question is directed to the Minister of Finance. He made reference yesterday and today to an income tax bill which would make certain changes and bring in some simplified tax reporting procedures. Would the Minister indicate the number by which the particular Bill can be identified?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Ways and Means Motion has been tabled. It is available. It has fundamentally the same text as the Bill. A copy of the Bill has been given to the critic of the Opposition and to the

critic of the NDP for them to examine. There was an understanding that if we could get agreement to pass the Bill quickly, it would be immediately introduced on the basis of the Ways and Means Motion before the House and we would proceed with one speaker on each side.

The Opposition has had the Bill for several days. The Hon. Member knows the problem is that the Conservatives are divided. They cannot even agree on what stand they should take on anything. The Leader of the Opposition and his finance critic have contradicted each other on what stand they should take on the value of the dollar, and on interest rates. They have contradicted each other on universality. They have contradicted each other on every other subject. As on everything else, the Conservatives cannot make up their minds whether they are coming or going. I can tell them that they are going.

INTRODUCTION OF AMENDING LEGISLATION

Mr. Bill Kempling (Burlington): Mr. Speaker, the prime rate has risen to 13 per cent. The dollar is at 75 cents, with no bottom in sight. The Minister is talking about a Bill which has not been introduced into the House of Commons for debate. It is not on the Order Paper. Could he tell us whether this elusive tax Bill is one of the 11 Bills which will be brought forward today in the House of Commons for debate?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the House Leader is here. He will be available to meet right after Question Period with the House Leaders of the opposition Parties. If they are ready to pass this Bill today, I am sure that our House Leader would be very happy to do it.

Some Hon. Members: Where is the Bill?

Mr. Lalonde: The fact is that the Conservatives cannot get together and agree on a strategy or policy to pass this Bill. The fact is that they are not ready to pass a measure which will be of great help to small and medium-sized businesses.

Mr. Kempling: There is no Bill.

Mr. Lalonde: They are unable to agree on passing a Bill which will help farmers. They are unable to agree on passing amendments to the Income Tax Act which would help all Canadians. I can tell them that if they do not pass the Bill I will be there to remind the Canadian public whose fault it is that that Bill is not passed.

Some Hon. Members: Hear, hear!

* * *

CANADIAN COAST GUARD

SINKING OF CHARTERED YACHT—RESCUE OF CREW AND PASSENGERS

Mrs. Ursula Appolloni (York South-Weston): Mr. Speaker, my question is directed to the Minister of National Defence. Could the Minister confirm that a private complaint had been filed with the Marine Safety Division of the U.S. Coast Guard on the day before the sinking of the *Royal Princess*, from which the 20 passengers, fortunately, were rescued by Canadian as well as by American helicopters?

Hon. J.-J. Blais (Minister of National Defence): Mr. Speaker, I am thankful the Hon. Member brought this particular event to the attention of the House. As the Hon. Member has indicated, it was a most remarkable and successful search and rescue operation. It saved the lives of 20 human beings at considerable risk to the lives and safety of the crews of four helicopters—two from the Canadian Forces and two from the United States Coast Guard. Again that is a manifestation of the high level of co-operation between Canada and the United States in search and rescue.

I am not in a position to advise or to confirm the information which she advanced to the House. However, I would say that it gives us the occasion, especially at the beginning of the holidays, to identify the importance of search and rescue in Canada from coast to coast, and to ask all Hon. Members in the House to communicate to their constituents the information, which is essential for people on holiday to know, relating to search and rescue, its infrastructure, and where they can contact search and rescue operations in their own regions.

Mr. Speaker: The Hon. Member for Malpeque.

Mr. Gass: Mr. Speaker, I was about to direct my question to the Minister of Fisheries and Oceans, but he has just ducked out the door for a second. I will have to defer for the moment.

* * *

MARINE TRANSPORT

QUALITY OF DRINKING WATER ON GREAT LAKE CARRIERS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question is directed to the Minister of Transport. I do not intend to intrude myself or this Chamber into the ongoing labour dispute on the Great Lakes. However, one of the serious problems seems to be the method by which lake carriers take on drinking and other fresh water. Could the Minister advise the House whether or not the practice of taking on untreated, raw lake water from the middle of the Lakes, for human consumption, is permissible under transport regulations?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, as the Hon. Member knows, the regulations require that any potable water be of a safe nature. The means by which it is extracted or treated are what have to be tested. It does not matter where the source is as long as it is proper, fresh and usable water. As the Hon. Member said, it is a matter under some dispute as part of the negotiations. I think the role we could play is not to intervene in the negotiations, but to ensure that the standards applied are properly adhered to. It would be my responsibility. I will take the Hon. Member's question as

representation and will undertake to examine the situation carefully to ensure that those standards are in fact lived up to, so that there will not be a problem in relation to the safety of drinking water.

Mr. Speaker: The Hon. Member for Bruce-Grey.

Mr. Gurbin: Mr. Speaker, my question would have been directed to the Minister of Fisheries and Oceans. He has been in and out of the Chamber, and I cannot find him now.

* * *

POOLS

CANADA SPORTS POOL CORPORATION—FUNDING OF CALGARY WINTER OLYMPICS

Mr. Jim Hawkes (Calgary West): Mr. Speaker, in the absence of the President of the Treasury Board I should like to direct my question to the Minister of Finance. The people of Calgary are very concerned about funding for the Olympics. The sports pool is losing money at the rate of $10 million per month. How can the sports pool provide money for the Calgary Olympics when it is losing money? How can you lose money and have a profit at the same time? The mathematics of it escapes me. I would really like the Minister to explain that to us.

● (1200)

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, the Minister of Finance pointed out yesterday, when asked about this same subject, that it has been the pattern for operations of this kind, including provincial lottery operations, to take a number of months, or perhaps longer, to reach a profitable position. The precedent in this case indicates that there is a period of time before an entity like this can be in a profit-making position. This point was made quite effectively yesterday by the Minister of Finance.

REQUEST THAT TICKETS BE PRINTED IN CANADA

Mr. Jim Hawkes (Calgary West): Mr. Speaker, will the Minister table any studies that would prove that? In addition, will he make a commitment to have the lottery tickets printed in Canada instead of the United States so that some jobs may be created here in printing, forestry, and so on? Why are we spending $10 million, which will be lost money, to create jobs in the United States rather than in Canada?

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, I will draw my hon. friend's representation to the attention of the responsible Minister. I am glad to see his belated conversion to the worthy cause of Canadian nationalism.

POLITICAL PARTIES

LIBERAL PARTY LEADERSHIP CONVENTION—PRIME MINISTER'S SPEECH

Hon. Stanley Knowles (Winnipeg North Centre): Mr. Speaker—

All Hon. Members: Hear, hear!

Mr. Knowles: My question is directed to the Prime Minister. I trust he will forgive me if I repeat an issue that I discussed with him personally a few days ago. I referred to the fact that at the Liberal Convention which was held here on June 14, 15 and 16, I felt that the most important speech at that gathering was made by the present Prime Minister.

Some Hon. Members: Hear, hear!

Mr. Knowles: I even went so far as to suggest at one point that he read a book of mine about 23 years ago. At any rate, in his speech the Prime Minister declared that the Liberals had been concerned about old age pensions, medicare, unemployment, and economic conditions. He further stated that the Liberals have always been concerned about peace rather than war, in particular the late Prime Minister Pearson. However, we are aware that a few days ago a peace award was announced for the present Prime Minister.

He also made the point that it should be a concern for all people in this country that they have equality of their rights, regardless of race, colour, or religion.

Although the Prime Minister is leaving, I hope he will continue to use all the efforts he can with regard to his Party and the other Parties, as well as with all Canadians, so that it will be a major concern of this place to deal with those problems which the Prime Minister spoke of on June 14.

Some Hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I thank the Hon. Member for remembering what I said two weeks ago and for remembering what he said to me 23 years ago. I assure him that I have always respected his sense of dedication to Canada and the means that he used in order to further the Canadian common weal.

I must say that this House has been very supportive of the peace initiative. All Parties have joined in a very difficult negotiation, and a very successful one, in ensuring that the Peace Institute would be created by this Parliament. I am particularly grateful to the committee chairman, the Hon. Member for Saint-Denis, who ensured the difficult negotiations which permitted the passage in committee and, of course, to my colleague, the Secretary of State for External Affairs who, with the Hon. Member for Yukon and the Hon. Member for New Westminster-Coquitlam, was able to give life to this Institute. I am sure the Hon. Member for Winnipeg-North Centre will, like me, in our respective retirements wish all those who will be involved in the Institute and in the pursuit of

peace, which is so dear and so close to Canadian ideals, well, and watch with approval their work in that line.

Some Hon. Members: Hear, hear!

NEW DEMOCRATIC PARTY'S RECORD ON SOCIAL MEASURES

Hon. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I am grateful to the Prime Minister for the comments that he has made. I express the hope that he will make the point to the members of his Party and to other Parties that the organization that is strongest in pressing for pensions, health care and other matters, the one that has done the most and the one that mostly deserves support, is the Party of the NDP.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Be a statesman.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I want to agree one hundred per cent with the final statement of the Hon. Member for Winnipeg North Centre. I sincerely hope that they will always be sitting there to the left of the Liberal Party, prodding the Liberal Government on to do more and more good things for Canadians.

Some Hon. Members: Hear, hear!

* * *

HOUSE OF COMMONS

TRIBUTE TO PAGE STAFF

Mr. Speaker: On behalf of all Members of Parliament, I would like to express our appreciation to the pages for their services and wish them well in their careers.

Some Hon. Members: Hear, hear!

* * *

PETITIONS

TABLING OF REPORTS OF CLERK OF PETITIONS

Mr. Speaker: I have the honour to inform the House that the petitions, with the exception of three, presented by Hon. Members on Thursday, June 28, 1984, meet the requirements of the Standing Orders as to form.

The two petitions presented by the Hon. Member for Kamloops-Shuswap (Mr. Riis) and one of the petitions presented by the Hon. Member for Broadview-Greenwood (Ms. McDonald) do not meet the requirements of the Standing Orders as to form.

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that messages have been received from the Senate informing this House that the Senate have passed the following Bills without amendment: Bill C-32, an Act to establish the Canadian Institute for International Peace and Security; Bill C-33, an Act to amend the Western Grain Stabilization Act; Bill C-34, an Act to amend the Canada Labour Code and the Financial Administration Act; Bill C-43, an Act respecting the Canada-Nova Scotia Agreement on Offshore Oil and Gas Resource Management and Revenue Sharing and to make related and consequential amendments.

* * *

BUSINESS OF THE HOUSE

Mr. Pinard: Mr. Speaker, I rise on a point of order with relation to the House business for today. I want to report to my colleagues that following consultations with the House Leaders, we will be dealing with a certain number of Bills today. At the end of the sitting last night, I enumerated the order in which we thought at that time the Bills would be debated. We had further consultations this morning.

The following order will be followed for debating the Bills today, as agreed among the House Leaders. The first item of business will be Bill C-50, followed by Bills C-51, C-54, C-53, S-11, C-47, the Saltfish Bill that will be introduced in a few moments, the Miscellaneous Statutes Amendment Bill that will be introduced by consent in due time, and Bill C-56.

[*Translation*]

Of course, since these are non-controversial measures, there is still room, provided we have the co-operation of Hon. Members, for other Bills we are prepared to introduce, if necessary, on income tax or other measures. In any case, according to the Standing Orders of the House, we must finish Government business by four o'clock this afternoon.

I believe that as soon as we have finished Government Orders, we have unanimous consent for suspending the sitting of the House to allow the Senate to consider and finish consideration of these bills and then proceed with Royal Assent—

• (1210)

[*English*]

Therefore, I would ask that the motion be seconded by the Hon. Member from Edmonton—

Mr. Hnatyshyn: Saskatoon. It is in Saskatchewan.

Mr. Pinard: Yes, that is where he is going in a few minutes.

Mr. Hnatyshyn: Unlike you, I will be back.

Mr. Pinard: I would like the Hon. Member to second the following motion, following our understanding:

That at the end of debate on Government business today and no later than 4 p.m. this day, the House shall suspend its sitting until the call of the Chair.

Mr. Speaker: Is there unanimous consent for the Hon. President of the Privy Council to introduce the motion?

Some Hon. Members: Agreed.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

* * *

POINT OF ORDER

MR. DEANS—SUGGESTED COMPENSATION FOR CERTAIN HOUSE EMPLOYEES

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I have another matter that I would like to raise on a point of order. I recognize that what I am about to ask would require unanimous consent and I raise it with that in mind. Perhaps, Sir, you would seek the unanimous consent of the House in order that a motion could be put. If unanimous consent was forthcoming, I would be prepared to move or for that matter to support anyone else who wished to move a motion to the effect that the employees of the House of Commons who worked all night in the sitting of the House of Commons which commenced on Wednesday, June 20, 1984, be paid an additional sum for the additional services they rendered to the House of Commons.

Mr. Speaker: I would like to make two comments. First, the normal method of payment by the House does take into account the fact that there are occasional periods of overtime. Second, it is a matter that the Chair would prefer to have referred to the Management and Members' Services Committee and a recommendation to the Chair could be made through that channel.

Hon. Yvon Pinard (President of the Privy Council): Mr. Speaker, we of course never question your decisions. This one is one of the wisest decisions you have made.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

LABOUR, MANPOWER AND IMMIGRATION—SECOND REPORT OF STANDING COMMITTEE

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Mr. Speaker, as Chairman of the Standing Committee on Labour, Manpower and Immigration, I have the honour to present the second report of the Committee, in both official languages. If the House gives its consent, I intend to move concurrence in this report later this day.

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT—FIRST REPORT OF STANDING COMMITTEE

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I have the honour to present two reports from two different Standing Committees. First, I have the honour to present the first report of the Standing Committee on Indian Affairs and Northern Development in both official languages.

COMMUNICATIONS AND CULTURE—SECOND REPORT OF STANDING COMMITTEE

Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications): Mr. Speaker, the second report I have the honour to present is the second report of the Standing Committee on Communications and Culture in both official languages. The subject matter deals with sexually abusive broadcasting.

[*Editor's note: For above reports, see today's Votes and Proceedings.*]

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PETITIONS

MR. FRASER—DEREGULATION OF COMMERCIAL AIRLINES

Hon. John A. Fraser (Vancouver South): Mr. Speaker, I have several petitions to present and I will not be overly long. The first petition is from members of the Canadian Airline Flight Attendants Association and deals with the establishment of air fare structures without undue restriction by the Canadian Transport Commission. The petitioners humbly pray and call upon Parliament to oppose plans to deregulate Canada's commercial airline service. And as in duty bound your petitioners will ever pray.

MR. FRASER—WHOLESALING OF FISH

Hon. John A. Fraser (Vancouver South): Mr. Speaker, the second petition is from the undersigned residents of the Riding of Vancouver South. They call upon the House regarding the matter of a certain lease granted by the Minister of Fisheries and Oceans (Mr. De Bané) to operate a private fish selling facility at False Creek Government Marina. They call upon this House as follows: your petitioners humbly pray and call upon Parliament to give commercial fishermen the right to sell their fish directly to the public with no middle-man. And as in duty bound your petitioners will ever pray.

Petitions

MR. FRASER—TAXATION OF DISTILLED SPIRITS

Hon. John A. Fraser (Vancouver South): Mr. Speaker, the third petition is again signed by residents of the City of Vancouver. That petition shows their concern with respect to federal excise duty and sales tax on distilled spirits and calls for the following: wherefore the undersigned your petitioners humbly pray and call upon Parliament to revise the federal excise duty and sales tax so as to lower the rate of taxation of distilled spirits. And as in duty bound your petitioners will ever pray.

MR. FRASER—POST-SECONDARY EDUCATION

Hon. John A. Fraser (Vancouver South): Mr. Speaker, the next petition is from students of Vancouver Community College-Langara which is in the federal Riding of Vancouver South. These petitioners are seriously concerned over the decline in opportunities for those seeking post-secondary education in British Columbia. These petitioners humbly pray and call upon Parliament to raise the issue of student accessibility in the Province of British Columbia, that Parliament demand a full account of the federal transfer funds that are meant to be spent on education and that all Members of Parliament work to guarantee that all Canadians have an inalienable right to seek the finest education available in all areas of their jurisdiction. And as in duty bound your petitioners will ever pray.

MR. FRASER—VIA RAIL PASSENGER SERVICE

Hon. John A. Fraser (Vancouver South): Mr. Speaker, the next petition is again from residents of the City of Vancouver and it deals with the area of transportation and the pledge to renew VIA Rail passenger service. Your petitioners humbly pray and call upon Parliament to reinstate VIA Rail passenger service between the Cities of Edmonton, Jasper and Vancouver. And as in duty bound your petitioners will ever pray.

MR. FRASER—TESTING OF CRUISE MISSILE ON CANADIAN SOIL

Hon. John A. Fraser (Vancouver South): Mr. Speaker, the last petition is from residents of the federal riding of Vancouver South who submit this petition because of their very grave concern with respect to the threat to the survival of humanity posed by the existence of nuclear weapons and the continuing arms race. Your petitioners humbly pray and call upon Parliament to enact legislation preventing the testing of the Cruise missile in Canada in all areas of your jurisdiction. And as in duty bound your petitioners will ever pray.

MR. MILLER—PROTECTION OF COASTAL COMMUNITIES

Mr. Ted Miller (Nanaimo-Alberni): Mr. Speaker, I have the honour to present a petition on behalf of the residents of Yellow Point on Vancouver Island and other British Columbia citizens interested in marine environment. In addressing their petition to several Ministers, both in Ottawa and in Victoria, and to the House of Commons, they express their concern about the inadequate protection provided to coastal communities and to the environment from bulk carriers of coal, oil, chemicals and other commodities carried along Canada's coast.

By citing a specific case which occurred on February 5, 1984, the residents demonstrate the virtual impossibility of obtaining a conviction for pollution and call for an inquiry to find practical, enforceable means of protecting the fragile and recreationally valuable waters and shores of Vancouver Island and the Gulf Islands from the risk of further damage by bulk carriers.

* * *

• (1220)

ELECTORAL BOUNDARIES READJUSTMENT ACT

AMENDMENT TO ESTABLISH SEPARATE SEAT FOR LABRADOR

Mr. Rod Murphy (Churchill) moved for leave to introduce Bill C-259, an Act respecting the Electoral Boundaries Readjustment Act (Grand Falls-White Bay-Labrador).

Mr. Speaker: Is it the pleasure of the House that the Hon. Member shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Mr. Murphy: Mr. Speaker, the purpose of the Bill which I am presenting to the House is to create a separate seat for Labrador. Labrador is a distinct geographic entity with clearly defined boundaries. It stands historically, culturally, socially, logistically and politically apart from the rest of its own province. I am asking the House to consider that since Labrador has special geographic consideration it should be allowed the same dispensation that has been allowed to Prince Edward Island, Yukon and the Northwest Territories.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read a second time? At the next sitting of the House?

Some Hon. Members: Agreed.

* * *

[*Translation*]

SALTFISH ACT

MEASURE TO AMEND

Hon. Pierre De Bané (Minister of Fisheries and Oceans) moved for leave to introduce Bill C-57, an Act to amend the Saltfish Act.

Mr. Speaker: Will the House allow the Hon. Minister to table this Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read the second time? Later today, with unanimous consent?

Some Hon. Members: Agreed.

* * *

[*English*]

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill C-30, an Act to amend the Bank Act, without amendment.

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LABOUR, MANPOWER AND IMMIGRATION

CONCURRENCE IN SECOND REPORT OF STANDING COMMITTEE

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Mr. Speaker, if the House would give its consent, I move, seconded by the Hon. Member for Brome-Missisquoi (Mr. Bachand), that the second report of the Standing Committee on Labour, Manpower and Immigration, presented to the House earlier this day, be concurred in.

Mr. Speaker: Is there unanimous consent for the Hon. Member to present his motion?

Some Hon. Members: Agreed.

Mr. Speaker: Hon. Members have heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

* * *

POINT OF ORDER

MR. DICK—PROPOSED INTRODUCTION OF INCOME TAX BILL

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I rise on a point of order. We have just gone past the point of Introduction of Bills. I was anticipating that the Government House Leader might have introduced a Bill which has been discussed in the last few days. I was wondering if the income tax Bill would be tabled in the House in order that Hon. Members would know what is in the legislation.

Mr. Evans: Mr. Speaker, not at this exact moment. The Hon. Member knows quite well that it is always possible, with unanimous consent, to revert to the tabling of Bills or documents.

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today, for the last time: Nos. 734, 735, 736, 788 and 863.

[*Text*]

NCC ADVISORY COMMITTEE ON ARTS

Question No. 734—**Mr. Mazankowski:**

1. Is there a National Capital Commission Advisory Committee on Arts and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Committee and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Hon. Roméo LeBlanc (Minister of Public Works): 1. Yes. (a) The Committee advises the NCC on selecting, renting commissioning and siting of works of art in the National Capital Region, and on significant visual aspects of the Commission's publications, exhibits and major public activities.

(b) (i) Name	(ii) Occupation	(iii) Term
Kenneth Lochhead, Ottawa, Ontario	Artist and art teacher	One year, renewable annually for a maximum of five years
Etienne J. Gaboury Winnipeg, Manitoba	Architect	" " " "
Julien Hébert Montréal, Québec	Designer	" " " "
Garry N. Kennedy Halifax, Nova Scotia	Artist and art teacher	" " " "
Joyce Zemans Toronto, Ontario	Art critic	" " " "
George Swinton Ottawa, Ontario	Artist and art teacher	" " " "
Takao Tanabe Parksville, British Columbia	Artist	" " " "
Ronald F. Williams Pointe-Claire, Québec	Landscape Artist	" " " "
John Hooper Hampton, New Brunswick	Sculptor	" " " "
J. A. Shanks Saskatoon, Saskatchewan	Accountant	" " " "
Armand Turpin Hull, Québec	Businessman	" " " "

(c) (i) The Committee members receive remuneration as follows: $200 per day or $100 per half day for attendance at meetings and time spent in performing special assignments approved by the Commission, a travel time allowance of not less than $50 plus $25 per hour for any number of hours exceeding two to a maximum of $400 per return trip, reasonable travelling and other expenses are reimbursed.

(ii) For 1983-84, committee members received remuneration of $12,125 and were reimbursed travel expenses of $8,016.

(d) No other direct funding is provided. However, certain secretariat costs, such as office supplies, stationery, etc., are covered by the National Capital Commission budget.

2. (a) Five times. (b) There is no set minimum limit to the number of times the Committee should meet. (c) The Committee reviewed various items pursuant to its mandate. (d) The Committee does not publish reports or recommendations.

NCC ADVISORY COMMITTEE ON REAL PROPERTY

Question No. 735—**Mr. Mazankowski:**

1. Is there a National Capital Commission Advisory Committee on Real Property and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Committee and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Hon. Roméo LeBlanc (Minister of Public Works): 1. Yes. (a) The Committee advises the NCC on matters relating to major real property transactions including acquisition, disposals, leases and easements in the National Capital Region. In addition, the Committee advises on other matters concerning real property management, particularly in the area of policy development.

(b) (i) Name	(ii) Occupation	(iii) Term
Georges Couillard Lac Mégantic, Québec	Real Estate Advisor	One year, renewable annually for a maximum of five years
James Butler Toronto, Ontario	Real Estate Advisor	" "
Joseph H. Chung Montréal, Québec	Urban economist	" "
M. J. Fitzgerald Ottawa, Ontario	Agriculture Specialist	" "
William Assad Gatineau, Québec	Businessman	" "
Edmund Nesbitt Ottawa, Ontario	Real Estate	" "
James William Parker St. John's, Newfoundland	Businessman	" "
Robert Fréchette Ste-Foy, Québec	Real Estate Advisor	" "
William Patrick Saskatoon, Saskatchewan	Contractor	" "
Monica Becott Prince George, British Columbia	Alderman	" "
Armand Turpin Hull, Québec	Businessman	" "

(c) (i) The Committee members receive remuneration as follows: $200 per day or $100 per half day for attendance at meetings and time spent in performing special assignments approved by the Commission, a travel time allowance of not less than $50 plus $25 per hour for any number of hours exceeding two to a maximum of $400 per return trip, reasonable travelling and other expenses are reimbursed.

(ii) For 1983-84, Committee members received remuneration of $14,500 and were reimbursed travel expenses of $13,113.

(d) No other direct funding is provided. However, certain secretariat costs, such as office supplies, stationery, etc., are covered by the National Capital Commission budget.

2. (a) Four times. (b) There is no set minimum limit to the number of times the Committee should meet. (c) The Committee reviewed various items pursuant to its mandate. (d) The Committee does not publish reports or recommendations.

NCC ADVISORY COMMITTEE ON DESIGN

Question No. 736—**Mr. Mazankowski:**

1. Is there a National Capital Commission Advisory Committee on Design and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Committee and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Hon. Roméo LeBlanc (Minister of Public Works): 1. Yes. (a) The Committee on Design advises the NCC on the discharge of its duties with regard to approving designs of buildings and other works of federal lands in the National Capital Region; this mandate relates to siting, erection, alteration and extension of such buildings and works.

(b) (i) Name	(ii) Occupation	(iii) Term
Dimitri Dimakopoulos Montréal, Québec	Architect and Urban Designer	One year, renewable annually for a maximum of five years
Claude Belzile Québec, Québec	Architect	" " "
Michael Hough Toronto, Ontario	Landscape Architect	" " "
Andrew B. Lynch Halifax, Nova Scotia	Architect	" " "
D. John Moore Vancouver, British Columbia	Architect and Urban Designer	" " "
Takao Tanabe Parksville, British Columbia	Artist	" " "
A. Jack Diamond Toronto, Ontario	Architect and Urban Designer	" " "
William T. Perks Calgary, Alberta	Engineer and Environmental Designer	
Eva Vecsei Montréal, Québec	Architect and Urban Designer	" " "
Alexander E. Rattray Winnipeg, Manitoba	Landscape Architect	" " "
Charles G. Smith Calgary, Alberta	Lawyer	" " "
Phillip M. Reynolds Winnipeg, Manitoba	Architect	" " "

(c) (i) The Committee members receive remuneration as follows: $200 per day or $100 per half day for attendance at meetings and time spent in performing special assignments approved by the Commission, a travel time allowance of not less than $50 plus $25 per hour for any number of hours exceeding two to a maximum of $400 per return trip, reasonable travelling and other expenses are reimbursed.

(ii) For 1983-84, Committee members received remuneration of $35,200 and were reimbursed travel expenses of $35,675.

(d) No other direct funding is provided. However, certain secretariat costs, such as office supplies, stationery, etc., are covered by the National Capital Commission budget.

2. (a) Seven times. (b) There is not set minimum limit to the number of times the Committee should meet. (c) The Committee reviewed various items pursuant to its mandate. (d) The Committee does not publish reports or recommendations.

ADVISORY COMMITTEE ON FINANCIAL INSTITUTIONS

Question No. 788—**Mr. Mazankowski:**

1. Is there an Advisory Committee on Financial Institutions and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Committee meet and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Hon. Roy MacLaren (Minister of State (Finance)): 1.(a) Yes. There is an Advisory Committee on Financial Institutions. In establishing the Committee in January, 1984, the Minister of State (Finance) said that he would ask the Committee to advise him on what regulatory changes would help to ensure that the benefits of the evolving trends in the financial services industry can be secured, while simultaneously protecting the public interest.

(b) (i) Committee members are: Mr. Donald Bean; Mr. Michael Bélanger; Mr. Raymond Blais; Mr. Norman Bromberger; Mr. Larry Clarke; Mr. Edward Crawford; Dr. William A. Dimma; Dr. Marie-Josée Drouin; Mr. Frank B. Lamont; Mrs. Betty Kennedy; Mr. Earl H. Orser; Mr. Dan Pekarsky; Mr. Grant L. Reuber; Mr. Jean Robitaille; Mr. William H. Somerville and Mr. Robert H. Jones.

(ii) Most Committee members are senior executives of financial institutions (see below).

(iii) It is hoped that the members will be able to serve until the Committee is dissolved.

(c) (i) Committee members receive no remuneration for serving on the Advisory Committee, although they may request reimbursement for travel expenses incurred.

(ii) To date $1,671.36 has been expended for these purposes.

(d) The Government has also covered the cost of meeting rooms used by the Committee and catering costs. These expenses have totalled $3,740.12 to date.

2. No.

Committee Members

Mr. Donald Bean
President and Chief
Operating Officer
Wood Gundy Limited

Monsieur Raymond Blais
Président
La Confédération des caisses
populaires et d'économie
Desjardins du Québec

Mr. Larry Clarke
Chairman of the Board
Chief Executive Officer
Spar Aerospace Limited

Mr. William A. Dimma
President and Chief
Operating Officer
A. E. LePage

Mr. Robert H. Jones
Chairman and Chief
Executive Officer
The Investors Group

Monsieur Michel Bélanger
Président du conseil
Président et chef de la direction
Banque nationale du Canada

Mr. Norman Bromberger
Chief Executive Officer and
General Manager
Saskatchewan Central Credit Union

Mr. Edward Crawford
President
The Canada Life Assurance Company

Madame Marie-Josée Drouin
Directeur général
Institut Hudson

Mrs. Betty Kennedy, O.C.
Public Affairs Editor
CFRB Radio

Mr. Frank Lamont
President and Chief
Executive Officer
Richardson Greenshields of
Canada Limited

Mr. Dan Pekarsky
President
First City Financial Corporation

Mr. William H. Somerville
President and Chief
Executive Officer
Victoria and Grey Trust

Mr. Earl H. Orser
President and Chief
Executive Officer
London Life

Mr. Grant L. Reuber
President
Bank of Montreal

Mr. Jean Robitaille
President
Royal Insurance Company
of Canada

PCO—EXEMPT STAFF

Question No. 863—**Mr. Hnatyshyn:**

1. Are any exempt staff employed by the Office of the President of the Privy Council and, if so, what are their (a) titles (b) positions (c) names (d) initial date of employment as exempt staff?

2. Do any of the staff mentioned in part I receive income, financial assistance or other benefits related to their employment from sources other than the ministerial budget and, if so (a) which members (b) what are the details of the income, financial assistance or other benefits?

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): 1. (a) to (d) The President of the Privy Council employs exempt staff as follows:

Name and Title	Date of Employment
Young, R.—Executive Assistant	01.05.80
Mathieu, J.—Communications Assistant	24.10.83
Deslauriers, L.—Assistant Private Secretary	13.09.82
Giovanniello, M.—Research Assistant	17.11.82
Thérien, J.-Y.—Chauffeur	06.03.80
Yip, M.—Senior Special Assistant Constituency	06.12.82
Burgoyne, L.—Secretaire	04.08.81
Melançon, L.—Special Assistant Constituency	01.11.82

2. No. (a) and (b) Not applicable.

* * *

[*Translation*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if questions Nos. 180 and 713 could be made orders for returns, these returns would be tabled immediately.

Mr. Speaker: The questions enumerated by the Parliamentary Secretary have been answered. Is it the pleasure of the House that questions Nos. 180 and 713 be deemed to have been made orders for returns?

Some Hon. Members: Agreed.

[*Text*]

EM&R—EMPLOYMENT OF OUTSIDE CONSULTANTS

Question No. 180—**Mr. Blenkarn:**

1. In the fiscal year (a) 1981-82 (b) 1982-83 were outside consultants employed by the Department of Energy, Mines and Resources and, if so (i) how many (ii) what was the total amount paid?

2. Were any consultants paid more than $20,000 and, if so, in each case what (a) was his/her name (b) was the amount (c) services were provided?

Return tabled.

CANADIAN EMPLOYMENT AND IMMIGRATION ADVISORY COUNCIL

Question No. 713—**Mr. Mazankowski:**

1. Is there a Canadian Employment and Immigration Advisory Council and, if so, what (a) are its terms of reference (b) is the (i) name (ii) background or expertise (iii) term of appointment of each member (c) remuneration, such as salary or travel expenses (i) do the members receive (ii) did the members receive to date (d) other funding, if any, is provided by the Government?

2. During the fiscal year 1982-83, did the Council meet and, if so (a) how often (b) how often is it required to meet (c) what matters did it consider (d) what reports and/or recommendations were published?

Return tabled.

[*Translation*]

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

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

CANADA-UNITED KINGDOM CIVIL AND COMMERCIAL JUDGMENTS CONVENTION ACT

MEASURE TO ESTABLISH

Hon. Mark MacGuigan (Minister of Justice) moved that Bill C-51, an Act to implement a convention between Canada and the United Kingdom of Great Britain and Northern Ireland providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Pinard: Mr. Speaker, I rise on a point of order. By consent, we would like this Bill to be sent to a Committee of the Whole in order that it can be passed through the House today.

Mr. Fraser: Mr. Speaker, I am rising to indicate that there is agreement in so far as this Party is concerned.

Mr. Speaker: Therefore, the motion is amended as follows: "Mr. MacGuigan, seconded by Mr. Pinard, moves that Bill C-51, an Act to implement a convention between Canada and the United Kingdom of Great Britain and Northern Ireland providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters, be now read a second time and, by unanimous consent, referred to a Committee of the Whole".

Is it the pleasure of the House to adopt the motion?

Mr. MacGuigan: Mr. Speaker, I think it is appropriate to put on the record the purpose of this Bill, not to delay proceedings but in order to provide a written statement as to its purpose.

The Convention between Canada and the United Kingdom of Great Britain and Northern Ireland providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters was signed in Ottawa on April 24, 1984. This Convention codifies the existing principles for recognition of judgments in Canada and the United Kingdom and also simplifies the procedures in this area. The Bill extends the application of the Convention to judgments rendered by the Federal Court.

The main reason for concluding this Convention was the imminent accession by the United Kingdom to a European Convention on the enforcement of judgments. The European Convention provides for the enforcement of judgments of other European states, including some which would not otherwise have been recognized by the United Kingdom courts because they were based on challengeable, frequently qualified as exorbitant bases of jurisdiction.

The European Convention, however, contains a provision which enables the United Kingdom to declare that it will not recognize or enforce any judgment based on exorbitant

grounds of jurisdiction given against a party that is domiciled or habitually resident in a specified non-European state. I refer the House to Article 9 of the proposed Canada-United Kingdom Convention whereby the United Kingdom undertakes to make such a declaration.

Before Canada can ratify this Convention, both federal and provincial legislation must be adopted. Almost all of the provinces have undertaken to adopt the necessary legislation. I can advise the House that this has already been done in Ontario and Nova Scotia. Article 12 of the proposed Convention enables Canada to ratify and expand the application of the Convention to specific provinces, not necessarily all provinces.

Since it is expected that the European Convention will come into force in January, 1985, it is very important that the Bill be granted speedy passage to ensure that Canadian assets in the United Kingdom will be protected against claims and judgments which, but for the European Convention, would not be recognized in the United Kingdom.

• (1230)

I might just add in conclusion, Mr. Speaker, since this is probably the last occasion on which I will be speaking in this House, that I have enjoyed very much my 16 years here. I have enjoyed them not only because of the contact I have had with my colleagues in my own Party, but because of the warm, friendly and co-operative relations I have had with Hon. Members of the two other Parties. I would like to thank them for their co-operation and to say that I will keep a very close and friendly eye on proceedings in this House.

Some Hon. Members: Hear, hear!

Hon. John A. Fraser (Vancouver South): Mr. Speaker, the Hon. Minister of Justice (Mr. MacGuigan) has, I believe, succinctly stated the purpose of this legislation. It would be untoward of me to expand upon his remarks except to say that those who have worked for a long time to bring about this Convention have no doubt put their minds to most of the complex issues which are contained within it. It is our responsibility, I believe, under those circumstances, to pass this legislation which ratifies and approves the arrangement between our country and the United Kingdom. Therefore, we consent and approve the passage of this Bill.

I would like to just take a moment to respond to the Minister of Justice (Mr. MacGuigan) and to say to him, on behalf of our Party, that we have enjoyed working with him in this place. Our many personal relations with him have been useful. I hope he feels the same way, and I feel he does. We wish him well and Godspeed in whatever endeavours he is called upon to engage on behalf of the law and on behalf of our country.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I will take even less time than the critic for the Official Opposition. I want to begin by saying to the Minister of Justice (Mr. MacGuigan) that I, like all Hon. Members of the House, listened with interest to news reports which would indicate that the Minister's pursuit of justice will continue, if not in the House of Commons, in another equally important capacity. I believe it is both appropriate and in the best interests of Canada that that goal should be pursued. I want, therefore, to wish the Minister well in what I understand will be a very challenging and, I anticipate, very interesting vocation beyond politics.

I would also like to say with respect to Bill C-51, which is self-explanatory and, therefore, easy to support, that we will likewise provide the necessary support in order that this piece of legislation, together with yet another piece of legislation to follow at some later time, can be passed into law in the best interests, I believe, of those persons who will be affected by it.

This legislation has interesting and far-reaching effects and although it is not perhaps one of the highlighted Bills of this session of Parliament, I know that Canadians and British subjects, who may have felt offended by the lack of such legislation, will now feel that their needs have been met. With that in mind, we will do whatever we must in order to see that the legislation passes through the various stages.

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I simply want to enter into this debate for the sole purpose of expressing to the Minister of Justice (Mr. MacGuigan) my best wishes for his future endeavours. I have served in my Party as the justice spokesperson, and also as chairman of our Justice and Legal Affairs Committee, for some years. A good part of that time was when the present Minister of Justice had those responsibilities.

The Minister has, indeed, had a distinguished academic career. He has served in the House of Commons, which is an honourable profession. I look forward to his contribution to our country from the bench, I understand. In view of the fact he has appointed a lot of his friends there, he will at least be among friends. He will have more friends there than he had at the Liberal convention, Mr. Speaker. I appreciate the opportunity, in the context of this Bill, which is the last piece of legislation which the Minister will introduce and sponsor in the House, to extend to him my best personal wishes for every success in the future.

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Motion agreed to, Bill read the second time and the House went into Committee thereon, Mr. Corbin in the Chair.

Clauses 2 to 5 inclusive agreed to.

Schedule agreed to.

Clause 1 agreed to.

Title agreed to.

Bill reported, read the third time and passed.

• (1240)

PUBLIC SERVICE SUPERANNUATION ACT

MEASURE TO AMEND

Hon. John C. Munro (for the President of the Treasury Board) moved that Bill C-54, an Act to amend the Public Service Superannuation Act, be read the second time and, by unanimous consent, referred to a Committee of the Whole House.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Mr. Ellis: Mr. Speaker, I—

Mr. Deputy Speaker: Is the Hon. Member rising on a point of order?

Mr. Ellis: I did not catch the number clearly. If it was Bill C-54, I intended to speak on it briefly. I assumed the Minister would want to speak first and I was looking for him to stand or for a Minister to stand.

Mr. Deputy Speaker: It is Bill C-54 but the Chair has a problem because we have moved to the stage now where I am to take the Chair in Committee of the Whole.

Mr. Hnatyshyn: We will speak on third reading and speak a little longer.

Motion agreed to, Bill read the second time and the House went into Committee thereon, Mr. Corbin in the chair.

Clauses 2 to 5 inclusive agreed to.

Clause 1 agreed to.

Title agreed to.

Bill reported.

Mr. Gray moved that the Bill be concurred in.

Motion agreed to.

Mr. Gray moved that the Bill be read the third time and do pass.

Hon. Herb Gray (President of the Treasury Board): Mr. Speaker, the amendments this Bill is making to the Public Service Superannuation Act are required to confirm the past and future super annuation status of employees of Members of Parliament, many of whom have been participating in the PSSA without clear legislative authority for a number of years. This became apparent only very recently when legal opinions were provided by the Department of Justice and the law branches of the House of Commons and the Senate. In addition to the constituency and Ottawa staff of MPs, the amendments apply to employees of Speakers of both Houses, Government Leaders of both Houses, Leaders of the Opposition in both Houses, staff of the official residences and other similar employees.

The proposed Bill deems the employees of Members of Parliament to be employed in the Senate or House of Commons, whichever is appropriate, for purposes of participation in the PSSA. The Bill also provides that other categories of employees engaged in parliamentary business, paid out of monies appropriated by Parliament for use by the Senate or the House of Commons, can be brought under the Act by the Governor in Council on the recommendation of the Speaker of the House or the Senate. This regulation-making power can be used for employees such as House of Commons research staff who are in effect working for political Parties but who have been participating in the PSSA In the past and whose coverage we are asking Parliament to ratify.

The Bill provides that coverage will be extended to all present and future employees of Members of Parliament and other categories named by regulation from the date the Bill comes into force. In so far as the past is concerned, employees and retired employees who actually made contributions to the superannuation account will have their coverage and benefits ratified. Existing employees who did not actually contribute prior to the coming into force of the amendment will be given a one-year period to elect to count their prior service and pay for it on the basis of their salaries during the periods in question. This places them on an equivalent basis to those who made contributions in the past.

In conclusion, these amendments are urgently needed to remedy a past legislative oversight which has only recently become apparent, and to protect the promised benefits of the employees in question. There are other outstanding pension issues, but I want to confirm that I have begun consultations with my advisory committee on the Public Service Superannuation Act on the reform of Public Service pension plans and I hope that before too long there will be some conclusions to be brought forward in that regard. In the meantime, there is an urgent situation which I ask the House to remedy through passage of this Bill.

Mr. J. R. Ellis (Prince Edward-Hastings): Mr. Speaker, we indeed will give speedy passage to Bill C-54. However, I want to spend a few moments talking about it and some of the other things mentioned by the Minister.

When I first realized that some Members' staff had been told they would not receive the pension benefits they understood they should receive under the Public Service Superannuation Act, I was horrified and brought it to the Minister's attention in committee. I was glad to hear him say that there were negotiations going on and two things would happen. One, that the Bill would be brought forward and, two, that the people in question would be dealt with as though the Bill had been in place.

That is only fair; after all, all of us in this House rely so very heavily on our staff. Some of the things we ask them to do by way of long hours and overtime pay deserve to be paid for somewhere along the way, and these benefits that they have paid for are surely a very small way of doing that. It is fair to say that Mr. Speaker and his predecessor, Madam Sauvé, have spent a great deal of time putting in place the benefits that

some of us felt for a long time were due our staff. Through their direction to the Standing Committee on Management and Members' Services, this and a number of other items are finally coming to pass.

Members know that they will receive in the next few days a comprehensive change in policy with regard to staff benefits and salaries. Finally, we will by August 4 be in a position to pay some of our senior staff a remuneration that comes somewhere close to the work they perform. In the past, there have had to be of necessity all kinds of funny little deals to help us keep top level staff. We will now have, as a result of the letter dated yesterday from the Speaker's office, a long list of changes that will allow us not only to pay them better but also to provide more benefits. To have had this held up would have been unthinkable.

• (1250)

Before I sit down I would like to pay some credit to some of the people who have been directly responsible under Speaker Francis and Speaker Sauvé for the implementation of these various changes. I appreciate that in this particular case it was the staff of the Treasury Board who were responsible for these changes, but other changes having to do with salaries have been put in place by the Administrator, Mr. Arthur Silverman, and some of his senior staff. I think it is a credit to the two Speakers that they have had the courage of their convictions to have in place a new administration which, granted, has not always been popular. At least it has had the work of the Members of Parliament in mind at all times and has put in place for the Members' staffs benefits that are relative to their workloads.

We hear repeated rumours that there may be an election this summer. I am sure, Mr. Speaker, that you would not want either to qualify or deny that suggestion, even if you could, which I doubt you can. If indeed there is an election this summer, the Speaker's chair will, of course, by vacant. I would like to put on record a word of credit to the current holder of the Chair and his predecessor for those things which they have put in place for our staffs over the past years. In doing so, I pay credit to his staff, the administration of the House of Commons.

I cannot add an awful lot to the Bill. We will see this Bill receive third reading and, I assume, Royal Assent later today. We look forward to having these benefits in place for our staffs.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I want to add something to what was said by the Member who preceded me. It never ceases to amaze me how things can slip by for such long periods of time without anyone ever noticing them. I am pleased to see that this has been caught and that those who may well have suffered are going to be taken care of by the legislation and the retroactive feature.

However, this is not all that needs to be done, not by a long shot. Within the operation of the House of Commons as it affects Members' staffs, there is a great deal of work which must be done quickly. I know that I would have the concurrence of the Conservative spokesman in saying that there was some legislation proposed to the House of Commons not so long ago which would have afforded Members' staffs the opportunity to transfer into the Public Service if, as and when they found it necessary to do so as a result of the Member having been defeated. On behalf of my colleagues I had hoped that that legislation would have been forthcoming today too.

For far too long the staff of Members have been treated as second-class citizens in terms of the way in which they have provided for as a result of decisions made, not by the Management and Members' Services Committee, but by the Commissioners of Internal Economy. The Commissioners of Internal Economy do not seem to appreciate the important function of the staffs of Members of Parliament, the increased responsibility that Members' staffs have had to assume and the additional workload which has resulted naturally from the greater degree of public exposure of Parliament and Members and the considerably more complex nature of the work that we do. Members' staffs have been asked to assume responsibilities which I dare say, and I hope I am not offending anyone, would have been unthought of ten or fifteen years ago.

Keeping that in mind, it is important that we address the legitimate requests and matters that affect the day to day operations of Members' offices and the way in which staffs are remunerated and given the opportunity to have a sense of permanency. My good friend and colleague made reference to the issue of now being able to pay Members' staffs at a level higher than we had been allowed to up until now. Unfortunately, we do not have the money to do it. That poses a problem for us. Raising the allowable level but not raising the amounts available for the Members to enable them to pay people at the upper levels is an issue which must be addressed. It strikes me as more than passing strange that we see that kind of proposal come forward from the Commissioners of Internal Economy.

I do wonder at the new direction which has been offered through the Management and Members' Services Committee, but often at the behest of the Commissioners. I am concerned that we are, on the one hand, affording an opportunity for a greater level of benefit or, in the case of this legislation, reinforcing or putting into law that which we always believed was the law in any event. While we are doing that, on the other side of the coin we are reducing the benefits that Members' staffs are to be entitled to. I believe there must be an opportunity for a review of that before it goes too far.

In keeping with that I would like to suggest that matters such as this are in fact properly before the Commissioners of Internal Economy. However, the make-up of the board of commissioners is wrong. While it is clearly the responsibility of the Commissioners of Internal Economy to pass judgments on matters such as this, it is well past time that the Opposition should be represented on the board of the Commissioners of Internal Economy. There must be representation there from other than the Cabinet. The matters which are dealt with by that board, such as this matter, affect every single Member of

the House of Commons. They are not only matters of Government policy. They are matters of policy of the House of Commons and if they are to be dealt with fairly and properly, ordinary Members of Parliament must be represented and must make direct representations when the matters are being discussed. That is the case in Ontario. During my time in the legislature of the Province of Ontario, I sat on the board of internal economy. We were able to come to agreement without embarrassing the Government, but also without denying members and their staffs adequate and proper compensation and representation.

Having said those things, Mr. Speaker, perhaps straying ever so slightly from the pith and substance of this legislation, I think that this step, though necessary, is a very tiny step. I think I have the support of all Members in saying that it is time we got together to solve the problems which affect our staff.

• (1300)

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to and Bill read the third time and passed.

* * *

MINGAN ARCHIPELAGO NATIONAL PARK ACT

MEASURE TO ESTABLISH

Hon. Yvon Pinard (for the Minister of the Environment) moved that Bill C-53, an Act to establish a National Park on the Mingan Archipelago, be read the second time and referred to the Standing Committee on National Resources and Public Works.

Mr. Hnatyshyn: Mr. Speaker, I do not propose to take up too much time. I may have only one or two comments to make with respect to this legislation. This Bill and many other items of legislation we have attempted to deal with expeditiously. Basically, I want to say that if the Minister who is responsible for this legislation does not find it convenient or does not have the time to appear here to guide this legislation through, it makes it difficult for us to deal with these matters in a manner which is befitting the importance of the legislation. While the Bill to establish a national park on the Mingan Archipelago is a very thin Bill, it is an important Bill. I am just sorry that the Minister of the Environment (Mr. Caccia) who is responsible for Parks Canada is not here. I would have hoped that he would be here to sponsor his own legislation.

Of course, we are prepared to allow the Bill to go through all stages. It demonstrates again that we are co-operative in terms of putting legislation through and that we attempt to assist the Government in its legislative agenda in many ways.

I simply rise to say that, in supporting this Bill, I am sorry the Minister of the Environment is not here to conduct this legislation on his own. I would hope that during the course of the afternoon the Ministers responsible for other bills that are coming forward will be here to deal with them and will be able to answer questions in the event that such questions are forthcoming in the Committee of the Whole.

Having said that, I will resume my seat and hope that in the last moments of this trimester the message that has been given has been received.

Mr. Pinard: Mr. Speaker, I have two things to say on the subject. First, the Minister of the Environment (Mr. Caccia) is returning to Ottawa from Europe where he attended the acid rain meetings. This was well known by my colleagues in the Opposition.

I was informed that an agreement had been reached to let this Bill go through all stages without debate, but obviously it was not a firm agreement. If the Hon. Member does not want the Bill to go through without the Minister present, then the Bill will not go through because the Minister will not be back on time. However, his Parliamentary Secretary is here. He is an excellent Parliamentary Secretary who is prepared to speak. We were not putting up any speakers because we thought we had an agreement not to speak on this Bill. But the Hon. Parliamentary Secretary is here and is prepared to speak on the second reading motion on the Bill.

Mr. Denis Ethier (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, there is a general understanding that we introduce no speakers but I want to say, as pointed out by the President of the Privy Council (Mr. Pinard), that it is impossible for the Minister to be here. To show that the work goes on even when our Ministers must be in other countries, we are introducing this Bill in good faith for the Mingan Band. With your kind permission, I will just say a few words of introduction.

[*Translation*]

The purpose of the Bill I am presenting today, for consideration and approval by the House, is to set aside land for the Mingan Achipelago National Park, which will be the thirtieth in a network of national parks extending from coast to coast. There are national parks in each province and in both territories. We are proud of this system, which is the best in the world, and it gives me great pleasure to present this Bill and to ask the House to join me in setting aside one of the most beautiful spots in this country for the enjoyment of all Canadians.

National parks were created so that Canadians would always have access to places that reflect the natural splendor and serenity of this vast country of ours. These parks have been set aside for the benefit, education and enjoyment of Canadians. Each national park protects representative exam-

ples of fauna, flora and also natural areas of outstanding scenic interest. They contain the natural heritage of all Canadians.

The national parks system covers thirty-nine natural regions across Canada. At the present time, only two of the eleven regions in Quebec are part of the system. There are a number of regions missing, one of these being the eastern part of the St. Lawrence lowlands which includes the Mingan Archipelago.

The Mingan Archipelago consists of twenty-five islands spread out over a distance of approximately fifty miles along the North Shore of the Gulf of St. Lawrence, from Ile aux Perroquets in the west, to Ile Sainte Geneviève in the east. The proposal to reserve the Archipelago for a national park would be a worthy prelude to the festivities planned for the national parks centennial in 1985.

Fossil deposits, flower-pot formations, rare plants and colonies of sea birds in the Archipelago have for many years attracted the attention of naturalists, conservationists and tourists. By reserving the territory of the Archipelago for a national park, it will be possible to safeguard these natural resources. There will also be a positive impact on the economy of the North Shore, where the unemployment rate is over 20 per cent. Expenditures earmarked for salaries of Parks Canada employees and for park operations will act as an immediate stimulus to the regional economy. Within ten years or so, the Archipelago will be able to receive about 30,000 visitors annually, compared to a total of 12,000 last year, and the local population will benefit from what is spent by park visitors. Finally, payment of grants in lieu of taxes for the lands acquired in order to create a national park will further enhance the economic benefits.

Why would Parks Canada want to reserve the lands of the Mingan Archipelago for a national park, instead of just creating a park? The Mingan Archipelago lies within a territory that is the subject of land claims by the Attikamek-Montagnais Council. The Mingan Band has already agreed in principle to this Bill. Establishing a park reserve guarantees that creation of the national park cannot be definitive until native land claims have been settled. Any right, title or interest of native peoples included in a claim will be recognized within the limits of the national park. Visitors will therefore be able to visit the Archipelago, and go hiking and camping and on guided tours, depending on the fragility of the environment.

The Mingan Archipelago will be the thirtieth national park and a new and very substantial asset to a national parks system that already has an international reputation. In concluding, I again wish to thank the Opposition parties for agreeing to limit debate to one speaker per Party.

Mr. André Maltais (Manicouagan): Mr. Speaker, I wish to join the Parliamentary Secretary in thanking the Department of the Environment, and the two Ministers who were responsible for Environment Canada and Parks Canada, for the tremendous work they have done to make one of the major natural resources of the North Shore, namely, its coastal region, into a national park. Mr. Speaker, I also wish to thank Parks Canada officials for their exceptional achievement in creating this park. At this stage, I think the park is a major step for the North Shore towards economic diversification.

Mr. Speaker, in concluding, I would like to thank the chiefs of the Mingan Band for their contribution and their support for reserving the lands for this park. Throughout the process, we intend to take into consideration native rights and traditions that must be respected. We have promised them that nothing will be done without their permission, so that native traditions will indeed be respected. Mr. Speaker, this is a red-letter day for the North Shore, and since today is the last day of this session, I also wish to thank the Right Hon. Prime Minister (Mr. Trudeau), who visited Natashquan on May 4, 1982, and flew over the Mingan islands. It was then that we thought of creating this national park, a place where Canadians could find knowledge and repose and enjoy the splendors of this part of Canada and Eastern Quebec.

• (1310)

[*English*]

Mr. G. M. Gurbin (Bruce-Grey): Mr. Speaker, may I add a few comments to those already made regarding Bill C-53 which will see the creation of a new national park. It is our understanding that this park is ready to go and the Government has financing for it. It will provide valuable jobs in an area where unemployment is regrettably very high.

In terms of the philosophy and concept of the park, it is very clear that we have areas right across Canada that are represented by national parks. One year from now we will be having the 100th anniversary of our national parks system. It will be good to have Mingan National Park included at this time so it can be part of the celebrations and be included in the representation we have of national parks across Canada.

There are other areas in Canada, such as South Moresby and the Bruce Peninsula, that can be similarly considered in their own way to represent for the people living in those areas the national parks system. We are happy to co-operate with the Minister on this Bill. We regret the Bill was brought forward at such a late date and under such constrained circumstances, which means it cannot receive the full consideration that I believe a Bill like this should have. Be that as it may, we are co-operating and are happy to see it go forward.

[*Translation*]

Mr. Deputy Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt this motion?

Some Hon. Members: Agreed.

Message from the Senate

Motion agreed, Bill read the second time and, with unanimous consent, the House went into committee thereon, Mr. Corbin in the Chair.

The Chairman: Order. The House is now sitting in Committee of the Whole, to consider Bill C-53, an Act to establish a National Park on the Mingan Archipelago.

Clauses 2 to 4, inclusive, agreed to.

Schedule agreed to.

Clause 1 agreed to.

Title agreed to.

The Chairman: Shall the Bill carry?

Some Hon. Members: Carried.

Bill reported.

Mr. Munro (for the Minister of the Environment) moved that the Bill as reported be concurred in.

Motion agreed to.

Mr. Munro (for the Minister of the Environment) moved that the Bill be read the third time and do pass.

Motion agreed to and Bill read the third time and passed.

[*English*]

Mr. Evans: Mr. Speaker, I rise on a point of order. I believe we are now ready to move on to Bill S-11. If you ask for unanimous consent, I am certain you will find that there is consent for us to move through all stages in the House rather than sending the Bill to a standing committee. In other words, we will proceed to Committee of the Whole.

Mr. Hnatyshyn: Mr. Speaker, we are prepared to proceed with Bill S-11. I do not want to presume on the House; I would think the Parliamentary Secretary would move that the matter be referred to the Committee on the Whole at the appropriate time in the debate and we will give our consent at that time.

Mr. Deputy Speaker: Does the House agree to the proposal put forward by the Parliamentary Secretary to the President of the Privy Council (Mr. Evans)?

Some Hon. Members: Agreed.

* * *

MESSAGE FROM THE SENATE

Mr. Deputy Speaker: I have the honour to inform the House that messages have been received from the Senate informing this House that the Senate has passed the following Bills without amendment: Bill C-24, an Act to amend the Financial Administration Act in relation to Crown corporations and to amend other Acts in consequence thereof; Bill C-252, an Act to grant access to records of the Special Committee on the Defence of Canada Regulations.

INCOME TAX CONVENTIONS

MEASURE TO ESTABLISH

Hon. Roy MacLaren (Minister of State (Finance)) moved that Bill S-11, an Act to implement Conventions between Canada and the Republic of Tunisia, Canada and the People's Republic of Bangladesh, Canada and the United Republic of Cameroon and Canada and the Democratic Socialist Republic of Sri Lanka, an agreement between Canada and Kenya and conventions between Canada and the Arab Republic of Egypt, Canada and the Republic of the Ivory Coast and Canada and Sweden for the avoidance of double taxation with respect to income tax, be now read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Evans: Mr. Speaker, I rise on a point of order. As was obviously appropriate the last time I did it, I would ask that you seek unanimous consent that the Bill be not referred to the Standing Committee but referred to the Committee of the Whole so that we can proceed with all stages of the Bill in the House today.

Mr. Hnatyshyn: Mr. Speaker, we are prepared to proceed to Committee of the Whole.

Mr. Deputy Speaker: Is it agreed that the Bill be referred to Committee of the Whole?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Agreed and so ordered.

Is it the pleasure of the House to adopt the motion? There has been some confusion. The Chair did not formally put the question to the House. I recognize the Minister of State for Finance on debate at second reading.

• (1320)

Mr. MacLaren: Mr. Speaker, I shall be very brief. The terms of the tax conventions embodied in Bill S-11 are similar, at least in broad outline, to those in Bill S-14, the Bill concerning a tax convention with the United States which was adopted in the House a few days ago.

The eight tax conventions covered by Bill S-11 follow the general pattern of similar tax conventions approved by Parliament in the past. The convention with Sweden, when in force, will replace the existing agreements signed in 1951. I might add that when these eight conventions are ratified, the number of Canadian tax treaties in force with other countries, will increase from 32 to 39.

Mr. Deans: How can you add 8 to 32 and arrive at 39?

Mr. MacLaren: I am sorry, I meant to say seven. The conventions follow the normal practices with regard to such treaties between sovereign nations. They cover such matters as capital gains and non-discrimination. Provision is made in several of the conventions for the taxation of foreign teachers in Canada. The pensions paid to residents are included in this Bill. The standard provision for double taxation relief is also

incorporated in each of the tax conventions under consideration.

Mr. Bill Kempling (Burlington): Mr. Speaker, I will be very brief in my remarks on Bill S-11. As we know, it was passed in the Senate on May 24 after having had reasonable examination in the Senate Committee on Banking, Trade and Commerce. It is some 175 pages in length and it is about as exciting as watching paint dry. However, it is one of those things which have to be done.

Mr. Lumley: We do not want to hear about what you do in your spare time.

Mr. Kempling: It covers a whole series of taxation matters between Canada and Tunisia, Bangladesh, Cameroon, Sri Lanka, Kenya, Egypt, the Ivory Coast and Sweden. It will allow for commercial and personal financial matters to proceed in an orderly manner without double taxation. Of course, it deals with matters of taxation on income and capital.

For example, it defines fiscal domicile where a person has a residence in both countries, to be determined by a set of rules which have been established as a result of negotiations between our Government and the governments of the contracting countries. Also there is a provision to determine permanent establishments. That is the term used where a business is carried on in two countries. Also it defines place of management, branch, office, factory, workshop, mine, quarry, et cetera. We now have ground rules by which to determine all these matters.

As well it deals with matters pertaining to shipping and air transport, matters relating to profits, dividends, capital gains, interest income, royalties, directors' fees, compensation to artists and athletes, teachers' salaries, students' income where they attend school and work in one of the contracting countries, as well as miscellaneous income. Of course, it will assist in the orderly commercial arrangements between Canada and those other countries.

As the Minister indicated, we now have agreements of this nature with 39 different countries. It helps us in our commercial relations with those countries to know that we have a taxation regime which can be defined by both sides and will allow standard, normal business practice to carry on between the contracting countries.

That is about all I have to say. I understand there is a disposition to have the Bill considered in Committee of the Whole today.

Mr. Ian Deans (Hamilton Mountain): Mr. Speaker, I found interesting the analogy of the Hon. Member for Burlington (Mr. Kempling) in terms of the excitement of reading this particular legislation. I have never been in the position of watching paint dry, unlike my colleague. I suspect he is right; I cannot verify it.

As the Hon. Member said, the legislation has gone through the Senate. As is my normal practice, I sat and read assiduously through all the Senate committee proceedings to ensure that the matters had been dealt with properly and that its deliberations were in fact in keeping with the kinds of things we would have done here. It may well be that we have finally found a use for the Senate. Perhaps this is an appropriate use to which the Senate can be put on matters such as this, as important as they are but less political in nature.

In any event, like the Official Opposition we will facilitate the passage of these seven agreements reached between our Government and the governments of those foreign jurisdictions.

Mr. John Gamble (York North): Mr. Speaker, the Minister referred rather briefly in his comments to the non-discrimination clauses of the conventions, copies of which are part and parcel of the Bill. Indeed they mirror the non-discrimination clauses in Bill S-14 which the House has already passed. I wonder whether the House is fully aware of the fact that the Income Tax Act, as it currently stands, establishes a small business deduction based upon discrimination. One ground for the discrimination is not whether corporations are only small but whether they are Canadian controlled.

Since these conventions are substantially the same, I should like to examine for the purposes of demonstration paragraph 3 of Article VI of the convention with Tunisia. It is interesting to note that the taxation on a permanent establishment which an enterprise of a contracting state has in the other contracting state shall not be less favourably levied in that other state than the taxation levied on enterprises in the other state carrying on the same activities.

When we intend to amend the Income Tax Act, it would be so nice for the Income Tax Act to be amended in the House instead of its being amended as a consequence of a Bill originally introduced in the Senate being given speedy passage in this House. I pause to note that despite the fact the Minister of Finance (Mr. Lalonde) was urged to bring in the Bill amending the Income Tax Act, which should have followed his Budget of February 15, he has not done so.

This series of treaties will in effect overrule any provisions of the local law. We amend the provisions of the Income Tax Act by passing this statute which will be interpreted by the courts as having primacy over the provisions of the income tax legislation.

I wonder whether the Minister of Finance, in projecting his revenues from those corporations carrying on business in Canada with a small business deduction limit which may be the same as Canadian-controlled corporations, whereas the shareholders of those corporations are foreign, is relying upon the receipt of income from those corporations in excess of the amounts he will receive once this Bill is passed.

• (1330)

Too little regard has been paid in the dying moments of this session and possibly the dying moments of this Parliament to the implications that these tax conventions will have upon revenue. It is quite permissible if you seek to lower taxation in Canada for both Canadian controlled and non-Canadian con-

trolled corporations to do so as long as you recognize what you are doing. My great fear is that this Government, through its negotiators, has prepared some conventions which will have the effect of tying the hands of whatever Minister of Finance we have in Canada because we have eliminated the possibility of continuing the special small business deduction which is allowable to Canadian controlled private corporations.

I would like to remark for a moment upon the exchange of information program that this Government, in the event that this Bill passes, may be obliged to undertake. In looking at the first convention, the one with Tunisia to which reference has been made, the provision for the exchange of information is not as extensive as that contained in Bill S-14 and the attached tax convention between Canada and the United States. It is, nevertheless, a remarkable departure from the way in which tax conventions hitherto have functioned.

I am particularly concerned about the potential of providing information to foreign tax authorities and, accordingly, to the governments of foreign states with respect to the business activities of Canadian corporations and in particular trade secrets of Canadian corporations which may be made available to foreign jurisdictions. In the case of Bill S-14, we not only provide for depositions that would be taken in Canada for the benefit of a foreign country, we also provide for the collection of taxes imposed by a foreign jurisdiction. I submit that step is a remarkable departure from the way in which current tax conventions have operated. It would have been nice had the Minister, when he explained the provisions of some of these Bills, specifically noted the remarkable departure that we have been confronted with as a consequence of the changes in the tax conventions. He has not done that, save and except to make some reference to the non-discrimination clauses which, as I said, have a detrimental effect upon the way in which our current Income Tax Act functions.

The Acting Speaker (Mr. Herbert): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Herbert): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. Herbert in the chair.

Clause 1 agreed to.

The Deputy Chairman: In view of the fact that there are a large number of clauses, the Chair would ask whether the committee gives its consent to the Chair calling Clauses 2 to 27 inclusive?

Some Hon. Members: Agreed.

On Clauses 2 to 27—

Mr. Gamble: Mr. Chairman, I indicated in the brief remarks I made with respect to the Bill that I did not know whether the Minister was cognizant of the implications of what he referred to as the non-discrimination effect of this legislation. Would the Minister comment on that?

Mr. MacLaren: Mr. Chairman, under the conventions, discrimination on the basis of nationality is prohibited, thereby ensuring nationals of a country equal treatment with nationals of the other country is the same circumstances. However, that does not prevent a country from providing fiscal incentives; for example, a small business deduction on the basis of the residence of the taxpayer. I would only add that the convention with the Ivory Coast does not contain an article of non-discrimination and consequently the rules of the domestic legislation will there apply.

Mr. Gamble: Mr. Chairman, it may well be that we will ultimately determine the difference between the Minister and myself when we have a variety of tax cases in front of us, which I suspect will ultimately go to the Supreme Court of Canada to determine whether the Minister is correct or I am correct. Reference has already been made to paragraph 3 of Article 23. It is very clear that the taxation on a permanent establishment which an enterprise of a contracting state has in the other contracting state shall not be less favourably levied in that other state than the taxation levied on the enterprise in that other state carrying on the same activities.

The Minister suggested that what the small business deduction amounts to is a special incentive. Of course, it is not a special incentive; it is a provision of general application that will apply to all corporations provided they meet the financial requirements entitling them to that deduction. It is very clear that the measure of taxation imposed against anyone is an end product of an amount calculated by determining what one's taxable income is and what is the rate of tax applied against that taxable income.

What this clause and all non-discrimination clauses will do when applied specifically to permanent establishments is make it obligatory for the Government to allow all foreign corporations, which in fact meet the financial guidelines of our Income Tax Act, to be entitled to the same small business deduction, because that deduction is available in the event that you meet certain standards. One of the standards happens to be whether you are Canadian controlled; another is whether you have met certain fiscal requirements. If foreign-controlled corporations meet those fiscal requirements, I submit we are discriminating against those foreign corporations, thereby breaching the provisions of the convention Canada is to enter into.

The Minister knows the effect of a court judgment where there is a clash or a conflict between convention provisions and the provisions of the Income Tax Act; the convention provisions apply.

● (1340)

The Deputy Chairman: Shall Clauses 2 to 27 inclusive carry?

Some Hon. Members: Agreed.

Some Hon. Members: On division.

The Deputy Chairman: Carried on division.

Clauses 2 to 27 inclusive agreed to.

Schedules agreed to.

Title agreed to.

Bill reported.

The Deputy Chairman: When shall the Bill be read the third time? By leave now?

Some Hon. Members: Now.

Mr. Munro (Hamilton East) moved that the Bill be read the third time and do pass.

Motion agreed to and the Bill read the third time and passed.

* * *

INDIAN ACT

AMENDMENTS RESPECTING BIRTH OF CHILDREN

Hon. John C. Munro (Minister of Indian Affairs and Northern Development) moved that Bill C-47, an Act to amend the Indian Act, as reported (with amendments) from the Standing Committee on the Indian Act, Indian Affairs and Northern Development, be concurred in.

The Acting Speaker (Mr. Herbert): Is it the pleasure of the House to adopt the motion?

Mr. Shields: No.

The Acting Speaker (Mr. Herbert): It has been drawn to the attention of the Chair that at this time the Bill is not debatable. The Hon. Member will have to wait for third reading.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

Mr. Munro (Hamilton East) moved that the Bill be read the third time and do pass.

The Acting Speaker (Mr. Herbert): Is it the pleasure of the House to adopt the motion?

Mr. Shields: No.

Mr. Allmand: Mr. Speaker, I rise on a point of order. Could we have a copy of the Bill as reprinted with the amendments that were carried last night in the committee so that we will know what we are dealing with?

The Acting Speaker (Mr. Herbert): It is my understanding that the Bill should have been made available since I have a copy of it in my hands.

Mr. Allmand: Mr. Speaker, I rise on the same point of order. I have a copy of the Bill in its original form but not as amended. I think today we are dealing with the Bill as it was amended in the Standing Committee last evening.

Mr. Shields: Mr. Speaker, I rise on a point of order. I denied unanimous consent to proceed with this Bill at this time. I represent the riding of Athabasca in northeastern Alberta and among my constituents are quite a number of Treaty Indian people. It is my duty and indeed it is my obligation to speak on their behalf. There is not one member of the bands or chiefs—

The Acting Speaker (Mr. Herbert): Order. There will be an opportunity to speak on third reading. At third reading stage, whatever point of view the Hon. Member may have may be expressed at that time. However, I do not think it is a proper point of order at this stage. We have come to a certain stage of the Bill and we are discussing another point of order which has been raised by the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand). I think we should deal with that matter first.

I have in my hands the report of the Standing Committee on Indian Affairs and Northern Development. I believe that that report has been made available to the Members of the House. The Bill has not been reprinted because of the physical difficulties involved in having it reprinted and in the hands of the Members of the House at this particular time. However, the understanding of the Chair is that all of the information necessary for debate, if it is the wish of the Members to continue with the debate, is in the hands of the Members.

Mr. Allmand: Mr. Speaker, the reason I asked for the reprinted Bill and the reason I did not deny unanimous consent to proceed was that I wanted to propose some amendments at report stage. I wish to propose two amendments to the Bill in order to improve it. I do not know how I can propose amendments to clauses, pages and lines without knowing to which clauses, pages and lines to refer. It is extremely irregular—

The Acting Speaker (Mr. Herbert): Perhaps the Hon. Member will take his seat. The procedure we have followed by unanimous consent is that we have passed report stage and we are now at third reading of the Bill. I am also advised that it is not essential that the Bill be reprinted in order for Members to deal with third reading or report stage. Since no amendments were proposed and since report stage was passed, we are now dealing with third reading. Third reading, of course, is debatable.

Mr. Allmand: Mr. Speaker, on the same point of order. Under ordinary circumstances when a report comes from a committee, the Bill is printed in its revised form. Members can look at it and can propose further amendments to it at report stage. Members draft their amendments to correspond to the

reprinted Bill. What you are telling us now is that we must deal with the Bill as it was printed at first reading along with the written report of the committee without having that written report incorporated into the Bill. I find that very irregular. I simply put that on record. I am amazed. I did not realize we had moved from report stage to third reading stage so quickly. If that is the case, I would like to make some remarks on third reading.

The Acting Speaker (Mr. Herbert): The point is well taken by the Chair. However, inasmuch as it required unanimous consent for the House to proceed in the fashion which it has and inasmuch as it is not essential that the Bill be reprinted because it is for the committee to request that the Bill be reprinted and the affairs of the committee are in the hands of Members at this time, the Chair would find some difficulty in saying that the information is not available to the Members. It was up to the Members if they wished to refuse unanimous consent to proceed with report stage. We are now at third reading stage, which is debatable.

Mr. Lambert: Mr. Speaker, I rise on a point of order. This is all part and parcel of the difficulties that we have envisaged with the hurry-scurry of trying to finish up. I sympathize very much with the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand). I would suggest that should similar occasions arise in the future, the Speaker should make it his or her duty to point out to the House that, as a result presumably of the arrangement made this time between the House Leaders to telescope the 48-hour period following the tabling of a report of a committee with regard to legislation, the 24-hour period during which Members could propose amendments had been eliminated. The Chair should clearly point out that now is the time to bring forward amendments, if any. I suggest to you, Mr. Speaker, that not all Members of the House are cognizant of the fine footwork which goes on or the intricacies of the rules of the House. We have a situation now in which the Hon. Member Notre-Dame-de-Grâce-Lachine East has been caught unawares. I do not think it is good enough for anyone in this House to tell any Member—and particularly for the Chair to tell a Member—"Tough luck, but you should have known that as a result of the moves which have been made, your rights as a Member to propose an amendment have been lost". I make that statement with the benefit of a fair amount of experience on this side. It is a basic rule of the Chair to protect the rights of all Members.

● (1350)

The Acting Speaker (Mr. Herbert): The Chair appreciates the comments of the Hon. Member, but it should be abundantly apparent to him, as he has had experience in the chair, that it is not the responsibility of the Chair to ensure that there has been adequate communication between the various House Leaders who have had discussions and the Members of their respective Parties.

All the Chair can do is to put to the House the fact that it requires unanimous consent. When the House has given its unanimous consent, that effectively means that every Member of the House is assumed to have adequate knowledge to allow him to give unanimous consent. It is up to the individual. Certainly, from the personal experience of the present occupant of the chair, if one is in any doubt, one refuses unanimous consent until the matter has been settled. In the present case, unanimous consent was given. We are now at report stage, which, of course, is debatable.

I can only suggest that at this stage—

Some Hon. Members: Third reading.

The Acting Speaker (Mr. Herbert): Excuse me. We are at third reading, which is debatable. If Members wish to rise, they can debate the Bill. When, the House reaches the end of third reading, the Bill will be voted upon.

Mr. Taylor: Mr. Speaker, I rise on a point of order. I do not know how we were supposed to be able to know what was in the report of the committee. I did not hear you call report stage. When I heard you call third reading, I distinctly heard at least two noes. Consequently, I want to know, why did we overrun report stage?

The Acting Speaker (Mr. Herbert): The Chair should clarify the point. There were noes when the Chair asked whether we were going to carry or whether we were not going to carry third reading. At that stage the Hon. Member for Athabasca (Mr. Shields) said "no". I assumed that he wanted to debate third reading. However, we had already arrived at third reading.

Mr. Shields: No, we had not—

The Acting Speaker (Mr. Herbert): I am sorry, but the Chair is ruling that the House had arrived by unanimous consent at third reading.

Mr. Taylor: Mr. Speaker, I suggest we check the "blues". I do not think we had reached third reading when we heard a "no". I distinctly heard a "no."

Mr. Shields: Mr. Speaker, when unanimous consent was sought for third reading, I denied unanimous consent. I stood, but you ignored my "no". You informed me that I could discuss it at third reading in debate. Mr. Speaker, I denied unanimous consent to proceed to third reading debate on this Bill. I was explaining the reasons I had denied unanimous consent—

The Acting Speaker (Mr. Herbert): The Chair will clarify the situation again. We have arrived at third reading, after report stage—

Mr. Taylor: When did we have report stage?

The Acting Speaker (Mr. Herbert): The Chair called report stage. The Chair asked for unanimous consent and the Chair received unanimous consent. The Chair arrived at third reading. To call third reading, the Chair does not require the unanimous consent of the House.

Mr. Lambert: Oh yes it does.

The Acting Speaker (Mr. Herbert): If the point is being contested, I wish the Hon. Member would rise and make his point of order.

Mr. Lambert: Mr. Speaker, I will agree that you did call the report stage and that there was nothing said at that time. However, to have the report stage adopted—which it was—and to move to third reading, the Chair required the unanimous consent of the House because the report enclosed amendments. When there are amendments put, there is a requirement—if one is going to go into third reading—to have the unanimous consent of the House to move to third reading. Otherwise, third reading is deferred until the next sitting of the House. That is particularly important in legislation, not just taxable legislation which comes from the Committee of the Whole, as I heard suggested to you. I emphasize that it is a basic requirement—if there are amendments made in committee, in Committee of the Whole, or at the report stage—that there be unanimous consent to proceed to third reading after adoption of report stage.

The Acting Speaker (Mr. Herbert): Once again, I thank the Hon. Member for his comments. However, I would refer him to Standing Order 79(14) which reads:

When a bill has been reported from a standing or special committee, and no amendment has been proposed thereto at the report stage—

It goes on to say, "and in the case of a bill reported from a Committee of the Whole", which is not applicable. Therefore, when no amendment has been proposed at the report stage, a motion that the Bill be read a third time and passed may be made at the same sitting. Thus, it is not necessary to have unanimous consent to move into third reading immediately following report stage. Since there were no amendments made at report stage, we are automatically in third reading. I maintain the position that we are in third reading and I am calling for debate on third reading.

Mr. Shields: Mr. Speaker, I suggest that we check the "blues". I denied unanimous consent at the report stage. I denied unanimous consent when you wanted to proceed to third reading. I denied unanimous consent every time you sought unanimous consent on this Bill—

The Acting Speaker (Mr. Herbert): Order, please. The Chair in all honesty must say that it certainly does not deny what the Hon. Member is contending. However, the Chair did not hear any such noes. The Chair has proceeded in the normal fashion and we are now in third reading debate on this Bill.

I will recognize the Hon. Member for Bow River (Mr. Taylor), and I hope that it is a new point of order.

Mr. Taylor: Mr. Speaker, I distinctly heard a "no". I suggest we check the "blues".

The Acting Speaker (Mr. Herbert): I am sorry. The Chair has made a decision. The decision stands. The Chair's decision is that we are now in third reading of this Bill.

Mr. Shields: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Herbert): It must be a new point of order.

Mr. Shields: Mr. Speaker, Hon. Members in this House must give unanimous consent when it comes to the report stage. You called for unanimous consent and I yelled, "no". I was told to wait until third reading—

The Acting Speaker (Mr. Herbert): Order, please. That is a repetition. The Hon. Member is contending that he said "no", and I agree with that. It is when I put the question on third reading that I distinctly heard a loud "no". At that point I assumed that the Hon. Member wanted to debate third reading. We are now in third reading debate. For debate on third reading, the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand).

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Mr. Speaker, I was going to propose two amendments at the report stage, but unfortunately I believe the rules require some improvement, because I feel that my rights have been denied in not being able to make those amendments. In any case, I will state what I intended to do now at third reading. While I completely support those parts of this Bill which would abolish discrimination against Indian women, and I have supported the abolition of Section 12(1)(b) and others for many years, I do not hold the same position with respect to some of the other clauses in the Bill, in particular, those clauses which deal with the reinstatement of those persons who lost their status in past years. I firmly believe there has to be reinstatement provisions. We have to reinstate those people who have lost their status. However, the clauses in this Bill for reinstatement are extremely inadequate and many witnesses before the standing committee which met in the last couple of days gave evidence of that.

• (1400)

Once again, by passing sections of the law on such sensitive measures which affect Indian people, we are acting like a colonial institution. We are a white man's Parliament, for the most part, imposing our views on Indian people in a very paternalistic way. I would like to point out those parts of the Bill which are inadequate and which have been highlighted by the Assembly of First Nations and by the Native Women's Association of Canada.

First, the Bill does not permit the reinstatement of all Indian citizens who were previously denied registration. Because reinstatement is arbitrarily cut off at half of the second generation, the Bill perpetuates the very discrimination which it is supposed to terminate. I was going to propose an amendment which would have allowed the reinstatement of more people, basically a great many more people who had lost their status but who were still able to trace their lines to certain Indian

bands. That is the first area in which the Bill is inadequate and one area I wanted to amend.

Second, the Bill does not recognize Indian control of their citizenship as was set out just yesterday in Bill C-52. This right must be in any statute purporting to deal with Indian status. I myself, along with other Hon. Members of this House, have sat for a year and a half on the Indian self-government committee in which we proposed that there be a bilateral relationship between the Canadian Government and the Indian nations in this country. We also proposed that Indian nations should have the right to determine their own citizenship.

Third, under the proposed Section 18.1 of the Indian Act, as the Bill was amended last night, preferred treatment is given to non-Indians over reinstated Indians as regards the right to reside on reserves. I was going to propose an amendment to take care of that. Here we have a situation where non-Indians, because of this Bill, will have preferred status with respect to living on reserves, over reinstated Indians. Women who have lost their status, will get it back, but will not have the same rights as non-Indians who, in the future, will marry Indians. My second amendment would have corrected that situation.

Fourth, the Bill does not give bands special by-law power to control the flow of non-Indian residents onto the reserve. That relates to the point I have just made.

Fifth, under the proposed subsection 64(2), reinstated persons will be heavily penalized, since interest is included in limiting per capita shares they will receive and the Government is not obliged to repay bands any amounts which had been paid out earlier.

I fully support the end of discrimination with respect to Indian women. I have held that position for a long time. I would like to see those parts of the Bill passed immediately, but I feel it is extremely unfortunate that we are going to pass a Bill which will contain sections which continue discrimination against the very people we are going to reinstate. It is too bad we did not have more time to work on those reinstatement provisions to make them better, and I regret that fact.

Mr. Jim Manly (Cowichan-Malahat-The Islands): Mr. Speaker, I believe we should indicate that the procedural mish-mash which we have just seen in the House is typical of the entire handling of this Bill. It should have been possible on a day like this when we are finally getting rid of Section 12(1)(*b*) to feel good about doing something positive for Indian people. Instead, that feeling has been turned to dust and ashes in the mouth of every Hon. Member who sat on that committee. Bill C-47, an Act to amend the Indian Act, and to remove discrimination, also does other things to Indian people, with which we are not at all happy. It is not possible for any Hon. Member in this House, nor for the Minister for that matter, to rise and make any kind of a self-congratulatory speech that at long last we are ending this injustice, because we cannot congratulate ourselves on what is happening. We all know the history of Section 12(1)(*b*) and the way in which it has become in the Indian Act a symbol of sexism, racism and assimilation.

It is a symbol of sexism because through it a woman derives her status from her husband. The emphasis throughout the Indian Act is on the male line. It is racist in its implication that Indians are somehow lower on the scale of humanity and that by marrying a non-Indian, an Indian woman is supposed somehow to have risen on the scale of humanity and thus no longer to have Indian status. And, of course, just the opposite was true for a non-Indian woman who married an Indian male so that this non-Indian woman acquired Indian status. This racist assumption runs through the entire Indian Act.

Finally, Mr. Speaker, Section 12(1)(*b*) is typical and symbolic of the assimilationist aspects of the entire Indian Act because, like other sections of that Act, it was designed to reduce the number of status Indian people. One of the forerunners of the present Indian Act was entitled "An Act for the gradual enfranchisement of the Indians", and it is interesting that in 1920, when the Deputy Superintendent General of Indian Affairs, Duncan Campbell Scott, was testifying at a special committee of the House of Commons, he said, and I quote:

> I want to get rid of the Indian problem. I do not think as a matter of fact, that this country ought to continuously protect a class of people who are able to stand alone. That is my whole point. I do not want to pass into the citizens' class people who are paupers. This is not the intention of the Bill. But after one hundred years, after being in close contact with civilization it is enervating to the individual or to a band to continue in that state of tutelage, when he or they are able to take their position as British citizens or Canadian citizens, to support themselves, and stand alone. That has been the whole purpose of Indian education and advancement since the earliest times. One of the very earliest enactments was to provide for the enfranchisement of the Indian. So it is written in our law that the Indian was eventually to become enfranchised.
>
> —our object is to continue until there is not a single Indian in Canada that has not been absorbed into the body politic and there is no Indian question, and no Indian Department, that is the whole object of this Bill.

That was said in 1920, Mr. Speaker. Section 12(1)(b), by denying Indian status to Indian women who married non-Indians, was just one aspect of that assimilationist policy. Section 12(1)(b) has split Indian communities and Indian families. We heard testimony countless times, not only during the hearings which we held with regard to Bill C-47 but also in the subcommittee and the special committee on Indian self-government. We heard testimony from a great many Indian leaders that they wanted to end this division. They wanted their sisters and their daughters back in the community. Section 12(1)(b) and the other sexist sections on the Indian Act were an imposition on the Indian people by the Government, the non-Indian Government. It was not an Indian designed proposal at all.

● (1410)

It is important to recognize that Section 12(1)(b) and others have hurt Indian women in at least three basic ways. Most obvious, it resulted in a loss of status for those Indian women who married non-Indians. Secondly, an important number of Indian women gave up a relationship that would have led to marriage because they did not want to lose their status. As they were growing up, it was emphasized to them that if they

married a non-Indian they would lose that special and very important status. That is regrettable. There is a third group of Indian women who did not wish to give up a relationship or their status and so they entered into a common-law relationship, had children, but they would very likely have wished to have had their marriage regularized in some way. This section has penalized Indian women and their communities in countless ways, and at long last it is being repealed. This is something desired by all parties and the majority of Indian people.

However, we cannot be self-congratulatory because of the way we are dealing with this Bill. This end of discrimination was supposed to have been a major commitment on the part of this Government and the previous Government, yet we had to wait four years until the very last month of this Parliament. The Bill was tabled only two weeks ago and we only had three or four days to deal with it in committee. This, in spite of repeated requests to table the Bill early so that there would be adequate time to study it, hear from Indian people and make sure it was as acceptable as possible to the Indian people. The committee had to deal with it in a very rushed atmosphere, which did not do justice to the Act. I think most members of the committee question whether we are really doing justice to the Indian people.

There was limited time for testimony from Indian people and even less time for dealing with our amendments. In effect, we had time for one shot at acceptable amendments. When they came back and we wanted to make further changes it was too late. It is that kind of rushed atmosphere that we are dealing with here this afternoon. The committee was put in an impossible position by the Government. Either we had to leave Section 12(1)(b) on the books, which would deny justice to Indian women, or we had to accept the implicit assumption of this Bill that Indians somehow could not be trusted to do justice to their own people. We are in a situation where non-Indians, all of us here, are making decisions for Indian people and their communities.

The Trudeau years began with the promise of participatory democracy and are ending with this kind of fiasco. I cannot help but contrast the promise of participatory democracy with last night's committee meeting. After the members of the committee had made what was not an easy decision for anyone, there was a request from some of the Indian leaders to make a final statement. Leaders from the Assembly of First Nations and the Native Women's Association of Canada spoke to the committee and acknowledged our hard work. But they indicated that the Bill itself was completely unsatisfactory. The Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand) indicated some of the ways in which they found this Bill unsatisfactory. I moved an amendment that would have given bands control over residency rights from the reserve for non-Indian spouses, but this was denied.

In 1947, when proposals were made to change the Indian Act, Indian speakers from across Canada representing the Alberta Indian Association, bands from Ontario and the Native Brotherhood of British Columbia all made presentations suggesting that they were the people who should be looking after their own membership. They knew the needs of their people and they wanted to be able to design membership requirements that would meet the needs of their people. That Government, in its wisdom or lack of it, decided that Indian people should not be trusted with looking after their own membership. It then brought in even more bureaucratic changes to the membership sections, including the notorious double-mother clause. Indian people have continued to suffer because non-Indian people have been making legislation for them. Clause 16(b) of Bill C-52, tabled this past week, recognizes the power of the Indian Government to legislate on applications for membership. Unfortunately, that Bill was tabled too late for any legislative action this year. Again we wonder why it took so long to table it. But the question the Indian people ask is, if they have the power in Bill C-52 to look after their own membership, why is that same power not in Bill C-47? That is a good question and I do not have an answer.

One of the difficulties committee members found in trying to draft amendments was that Department of Justice officials who were there helping us draft the amendments kept saying that whatever we were proposing was contrary to the Canadian Charter of Rights and Freedoms. We had hoped the Charter would have expanded the role of self-determination and autonomy for all people in Canada rather than hemming in the aboriginal peoples as it seems to do. But this kind of attitude on the part of the officials—and perhaps they are accurately reflecting the Charter of Rights and Freedoms—underlines the need for constitutional entrenchment of the aboriginal right to self-government. This was recommended by the Special Committee on Indian Self-Government.

The New Democratic Party gives its consent to the passage of this Bill, but it is a reluctant consent. The elimination of Section 12(1)(b) of the Indian Act should have been a cause for rejoicing, but because of the way this Bill has been handled that rejoicing has been turned to ashes in our mouths. We hope that the review process will take a long and detailed look at some of the provisions of this Bill and that a future government will be able to deal with them in a more sensitive frame of mind and over a more extended period of time.

Mr. Taylor: I rise on a point of order, Mr. Speaker. I wonder if the Hon. Minister would tell us what these amendments are going to do. Those who were on the committee know all that, but the rest of us have had no access to this at all. Surely we should at least be entitled to know what the amendments are going to do as it might make a difference.

The Acting Speaker (Mr. Herbert): It is of course up to the Minister to decide whether he will speak or when he will speak.

For continuing debate, the Hon. Member for Broadview-Greenwood.

Ms. Lynn McDonald (Broadview-Greenwood): Mr. Speaker, I am very pleased to be able to take part in a historic debate in this Parliament. Canadian women, especially native

women, have worked very hard for this day to come. It is regrettable that Parliament did not have adequate time to make a proper study. The committee was pushed. It is not precisely the Bill that we would have liked. Native women are not happy with it. The Assembly of First Nations is not happy with it. The National Action Committee is not happy with it. We would all have liked something a little different from what we have before us. Nonetheless, this is a historic day. A historic injustice to native Canadian women is going to be corrected. That is something to celebrate.

● (1420)

I want to pay tribute to the many native women who have struggled to achieve equality for themselves and their sisters. I think of women like Lavell and Bedard who took cases to the Supreme Court of Canada and were denied justice and equality by the Supreme Court of Canada under the old Bill of Rights. I think of women like Sandra Lovelace who took her case to the United Nations and brought international attention to the disgraceful discrimination which is currently in Section 12(1)(b) of the current Indian Act. I think of the women who have worked for rights for Indian women and for the Native Women's Association of Canada and the various other Canadian women's groups which have supported them. I think very especially of Mary Two-Axe Early who struggled a long time ago. She went before the Royal Commission on the Status of Women. Year after year she has lobbied the Government. She is here in the galleries today. We really must pay tribute to her for the patience, courage and nobility of her struggle. She is a splendid person. She exemplifies what is so important in native Canadian women.

It is due to the quality of people like this that we can rejoice at having this Bill passed today. It means that with their courage, determination, intelligence and commitment to their bands and to their people, native women will be part of the struggle of native people for justice and for a fair part in Canadian society. Women who until now have had to struggle for their rights within their communities can now unite with their communities to work for a better place in Canadian society.

We have the pleasure of being part of a Parliament that is correcting a historic injustice. This is not perfect legislation, but a terrible problem is going to be solved. We can all be very proud that on this last day of Parliament we will leave knowing that we have done good work in changing this historic wrong in Canadian society.

Mr. John McDermid (Brampton-Georgetown): Mr. Speaker, I spoke briefly last night at the end of the committee meeting. At that time I had the feeling inside that I had betrayed my best friend. If this Act had not passed, I guess I would have had the same feeling. As my friend from St. John's West would say, we were caught between a rock and a hard place, all because of an Act that is known as an Act respecting Indians, the Indian Act, which is probably the worst piece of legislation on the books in the House of Commons.

I am not going to belabour the point, but I want to express my extreme displeasure at this Bill coming in so late. We on the committee felt like hostages. I think that I can speak for all those who were on the committee. We worked extremely hard in a non partisan way to try to come to a suitable conclusion with Bill C-47. Every single witness who appeared before that committee, including our friend Dr. Mary Two-Axe Early, was not happy with this Bill. The Native Women's Association, the Assembly, the Alberta Association of Indians, and the Coalition of Indians were all there. None of them liked it. Indian Rights for Indian Women were representing the feelings of the National Action Committee and they were not happy with it. Even the Minister responsible for the Status of Women, who appeared before the committee, was not entirely happy with the Bill. The amendments which she would have liked to have added to the Bill could not get through Cabinet.

We had to try to amend this Bill to make it as workable as possible. I am not happy with it. I do not like it. However, as a kid, you have to hold your nose, close your eyes, and take that damn medicine your mother rams down your throat. There are very legitimate concerns being expressed. That is why I insisted that an amendment be introduced last night, that is the new Clause 13 of the Bill. It says that this Parliament will investigate through a committee the very serious ramifications of what we are doing with the bands.

I asked the Minister responsible for the Status of Women whether she considered this to be an Indian issue under the whole scope of Indian issues, or whether it was entirely a women's issue. She said it was a women's issue. Indian Rights for Indian Women said it was an Indian issue. The Native Women's Association said it was an Indian issue. Yet they most genuinely want their status returned. I understand that. I also understand the self-determination that the Indian people want. They were once a proud people and they want that pride restored. I understand that. I am hopeful that in the next Parliament we will be able, in a very reasonable length of time, to come up with workable solutions which will respect that request.

We are supporting the Bill, but we are not happy with it. I want to assure the Indian people that when this Parliament comes back that clause which we put in will be activated and we will have a proper study. We have not had a proper study. We will have a proper study of the ramifications. We will get the facts, figures, and information which is necessary to make a reasoned decision on how this Act can best be implemented.

I would like to thank everyone who has worked with me on this Bill in the committee. I have met many new people. I have enjoyed their advice, their constructive criticism and their support. I can assure them once again that this Bill will not destroy their way of life. We will work to make sure that it preserves the Indian culture and the right of Indians to self-determination. We are exercising paternalism of the worst kind. The Indian people agree that this offensive clause in the Indian Act must be done away with.

For some reason I am not happy today. My hon. colleague from Broadview-Greenwood tells me that this is a historic and

momentous occasion. Somehow I do not feel that way. However, the Bill is going through. We will hold our nose and swallow the medicine and see it go through.

• (1430)

Mr. Jack Shields (Athabasca): Mr. Speaker, the Indian Act was imposed on the Indian people of this country 100 years ago. It was legislation that was passed in this very Parliament that imposed a law on the Indian people across the country.

Today is a historic day if this Bill passes through the House because once again this House is passing legislation and imposing it on Indian people across the country. When in God's name will this paternalism stop?

I have talked to constituents of mine in northwestern Alberta as well as the band members. I have yet to find one registered treaty Indian—I wish the Hon. Member for Broadview-Greenwood (Ms. McDonald) would listen. I was kind enough to listen to what she had to say. Maybe she should listen to what others are saying. That is unparliamentary but I will do the same to you. There is not one treaty Indian of whom I know in this country who denies that the Indian Act discriminates against women. There is not one chief, one band councillor or one member of any band in my riding who has told me that he does not want that clause removed or the discrimination clauses removed. They all want it removed because it is blatant discrimination against Indian women. That injustice was imposed by this House of Commons on the Indian women of this nation.

What are we about to do now? Think about it for a minute. We are not just eliminating the discrimination clauses of the Indian Act; we are now imposing on the very people whom we say should be given self-government and should be allowed to make their own decisions, and the very people to whom we say we should not be paternalistic, a piece of legislation that retroactively reinstates to the band lists members who were discriminated against as a result of the old Act.

Do Hon. Members realize what this will do to many of the bands across the country? We are talking almost about genocide. We are talking about cultural genocide. Rights are being restored to women who lost them either because the husband became enfranchised and took the wife and children with him or because they married non Indians. But they were following the law. It was not the Indian bands which made the law; it was the Government.

We are doing exactly the same thing again. People are being put back on the band list. One of them, who was referred to in the House by the Member for Broadview-Greenwood, is an American citizen who is demanding treaty status on a Canadian reserve. Think about that for a minute.

Do Hon. Members know the implications? A problem which we have recognized in the House, the passing of the Indian Act years ago that discriminated against Indian women, is being thrown back to the Indians. Instead of the House having the courage to remove the discrimination clause from the Act, it reinstated these women and children to the band lists. The House does not have the courage to compensate the women although it is the House of Commons itself that created the problem. It is giving the problem back to the Indians and telling them to solve it.

There was no discussion about how they will be compensated. In fact, the Minister of Indian Affairs and Northern Development (Mr. Munro) who is pushing this Bill through told the committee that he could not give guarantees to the bands that the Government of Canada will be able to compensate them for any monetary losses that they might experience as a result of these women and children coming back. When the Department is asked how many people will be returning to the bands, the Minister does not know. But the Department says it has received many assurances that people do not want to move back to the reserves.

Let me say that there are a number of reserves in my riding and a number of reserves in Alberta and Saskatchewan to which people will move back. Even if they do not move back, since they are on the band lists they are entitled to funds that are received from oil and gas revenues. There are bands which are working with this depleting resource and beginning to build an economic base and pull their people out of the quagmire into which we pushed them. They are doing this on their own with their own funds. It is true that the Parliament is now passing a very historic document. It will push those same band members down into the quagmire again. I know the one band right now whose population will increase or whose band membership will increase three times over. It happens to be a band that has wealth in the ground and that receives oil and gas royalties.

Surely there is a fundamental injustice, bordering on immorality, when the House passes a piece of legislation and, in the style of Pontius Pilate, it washes its hands of the situation and throws it into the lap of the bands to solve.

I would like Hon. Members to come to my riding and visit some of the reserves, including the poorer ones. I can think of one reserve now, the Janvier band. Half of the people are treaty Indians and the other half of the population of the Janvier area is classified as Métis. They are related. They have been enfranchised. Some of them married off the reserve, knowing what they did. The current band membership still cannot provide adequate housing on the reserves. If this Bill goes through, that band will have to cope with twice the population. Again they will face poverty because the Department of Indian Affairs and Northern Development and the Government of Canada cannot guarantee that they will provide the funds necessary to keep the band merely at a subsistence level.

It shocks me absolutely to think that when the Indian people petitioned the Minister of Indian Affairs and Northern Development and Members of Parliament to remove the discriminatory clauses in the Indian Act we do not do just that. Why do we say that we know best, that we in central Canada, in the House of Commons, know best. The Government says that it will reinstate all the women who lost their rights and that cut-off date will be sometime in the 1950s. If they lost their rights before the 1950s, there will not be reinstated, and

if they lost them after that time, they will be reinstated. How do you think that will stand up to the Charter of Rights and Freedoms? If the Government is to allow resinstatement retroactively to the 1950s, it had better do so back to the time when the Indian Act first came into force. How many people will come forward then?

The sad fact is that this very question about removing the discriminatory clauses has been discussed in the House and in the Standing Committee on Indian Affairs and Northern Development for the past four years. It makes me question why the Minister brought this Bill in, got unanimous consent to take it to the committee for study, in three days had the amendments moved, brought them back and rushed them through the House in order to have the Bill passed in the House of Commons. It is political. The Minister knows that it is political. The Hon. Member for Nickel Belt (Mrs. Erola) knows that it is political because she had stated in the House that if the Bill is not passed she will resign her seat. I do not think she would do so.

• (1440)

There is a fundamental injustice being done to the Indian people. This will go down as a very sad day, tantamount to the sadness that we should look upon the day the Indian Act was just passed, forever putting Indian people in a paternalistic situation. They cannot do anything without the Minister of Indian Affairs and Northern Development saying: "Yes, you can do it". This at one time forced Indians to stay on the reserves. They could not even leave the reserve without a pass from the Indian agent. The Minister of Indian Affairs is saying to the Indian people: "We want you to govern yourselves. We want you to take part in society, so we are going to introduce a self-government or an Indian government Bill", as he did. But then the Government brings in a Bill like this that negates everything the Minister said two days ago on the Indian self-government Bill.

I would like to commend the Minister for introducing that Bill but I cannot commend him for introducing this one. We are doing something fundamentally wrong. Why will the House of Commons not take the responsibility that is rightfully and morally ours? Why can we not grapple with the situation, and come to a conclusion? We have no right to force membership in those Indian bands. We have no right to do that. They did not create the law that discriminated against the women; we did so in this House of Commons. We do not have the right to force band membership on the bands across the country when out of the other side of our mouths we say: "We want you to have Indian self-government."

I agree it was a terrible situation when women were discriminated against. How do you compensate them? I do not know. We are intelligent people in this House. We should be able to come to a solution. How do you compensate the women who decided 40 years ago not to get married, but would live common law against their religion because they did not want to lose their Indian status? Let me ask the Hon. Member for Broadview-Greenwood (Ms. McDonald), how do you compensate a woman who says: "I am not going to get married. I will live common law even though it is against my religion and against everything I stand for because I do not want to lose my Indian status and I do not want my children to lose it"?

I have attended weddings and I have seen Indian people in their sixties finally getting married because their children had grown up and established that they were treaty Indians. My God, what have we done to those people? And we are doing it again today. I cannot for the life of me fathom why we would force this Bill on the Indian people of this nation. We say continually that we want them to be citizens of this country and take full part in it. But, dammit, we are not allowing them to do this when we force the bands to take God knows how many people back into the reserves. You are killing the Indian people with this legislation, just as you killed them in spirit and in drive when you brought in the first Indian Act which said, "We in this House of Commons and we in this Government are going to look after you. Do not worry".

I say to the Minister: Come to my riding and see what has happened to the young children in some of the reserves because of their dependence on welfare, their lack of health and the fact that they cannot make a decision without having to come to Ottawa to the Minister of Indian Affairs. It sickens me to think that intelligent people in this House of Commons have passed that legislation the way it is. We should be removing the discrimination clauses. There is no doubt about that. The Indian people want that; they have been asking for it. But we have to take it that other step further, that one more step that says: "Well, we really know everything that is good for you people. We are going to reinstate all these women and children and put them on your band list." We will put them on a general list first and we will put them on the band list at the same time because we cannot create two types of Indians.

Let me say to the Minister, today, mark my words, you are destroying the self-reliance, the resourcefulness and the development of Indians who have pulled themselves out of the quagmire by their bootstraps, out of the continual welfare system, and you are imposing on them again something as terrible as the Indian Act.

I implore Members in this House of Commons to talk. I implore the NDP members and my colleagues on this side to talk on this Bill until four o'clock this afternoon and let it die. Give it some thought. Give it some understanding. Let the Indian people sit down and tell you so you can understand what is happening. Why are we going through this Bill in 48 hours? The Minister brings in amendments to the Indian Act that include reinstatement. Why? We did that before through Bill C-169. Do you remember that, Mr. Speaker? Do you remember what happened with Bill C-169? Every one of us looked like a fools because we passed the Bill which infringed on freedom of speech—

Mr. Cullen: Nonsense.

Mr. Shields: The Hon. Member may say "nonsense". Let him say "nonsense" about this Bill. I would like to hear what the Hon. Member has to say about Bill C-147. Does he

understand what he is doing, Mr. Speaker, through you, to the Indian people of this country? We did it once with the Indian Act. For God's sake let us not do it again. Let us get some sense in this Bill, even if it comes at the last minute. Amend the Bill now. The Minister can withdraw the Bill and bring it back. He could remove the discrimination clauses. Everybody wants that. I say to him not to impose on the Indian people in those bands retroactive reinstatement. For once let us speak with a straight tongue and tell them: "Look, you people, you can govern yourselves. We will compensate if there is compensation to be made". Or we could say: "We will guarantee that those moneys will be paid into the band funds if there is a drain on them". We could do all sorts of things.

I do hope Members will stand in this House and speak on this Bill. I do hope they will stand and make their presence felt in this House. It will be a travesty if we allow this Bill to pass. We will regret it. We will be looking back in 20 years, nay, in ten years, and we will be saying what fools we were.

Hon. John C. Munro (Minister of Indian Affairs and Northern Development): Mr. Speaker, I listened very attentively to the remarks of the Hon. Member for Athabasca (Mr. Shields). I know of the sincerity, compassion and conviction with which he spoke. Everyone in the House could detect that. I hope he does not have to tell the House that he spoke with the same compassion and vigour in his own caucus when the Hon. Member for Kingston and the Islands (Miss MacDonald) was there. I hope he tried to convince her of the sentiments which he feels so deeply. I want to read—

• (1450)

Mr. Shields: Mr. Speaker, I rise on a point of order. I should like to answer that question. I have met with the Hon. Member for Kingston and the Islands (Miss MacDonald)—

The Acting Speaker (Mr. Herbert): Order, please. A point of order is not permission to answer a question.

Mr. Munro (Hamilton East): Mr. Speaker, I was not asking a question. I was expressing a hope. I thought the Hon. Member might launch into another speech. However, I should like to point out to him what the Hon. Member for Kingston and the Islands (Miss MacDonald) said recently. She said:

> The issue we must address, first and foremost, is equality—the equality of women and men everywhere in Canada. For years, individuals and organizations, national and international, have pointed to the discriminatory clauses of the Indian Act—

Then she went on to say:

> Today we have a chance to correct the wrongs perpetrated against Indian women by an Act of the Canadian Parliament for over 100 years. To do so must surely mean that Indian women—all Indian women—must have the same rights, privileges and responsibilities as those now enjoyed by Indian men—

I hope the Hon. Member for Athabasca remains here to hear my comments. She continued:

> —including the right to full membership within their band and residency on their reserve for those who have lost their status, should they so desire it.

Then she went on to say:

> It is not enough merely to remove the discriminatory clauses of the Indian Act. Full reinstatement to their bands must be a complementary move unless thousands of women and their children are to be left in a state of limbo.

That is not much choice for the bands to determine their own membership. So much for this type of position.

I do not doubt the sincerity of the Hon. Member for Athabasca. Who could? That is the conundrum in which all of us in the House find ourselves. This is why there is unanimous consent to proceed today.

There are those who say, like the Hon. Member for Kingston and the Islands, that we must guarantee them membership, that we must reinstate those who have lost their status and that nothing less will do. We have people who feel strongly about this in the New Democratic Party, as indeed we do on this side of the House. Of course we have others who deal on an ongoing basis with Indian people. They are the ones who have heard the fears of Indian people week in and week out, month in and month out, about our tackling this particular problem. They tried to resolve the internal conflict within their own consciences. They tried to resolve the political conflict within their Parties as to the urgency of the situation. That is where the conflict is. Then I think they tried to paper it over, quite frankly, with some rather fragile arguments such as: "We regret that we are being forced to do this and are being rushed".

We have talked a lot about this matter. We set up a special standing committee of the House of Commons to look into the matter. It heard many witnesses and made a report. By the way, on that committee were representatives of the native people. That parliamentary report was made under the chairmanship of the Hon. Member for London West (Mr. Burghardt). It was an all-Party committee which made a series of recommendations. If the Government had departed substantially from the terms of the Bill, we would have been accused of irresponsibility because we would have fractured the unanimous and bipartisan atmosphere in which the report was created. There was all-Party support for the report. We brought in recommendations which were almost dead-on the ones contained in the report of the parliamentary committee.

Now we are being told how unfortunate it is to rush the matter through the House. If we had come in with something substantially different from the parliamentary report, I know what we would have heard on the floor of the House. One does not require a vivid imagination to know what Hon. Members would have said. They would have reminded us that the parliamentary committee studied the matter, that it heard witnesses and made recommendations. They would have called us an arrogant government and have indicated that we departed substantially from the all-Party report. They would have asked: "What right do you have to do that? What arrogance! Don't you care?"

To accuse the Government of parternalism in a situation such as this against such a background is shameful. Surely people who argue that should be ashamed when they know the origins and that it was an all-Party report.

Mr. McDermid: I am not ashamed at all.

Mr. Munro (Hamilton East): I am not talking about my official critic. I am talking about those people who expound with deep sentiment what they feel about this issue within their own Party. They know that there are people within their own Party advocating a Bill which is even stronger than this one.

The Hon. Member for Broadview-Greenwood said that all the organizations were against it. That is right, they are against it but they are against it for different reasons.

Mr. McDermid: That is right.

Mr. Munro (Hamilton East): I agree with my official critic. However, some Hon. Members disagree with him because they do not think the Bill is strong enough. They think that we should be unequivocally forcing them to take up band membership and residency immediately, without any discussion with the bands respecting the rate of flow of people on to the reserve or anything else.

An Hon. Member: That is not right.

Mr. Munro (Hamilton East): Well, I just quoted the statement of the Hon. Member for Kingston and the Islands. Of course there are others who think that there should not be any time limit within which the bands must act and take their non-status people back into the bands, as well as their non-Indian spouses and children. I think the Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand) was one who advocated this. Let me say to these people that I have a legal view which casts considerable doubt on that suggestion. If that were the case and we left it to the bands to determine band membership, indeed it could be struck down by the Charter. If we gave the bands the power to decide band memberships, we can be sure—and this is true—that people would be treated differently from one band to another. Of course they would be. There are 600 or more bands in the country. Since they would be treated in many cases differently from one band to another, and since they would all have lost their membership for the same reason—and all these women lost their membership for that reason—it would be contrary to Section 15 of the Charter.

The Hon. Member for Notre-Dame-de-Grâce-Lachine East wanted to remove the two-year provision. We would have had to strike it down because we have a legal opinion which casts considerable doubt on its validity, based upon the fact that it would be contrary to Section 15 of the Charter.

Perhaps that information will be helpful to Hon. Members. Perhaps I would have been tempted, as others would have been tempted, to extend the deadline or remove it.

Mr. McDermid: That is the only thing that stopped you.

Mr. Munro (Hamilton East): That is right, it is that legal opinion which stopped it. However, those who advocate it here as if it could be done ignore the fundamental reality that it would be contrary to the Charter.

This is the last day on which I will be Minister of this Department. I have had a very enriching experience for over four years dealing with the aboriginal peoples of the country. I have worked, along with my own colleagues in Government, to achieve some notable breakthroughs. Now I am on the floor of the House on a Bill about which I know native peoples will be unhappy. I have had a tremendous association with those native peoples, one which I will remember until the day I die. I do not know how we could meet this situation in a much more constructive way than we have attempted to do. I think their unhappiness is inevitable and justified. I am not entirely sure any government could have turned that unhappiness around. The minute it would try to correct this situation, it would be confounded with dilemmas which are almost unresolvable. In the first place, it did not create the problem, we created it, as the Hon. Member for Athabasca said, when we incorporated that section in the Indian Act. It was offensive and created this discrimination in the first place. At last we are coming to grips with correcting it.

How do we correct such a thing when a blatant injustice has been done to thousands and thousands of people? It is not the fault of the Indian people, but we have to look to them to correct it. We tried our best. The committee tried its best. I congratulate most sincerely everyone on the committee, members of all Parties. Some of them came up to me the day before yesterday and indicated that they thought they had a compromise. They indicated that if I could get my colleagues in Cabinet to approve these amendments and to agree to the essential elements of this compromise, they thought they had all-Party agreement to proceed. Despite all the unhappiness of the organizations, unhappiness for very different reasons, they were prepared to grab the mettle, show some courage in a troublesome situation and have all-Party support. I think most of the Members will agree with this. I came back with what I think the committee felt was pretty well an endorsation by Cabinet of all the elements of the package which were in that compromise except one. That was the one where we said that we could not go back for reinstatement past the people who lost their status plus one generation. We could not go beyond that. It would double the number of those qualified from 70,000 to about 140,000.

● (1500)

We heard what the Hon. Member for Athabasca said about the potential of 70,000 Indians coming back on the reserves. How would Members like it if we had a further amendment to reinstate up to 14,000 Indians? Talk about the devastation that might have been created for some bands in the country! Of course we could not go for that. For that reason, to say nothing about the horrendous expense of people coming back on the reserves who have virtually no connection whatosever with the Indian reserves or their culture, and despite what the Hon. Member for Notre-Dame-de-Grâce-Lachine East says, to open up the floodgates to that extent, would, frankly, be a little unreal.

I am prepared to make a challenge. I do not think anyone believes it is likely to happen, but I challenge the Official

Opposition, should it become the government, to increase the potential number of returning Indians from 70,000 to 140,000 people by taking the reinstatements back to the grandchildren of those who lost their status. Implicit in that is the deluge of people who could potentially come back to the reserves, to say nothing about the hundreds of millions dollars more which the Official Oppostion should be prepared to put up front in a separate fund to assist all those Indians who come back. I hope Members opposite will put their muscle where their mouth is today in the House. Let us see whether they will do it. I do not think they will. From private discussions I have had with many of them, I do not think all Members in the Official Opposition think like that.

My colleagues on the committee and I are trying to give some type of assurance. We want to give some type of comfort rather than stimulate the concern and worry that is already there. Let us try to inject some calm in the situation. The reading I have of the amendments that we are making to this Bill do this. I will speak very slowly, because it is a fundamental type of assurance for which some Members in the Official Opposition were looking. I am talking about reinstated people.

Reinstated people will become band members as a matter of right after two years. Part of being a band member is the right to access to reserves. We could not change this without creating two classes of band members. I emphasize this for all the chiefs across the country and all the Indian people who are troubled by this, but bands will have the power to provide for the orderly settlement of reinstated persons. This means that bands can make rules on such things as the zoning of land, the use of land and buildings, the timing and procedures for returning to reserves. In this way they will be able to manage the return to reserves in a way which makes sense in each one of their communities, depending on their different circumstances. Reinstated Indians will also have the right to have their non-Indian spouses or children live with them on reserves, but these families will also be subject to by-laws regulating settlement. Also, any rights beyond that of residency would be decided by the band. It seems clear that the federal Government has a duty to restore the rights it took away. This Bill does that.

When I refer to the rights which the federal Government gave away, the Parliament of Canada gave them away when it passed the Indian Act. It also gives bands, in conjunction with existing powers under the Indian Act, power to manage effectively the settlement of reinstated persons on reserve. I would like to point out that as far as Bill C-52 is concerned, when Parliament approves it, bands will have the right to obtain much broader powers than they now have under the Indian Act to manage their own communities. They can regulate that power of movement back on the reserves because of zoning powers and all other powers such as building codes and so on. That is absolutely essential if there is not to be chaos on the reserves. There can be that space-plan treatment.

Let me point out one more area to which the critic for the Official Opposition, the Hon. Member for Brampton-Georgetown (Mr. McDermid), made reference. There is provision in the Bill now to which every Member, including the Hon. Member for Athabasca, who is concerned about the implications which this Bill may have and some of the dislocations that it may cause on reserves because of the impact it might have in increasing the deplorable poverty which exists already on reserves, should pay attention. The Bill provides for a parliamentary committee to review the reinstatement provisions within 18 months. By that time we will know with reasonable accuracy how many people want to be reinstated and to what bands. If there is a problem, Parliament can take the necessary legislative action at that time, before the reinstated people are put back on the band list. It is a two-year period. You have that essential guarantee of the parliamentary review.

Mr. McDermid: Where did it come from?

Mr. Munro (Hamilton East): I give the Hon. Member full credit. He asks where it came from. He brought up the idea, we checked it out, found that it could be done, so we put it in there. That shows what can be achieved when all Parties get together and try to find a solution. As I say, it is now in there. The only credit the Government takes is that it had the wisdom to adopt a useful and constructive suggestion. There is nothing wrong with that. It is in here and it gives that type of assurance. Let us take some relief from that.

As far as my successor is concerned, and certainly as far as many of my colleagues are concerned, if we form a government the next time, I will be around, although not as a Member of Parliament, to insist to the maximum of my influence that the Government I will insist that the Government take a hard look in 18 months and see if some of the implications of the disastrous situation referred to by the Hon. Member for Athabasca will occur. If there are not adequate safeguards to take care of that, action will have to be taken before the two-year period is up.

In conclusion, I want to refer to something of fundamental importance. This was pointed out by the Hon. Member for Athabasca. What about the money? How deplorable it would be if we removed this injustice only to create more injustice by raising expectations for these people who lost their status if, when they came back on the reserve, there were absolutely no financial resources to look after them. It would be a mockery. The money that has been established to treat this situation is identified in a special fund separate from Indian Affairs estimates. As the experience comes to us of people moving back to the reserves, that identifiable fund can be tapped based on need, whether it is for infrastructure, community services, land, or whatever. If those numbers coming back on the reserves meet a band that is totally incapable of treating them with adequate resources and the band comes to this special fund and is denied the money necessary to treat those people right, that will be identified immediately because of the accessibility of that fund. Parliament can be the watchdog starting next month, starting next year or starting when the new Parliament convenes. It can be the watchdog to see that there is fairness in terms of access to that fund. Noticeable

amounts of money have already been put into that fund in order to ensure that after the first application, there will be money there to give those people the necessary resources. That is another essential guarantee.

● (1510)

Let me say one last thing with regard to the timing of this Bill. There has been some criticism indicating that we could have brought this Bill in earlier. There has been an absolute deluge of legislation coming from my Department in the last three, four or five weeks. We saw a chance to get legislation approved, whether it be legislation on the COPE final agreement and on the Cree-Naskapi Act or whether it be—

Mr. McDermid: And you have had great co-operation from the Opposition.

Mr. Munro (Hamilton East): Yes, we have had great co-operation. We brought in the Bill for Indian self-government. Governments have been confounded when trying to come up with such a Bill over the decades. We finally put one through the House just the other day as a result of almost constant work on the part of the Department. There were many other legislative fronts on which we could not move all at once.

The committee and the Indian people wanted to look at the anti-discrimination clause of the Bill in the context of the Indian self-government Bill that was tabled in this House. They had a right to see that connection, so within a matter of days we brought the discrimination Bill and the Indian self-government Bill out at the same time. I do not think that it would have been right in terms of that undertaking to give serious consideration to the discrimination Bill without having brought out the Indian self-government Bill.

I would like to conclude by saying to all my colleagues here that I realize how troublesome this issue is. However, we have tried to meet some of the basic concerns that have been raised through built-in guarantees for review should blatant injustices or tragic dislocations occur during the next two years. Let us hope that by carrying on in the spirit of that same bipartisan co-operativeness with the Indian people we can prevent the suffering that could otherwise occur. If we carry on the spirit of goodwill, I am sure we can do that.

Mr. Allmand: Mr. Speaker, I rise on a question of privilege. I do not think the Hon. Minister meant to misrepresent my position in his remarks but when I proposed on several occasions that bands have the right to control their own memberships, I always did so within the terms of the Charter of Rights and Freedoms and within the terms of the International Covenant signed by Canada, and that is the same way it is done in Bill C-52.

Mr. Deputy Speaker: I would classify that as being a bona fide point of order, which I will accept.

Mr. Shields: Mr. Speaker, I would like to ask the Minister if he has given any thought to my proposal that the Bill be split into two parts, allowing for the removal of the discrimination clauses. As the Minister knows, there is not one treaty Indian in the country who does not want the discrimination clauses removed because they are a reflection of something very terrible which happened to Indian women because of the Indian Act.

Coupled with that, does the Minister not believe that we are, in essence, passing over the problem by asking the bands to take on to their general lists and band lists the people who were unfairly treated because of the Indian Act? Does he not feel that it is the responsibility of the House of Commons to right the wrong that was done through the Indian Act and not the responsibility of the Indian people who live by the law that was imposed upon them by this House?

Mr. Munro (Hamilton East): Yes, Mr. Speaker, we took that into consideration, as did all political Parties which were involved in this. We found out that it would not work. For one thing, I believe we all have supporters within our political Parties who would feel that that would simply not do the trick. I have already read a statement made by the Hon. Member from Kingston. I believe that many Hon. Members feel the same way. They feel that we simply had to insist not only on full band membership but on the reinstatement of those people who lost their status.

Mr. Shields: Mr. Speaker, I have another short question for the Minister. The Minister will recognize that in the Act presently proposed, the cut-off date for reinstatement will be back around 1950. What legal advice does the Minister have about how that will be affected when it will be challenged by the Charter of Rights and Freedoms? If someone was enfranchised prior to 1950, is that person not no less Indian than the people enfranchised after 1950? How are we going to cope with that when a case is made under the Charter of Rights and Freedoms?

Mr. Munro (Hamilton East): Mr. Speaker, the cut-off date is not 1950. I think the Hon. Member is quite incorrect to say that. What the Bill does say is that people as well as their children who lost their status would qualify for reinstatement. The legal opinion is that there is nothing offensive in that as far as the Charter of Rights and Freedoms is concerned.

Mr. Manly: Mr. Speaker, I have a very brief comment to make. First, I would like to wish the Minister well in his new career. I have appreciated working with him over the past few years, at times with a bit of conflict, but I do wish him well.

The Minister said that the Bill followed fairly closely the recommendations of the subcommittee on discrimination against Indian women. I would like to point out that at least with regard to the question of residency of non-Indian spouses, the subcommittee recommended that Indian bands be asked to design procedures that would relate to that. This Bill simply gives a blanket right to non-Indian spouses and does not involve the bands in any decision-making process in that respect at all.

Second, with regard to the all-Party compromise that we reached in the last couple of days, I would simply like to remind the Minister of the chronology of it. Two nights ago, we reached a kind of a meeting of minds in the committee and we made some suggestions to the drafters of the Bill who then worked through the night. In the morning, they presented the Minister with a set of draft amendments which the Minister took to Cabinet. After they were approved, then we as members of the committee saw those amendments. We had no way of knowing whether or not they followed our recommendations completely until after they had been approved by Cabinet and there was no possibility of further change. It is this kind of last minute procedure that I feel is very much at fault which is the reason for some of the flaws that continue to be contained in the Bill. It is for that reason that we regret the late introduction of this Bill.

Mr. McDermid: Mr. Speaker, during my remarks, I got so wrapped up in Bill C-47 that it completely slipped my mind that this was the last day that the Minister will be the Minister of Indian Affairs and Northern Development. He has been a Member of the House for 22 years, I believe. In the last couple of days, members of the press have been asking me to assess him. The Minister assessed me in the House a few weeks ago—

Mr. Munro (Hamilton East): But I took that back.

Mr. McDermid: However, he apologized. I must admit that. I said to the press, and I will say today, that there is probably not a harder working Minister in the House.

Mr. Whelan: Oh yes, there is.

Mr. McDermid: And that includes you, Whelan. Sorry, Mr. Speaker.

He is a Minister who, I believe, had the concerns of the aboriginal peoples deep in his heart and he worked extremely hard for all of them. I wish him Godspeed in whatever the future holds for him. Rumours have it that he will find one of those nice appointments that come along from time to time. However, I do wish him good luck.

I know the quandary the Minister has faced when dealing with this Bill because we have all faced it. I do not think the Minister is happy with the Bill. I know that he is defending it because as the Minister he must do that. But, deep down in his heart I know that he is not happy with the Bill. When we assume the responsibilities to govern this great country of Canada, we will be prepared to make the legislation work in a way that is not unfair to the Indian people of this country.

• (1520)

Mr. Deputy Speaker: Are there further questions or comments? On debate, the Hon. Member for Bow River (Mr. Taylor).

Mr. Gordon Taylor (Bow River): Mr. Speaker, in the very few minutes which have been allotted to me I want to make several points. I would first like to say that this is another example of the sloppy way in which this Government brings in legislation. The Government brings one good principle into every Bill in order to get two or three bad principles passed. We have seen examples of this all through the session. An example of that is the enfranchisement of Indian Women, the good principle. Every one supports that. But, then the Government injects itself into the membership of the reserves. I will confine my remarks to the membership of the reserves.

In my view, the Government has no right to tell people who can be on the Sarcee Reserve, the Blackfoot Reserve or the Stony Reserve—which are in my constituency—any more than it has the right to tell other Canadians that they have to live in Alberta or Saskatchewan. It is the right of Canadians to choose for themselves.

The Bill solves one problem, but it creates several others. One of the worst problems appears in Clause 109(1) of the Bill. That Clause gives the Minister and the Governor in Council the right to say who is enfranchised. It reads:

> On the report of the Minister that an Indian has applied for enfranchisement and that in the opinion of the Minister the Indian
>
> (*a*) is of the full age of twenty-one years,
>
> (*b*) is capable of assuming the duties and responsibilities of citizenship, and
>
> (*c*) when enfranchised, will be capable of supporting himself and his dependants,
>
> the Governor in Council may by order declare that the Indian is enfranchised.

That is going too far in telling people what is good for them. That is a serious objection I have concerning the membership matter. This legislation is in conflict with Bill C-52. Under that Bill the band council determines who will be on the reserves, and properly so. There are two pieces of legislation before the House at the same time which are in conflict.

Further, the legislation is a betrayal of Treaty No. 7. Treaty No. 7 was signed by the Government of Canada and the Indians in my area. It gave sovereignty to the tribes to decide who was going to live on the reserves. But the Government is injecting itself again and will take the power upon itself to determine what Indians will live on the reserves. That is completely contrary to the law which is in existence. I think this legislation could be challenged as a betrayal of Treaty No. 7. Again, we see the Government acting with haste. The Government has wasted time on various pieces of legislation. It could have brought this piece of legislation forward two years ago had it wanted to. The betrayal of Treaty No. 7 is very serious.

A further point which I would like to make is that the legislation affects all Canadians. It will require millions and millions of dollars to look after the people on the reserves. That money will come from the taxpayers of Canada. All Canadians should be concerned about this legislation.

All of the people on the reserves in my constituency are opposed to this Bill, and it would seem that all Indian people are opposed to it, yet we are imposing it on them. I only support the Bill because it removes discrimination against Indian women. The clause which makes me feel a little better is the one that provides for a review which will take place shortly after a new government is elected. The review will

correct the things we are imposing on the Indians. I hope that will materialize.

I received a telegram from Chief Clifford Big Plume, who is a good friend of mine and an excellent Canadian citizen. He is the Chief of the Sarcee Reserve in my constituency. The telegram reads:

> The Sarcee Nation does not accept that the Government of Canada has any legal or moral right to abrogate to itself the authority to determine membership in the Sarcee Band. For too many years Sarcees have allowed the federal Government to add to our membership those names the Government has decided should be included and to exclude those names the Government decided to exclude.

Sometimes I believe we are in Moscow when I witness the things that this Government does. The telegram continues:

> No where in Treaty No. 7 signed between the Government of Canada and Sarcee in 1877 did we the Sarcee Nation surrender our sovereign right to determine our own membership.
>
> To rectify wrongs the Government of Canada believes it has committed against some Indian people, it is the right of the Government of Canada to enumerate these people and compensate them. It is not the right of the Government of Canada to legislate that the Sarcee Nation shall compensate anyone by admitting them to band membership. Sarcee shall determine who are Sarcees.
>
> If the Government of Canada unilaterally amends that Indian Act by passing Bill C-47 without regard to our sovereign right to jurisdiction over our membership and land, we will fight such legislation.

Chief Clifford Big Plume said it better than I could say it. He approves removal of the discrimination. But, the Government then has to inject itself into the membership of each tribe in this nation. That is completely wrong.

Again, we must vote on two principles: one principle which is good and another principle which is bad. The only hope I have is that a government will be elected which will deal with—

Mr. Burghardt: Mr. Speaker, I rise on a point of order. After listening to the Hon. Member for Bow River (Mr. Taylor) I would like to make one comment. If he continues to use his allotted time, in effect Bill C-47 will be talked out and killed. I want the Canadian public to know that, and especially the women of this nation. The Indian people—

Mr. Deputy Speaker: Order. I regret that that is not a point of order.

Mr. Taylor: It is not I who is wasting time, Mr. Speaker. I am through. The Minister took a full 20 minutes—

Mr. Munro (Hamilton East): You asked me to explain the Bill!

Mr. Deputy Speaker: Order, please. Are there questions or comments?

Mr. Shields: Mr. Speaker, I would like to ask my hon. colleague a question because I know that he spends a great deal of time in his riding talking to individual constituents. As well, I know that he has had a number of meetings with the bands on the reserves in his riding. Has it ever been his experience to find anyone—a treaty Indian, a member of the band, a member of the band council, or a chief—who disagreed with the Indian Act, as it was written, in that it discriminated against women? Was he ever told that those clauses should be removed?

Mr. Taylor: Mr. Speaker, I have not had an individual Canadian of Indian extraction say that to me. However, in a meeting with the Blackfoot Band Council about two years ago, they said they approved that type of legislation, but that they were not ready for it. They wanted some time to make arrangements. They indicated that they could not have several scores of people suddenly arrive on the reserve when there were already 27 people living in one house. They wanted to correct the situation on the reserve before further hardships were placed on them.

Mr. Deputy Speaker: Are there any further questions or comments? On debate, the Hon. Member for York North (Mr. Gamble).

Mr. John Gamble (York North): Mr. Speaker, I am driven to speak on Bill C-47, a Bill to amend the Indian Act, because of comments made in this House by Members from all sides and all Parties. It is obvious that this House is embarking on a plan which has been recognized as imperfect in the dying hours before the summer recess and possibly the end of this Parliament. We are passing a piece of legislation which has as its primary purpose—and I believe this is clear—the removal of discrimination against Indian women. When Indian women married outside the Indian community they and their offspring lost their rights to Indian status. Of course, it so happened that the same consequences did not befall an Indian man who married someone who was not Indian, and it did not befall his offspring.

• (1530)

The problem with the Bill is that it goes further than remedying the ill. The remedy would have taken the form of an amendment which would have precluded the disenfranchisement of Indian women. The Bill endeavours to rectify historical misjudgments, and mistakes which have been made by previous Parliaments in connection with this issue. The form of rectification was to be a reinstatement of women who had been disenfranchised, together with the reinstatement to full franchise entitlement of their children.

That second aspect of the Bill is the part which has created the difficulty, because the people affected, namely, the Indian bands, have taken very substantial issue with it on two understandable grounds. Some Indian bands are reasonably wealthy, particularly those in Alberta which happen to derive revenue from oil and gas leases on the reserves. It, therefore, becomes attractive for people who might otherwise never have claimed Indian status to make that claim, both for themselves and for their children. There is a financial advantage in so doing.

There are other circumstances where Indian bands are certainly less well off. As a matter of fact, the financial circumstances which prevail in these bands have caused very serious deprivation. Why people would choose to return to

those circumstances one may well feel is beyond comprehension. However, there are people, in fact, who are in worse financial circumstances living away from the bands and the reserve land. Accordingly, it may be advantageous for them to move back even though the circumstances into which they move are not the best. Whether we are talking about wealthy bands or impoverished bands, there is an obligation either to share some of the wealth or add to the poverty.

It is to the addition of the poverty particularly that Hon. Members who have spoken in this House, and for whom I have the highest regard, have directed their attention. I am speaking, of course, of the Hon. Member for Athabasca (Mr. Shields) and the Hon. Member for Bow River (Mr. Taylor). I am inclined to be moved by arguments of Hon. Members of this place who have firsthand knowledge of the problem which we are endeavouring to solve. I am very concerned when well meaning Hon. Members of Parliament say, I have a solution for your problem although I and my constituents do not suffer from it. Those Hon. Members have come here today to speak, raising their voices in opposition and drawing the attention of the House to the problems which they recognize will transpire.

I believe we must recognize that we have approached the second aspect of this double-barrelled alleged solution hoping for perfection but realizing we have not achieved it. We might well have suggested that the bands elect to disenfranchise male members of the band who married outside the Indian community and in that way the disenfranchisement would have been complete. In that way the bands themselves would not have been burdened with the colossal cost of attending to the needs of some 70,000 persons who are about to return to the lands where the financial situation of the bands, to say the very least, is not the best.

I am troubled, quite frankly, by the whole concept of the Indian Act, not only by these amendments. We in Parliament have treated a whole section of Canadian society as though this was the year 1884 and not 1984. How in the name of heaven, Mr. Speaker, could this House pass Clause 12 of this Bill? Clause 12 (109)(1) reads as follows:

> On the report of the Minister that an Indian has applied for enfranchisement and that in the opinion of the Minister the Indian
>
> (a) is of the full age of twenty-one years,
>
> (b) is capable of assuming the duties and responsibilities of citizenship, and
>
> (c) when enfranchised, will be capable of supporting himself and his dependents
>
> the Governor in Council may by order declare that the Indian is enfranchised.

What kind of a paternalistic interference in the affairs of Canadian citizens is this? I do not know how many of us who have not dealt specifically with this problem, who have not served on the committee and are not acquainted with the problems—and a lot of us are not—could sit here and pass a clause which deals with Canadian citizens as though they are second, third or fourth-class Canadian citizens as though we are adults and they are children. That is exactly the problem which confronts us and which finds itself imbedded in the very statute with which we deal today.

I am not happy with the Act and, like the Hon. Member for Brampton-Georgetown (Mr. McDermid), I wish there was something better. I fear that what this House is doing in its mad haste to pass legislation at the last moment is less than what we wish. I have not been in this House too long but, quite frankly, I recognize that in dealing with the Indian Act in 1984, it will be 10 or 15 years before it comes back for re-examination. What we pass here today with all of its warts and imperfections is going to hamstring the Indian people. It is going to create financial burden, hardship and unhappiness. I believe that Hon. Members of the House should recognize exactly what they are doing before they proceed to pass this Bill into law.

Mr. Deputy Speaker: Are there questions or comments? Is there further debate?

Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: On division.

Motion agreed to and Bill read the third time and passed.

* * *

● (1540)

MESSAGE FROM THE SENATE

Mr. Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following Bills without amendment: Bill C-51, an Act to implement a convention between Canada and the United Kingdom of Great Britain and Northern Ireland providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters; Bill C-53, an Act to establish a National Park on the Mingan Archipelago; and Bill C-54, an Act to amend the Public Service Superannuation Act.

* * * * *

The Hon. Parliamentary Secretary to the President of the Privy Council on a point of order.

Mr. John Evans (Parliamentary Secretary to President of the Privy Council): I think you will find there might be agreement to move directly to the introduction of the Miscellaneous Statutory Amendments Act at this point.

Mr. Hnatyshyn: Mr. Speaker, we will deal with that Bill, and I gather with Bill C-56 as the next item of business. As to this Bill, it will be introduced and passed in all stages without debate.

Mr. Deans: Mr. Speaker, it is my understanding that this Bill amending a variety of different statutes can be passed in

less than 30 seconds. We agree to that. However, I understood that the Saltfish Bill was being called next. Am I wrong in that regard?

Mr. Evans: Mr. Speaker, there was some discussion on saltfish. At this point we would like to call the Miscellaneous Statutory Amendments Bill for introduction. Consent must be had at this point just to get this Bill taken care of.

Mr. Nickerson: Mr. Speaker, I understood there was consent to allow me to make a 60-second speech on this Bill on second reading.

Miss Campbell: Mr. Speaker, what comes after that 60 second speech? Not Bill C-57, I take it, which is the saltfish Act?

Mr. McGrath: One step at a time.

Miss Campbell: I just want some clarification. The Order Paper shows Bill C-57, the Saltfish Act. We are now being asked to proceed to the Miscellaneous Statutes Bill. What comes next?

Mr. Evans: Mr. Speaker, I was under the impression that the Government would call the order as it saw fit, if there was agreement. I believe there is agreement among the House leaders to call the Miscellaneous Statutory Amendments Act now and follow that with Bill C-56, and then with the other legislation on the Order Paper.

Mr. Deputy Speaker: The House has heard the proposal put forward by the Hon. Parliamentary Secretary. Is it agreed?

Some Hon. Members: Agreed.

* * *

STATUTES OF CANADA

MEASURE TO CORRECT—ANOMALIES, INCONSISTENCIES, ARCHAISMS AND ERRORS

Hon. D. M. Collenette (for the Minister of Justice) moved for leave to introduce Bill C-58, an Act to correct certain anomalies, inconsistencies, archaisms and errors, and to deal with other matters of a non-controversial and uncomplicated nature in the Statutes of Canada.

Mr. Deputy Speaker: Is it the pleasure of the House that the Hon. Minister shall have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Deputy Speaker: When shall the Bill be read a second time?

Some Hon. Members: Now.

Mr. Deputy Speaker: By unanimous consent, now.

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Mr. Collenette, seconded by Mr. Whelan, moved that Bill C-58, an Act to correct certain anomalies, inconsistencies, archaisms and errors, and to deal with other matters of an uncontroversial nature in the Statutes of Canada be now read a second time and by unanimous consent, referred to a Committee of the Whole House.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, I would like to thank both the Government and the opposition House leaders for the opportunity to make a few brief remarks. Clause 54 of this Bill amends the constitution of the Northwest Territories and therefore deserves not to go unrecognized. Section 11(2) of the Northwest Territories Act is to be repealed. This has been done with all-Party consent at the request of the legislative assembly of the Northwest Territories, made by way of a unanimously supported resolution in September, 1983. This Section is an archaism which dates back to the time when the capital of the Northwest Territories was in Ottawa. It was moved to Yellowknife in 1968, and this section, which required that one session of the legislature each year be held outside of the capital, is now redundant.

On a future occasion Section 11(5) also ought to be repealed. This Section presently specifies that a majority constitues a quorum of the legislature. The Legislative Assembly has unanimously requested, and in my opinion ought to have, the right to set its own quorum as is the case in every provincial legislature in Canada. Clause 54 also changes the word "Eskimo" to the word "Inuit" wherever it occurs in the Northwest Territories Act. This is done in keeping with modern preferences. The people of the North will be pleased with this small step toward their constitutional future.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and the House went went into Committee thereon. Mr. Corbin in the chair.

The Chairman: Clauses 2 to 4 inclusive agreed to.

Mr. Hnatyshyn: Mr. Chairman, you can call all the Clauses. We are prepared to consent to all clauses in the Bill and the schedule.

Mr. Deans: We also agree, keeping in mind that we want to deal with the tobacco farmers' Bill today before four o'clock.

Mr. Evans: Certainly with the agreement of the Government you can proceed that way because we, too, want to take care of the needs of the tobacco farmers.

Clauses 5 to 79 inclusive agreed to.

Schedules agreed to.

Clause 1 agreed to.

Title agreed to.

• (1550)

Hon. D. M. Collenette (for the Minister of Justice) moved that Bill C-58, an Act to correct certain anomalies, inconsistencies, archaisms and errors, and to deal with other matters of a noncontroversial and uncomplicated nature in the Statutes of Canada, be concurred in.

Motion agreed to.

Mr. Deputy Speaker: When shall the Bill be read the third time? By unanimous consent, now?

Some Hon. Members: Agreed.

Mr. Collenette (for the Minister of Justice) moved that the Bill be read the third time and do pass.

Motion agreed to and Bill read the third time and passed.

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FARM PRODUCTS MARKETING AGENCIES ACT

MEASURE TO AMEND

Hon. E. F. Whelan (Minister of Agriculture) moved that Bill C-56, an Act to amend the Farm Products Marketing Agencies Act, be read the second time and referred to the Standing Committee on Agriculture.

Mr. Deputy Speaker: The Hon. Parliamentary Secretary to the President of the Privy Council.

Mr. Evans: Mr. Speaker, there have been discussions and we would ask you to seek unanimous consent that the Bill not be sent to the Standing Committee, but rather to a Committee of the Whole, and proceeded with at all stages prior to four o'clock.

Mr. Deputy Speaker: The House has heard the proposal. Is that agreed?

Mr. Hargrave: Mr. Speaker, I want to be absolutely clear. Does what the Hon. Parliamentary Secretary said imply that it will go through third reading as well, or will there be a request for unanimous consent for third reading?

Mr. Evans: No, there will not be.

Mr. Hnatyshyn: I think we should take this stage by stage. I would suggest that we agree that the matter go to Committee of the Whole and we can deal with the merits of the Bill and try to make progress.

Mr. Hargrave: Is that absolutely understood, Mr. Speaker?

Mr. Hnatyshyn: Then we will come back and ask for any other unanimous consent.

Mr. Deputy Speaker: The Chair is in the hands of the House. The Hon. Parliamentary Secretary.

Mr. Evans: In that case, Mr. Speaker, to facilitate the passage or movement of the Bill, I would simply ask for unanimous consent that the Bill not be sent to the standing committee, but rather be referred to Committee of the Whole.

Mr. Deputy Speaker: Is that agreed to?

Some Hon. Members: Agreed.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, the House went into Committee thereon, Mr. Corbin in the Chair.

The Chairman: The Hon. Member for Saskatoon West on a point of order.

Mr. Hnatyshyn: There are five minutes to go. I think that we would want to have this matter proceed with so that we can bring it to its conclusion. I would seek unanimous consent of the House that we not see the clock at four o'clock, but proceed until we deal with the different stages of this legislation. In that way we can in fact have somebody say something. We have amendments to propose. The mere act of putting in amendments will take up the time. I am sure that all Members of the House would be agreeable to not seeing the clock at four o'clock in order that we can get this Bill dealt with.

The Chairman: Before recognizing the Hon. Parliamentary Secretary, let the Chairman indicate to the House that that poses a difficulty. The committee is not empowered to not see the clock or to extend time. That can only be done with the Speaker in the Chair.

Mr. Hnatyshyn: I would then ask for unanimous consent that the Chairman of Committees rise and report progress, at which time I will ask for the unanimous consent of the House to revert to Committee of the Whole once we have passed a motion which I propose to bring that we not see the clock at four o'clock.

Mr. Evans: Mr. Speaker, I think that is a terribly unconventional procedure which is being asked for. It violates the straight agreement which was put when the House order was passed this morning, that the House will rise at four o'clock to give the Senate the opportunity to deal with the Bills and give Royal Assent to these Bills today as the House is adjourning today. The Opposition has known that all along. There has been plenty of time to deal with these Bills.

Some Hon. Members: Oh, come on John.

Mr. Evans: The House Leader has indicated clearly that at four o'clock no unanimous consent will be given.

Mr. Deans: Mr. Speaker, I was aware of discussions that had taken place with regard to not extending beyond four o'clock. However, let us not be foolish about this. This is an

important Bill. It deals with matters of vital concern. We in this Party have made every effort to accommodate the Government and, I might say, the Official Opposition, in trying to get the business through the House that would enable us to deal with this legislation today. I could see as the day unfolded that we were going to be faced with this dilemma. I therefore appeal to the Government, recognizing the importance of this, albeit with an understanding that it had been made clear to us that we would not sit beyond four, to reconsider its position and allow us to complete this legislation.

Mr. Evans: Mr. Speaker, we have time right now. If we get down to business this Bill can be passed. I suggest that we do that. There is no consent to go beyond four o'clock. That was made clear and absolute at the outset today when the House order was passed.

Mr. Hnatyshyn: Mr. Speaker, I know of at least one amendment. I spoke to the Minister of Agriculture and he is prepared to accept it.

Mr. Evans: Sit down and let us get with it.

Mr. Hnatyshyn: Just putting that motion and having it accepted would take more than the remaining time. Let us proceed and go past four o'clock. I ask the Government to proceed past four o'clock.

The Chairman: The Hon. President of the Privy Council.

Mr. Pinard: The request made by the Hon. Member is reasonable. I support fully my Parliamentary Secretary who is blaming the Tories for their attitude in the last minutes which is jeopardizing the passage of this legislation. Despite this attitude and the risk they have taken, we will make it possible for the Bill to be passed through all stages because it is important. We will agree that the House order be amended to allow 15 more minutes and we will sit until 4:15. If at 4:15 the Bill is passed, fine. If the Bill is not passed at 4:15, the House will rise.

• (1600)

Miss Campbell: Mr. Speaker, I would just like to ask for clarification what exactly we will be giving unanimous consent for? Are we giving consent to sit until 4:15 for other Bills to be passed, or only so this particular Bill can go through all stages? I am not prepared to not see the clock beyond four o'clock if we are to consider other Bills like Bill C-57.

Mr. Pinard: We will not be sitting. If the Hon. Member wants to stay after 4:15 that is fine.

Miss Campbell: That is not the question. Is this the only Bill that will be called from now until 4:15?

[*Translation*]

Mr. Pinard: The Hon. Member is very swift indeed.

[*English*]

The Chairman: The question is the following:

Shall I rise and report progress?

Some Hon. Members: Agreed.

Progress reported.

Mr. Deputy Speaker: The Hon. Member for Saskatoon West.

Mr. Hnatyshyn: I think unanimous consent has now been given to not see the clock until such time as any Member deems to see it as four o'clock. I would ask therefore for unanimous consent to not see the clock until a Member decides to see it as four o'clock.

Mr. Evans: Mr. Speaker, the Government House Leader has been magnanimous in this case. He said that at 4:15 the House will rise. He said that the House order can be amended to 4:15, and we will agree to that. Now we are getting this craziness from the House Leader of the Official Opposition. The Government has indicated that we will give unanimous consent to not see the clock until 4:15 in order to deal with this Bill. That is what unanimous consent is being asked for.

Mr. Hnatyshyn: Mr. Speaker, we are wasting time. If the Parliamentary Secretary or the Government House Leader want to see call, it four o'clock at 4:15 they simply have to raise their hands. I will not accuse them of wanting to go to the washroom.

Mr. Deputy Speaker: Order. It being four o'clock p.m., pursuant to Order made earlier this day, the sitting is suspended to the call of the Chair.

SITTING SUSPENDED

At 4.04 p.m. the sitting of the House was suspended.

AFTER RECESS

The House resumed at 4.44 p.m.

[*Translation*]

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill C-58, an Act to correct certain anomalies, inconsistencies, archaisms and errors which deal with matters of a non-controversial and uncomplicated nature in the Statute of Canada.

THE ROYAL ASSENT

[*English*]

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

And being returned:

Mr. Speaker: Order. I have the honour to inform the House that when the House went up to the Senate Chamber, the Deputy Governor General had been pleased to give in Her Majesty's name the Royal Assent to the following Bills:

Bill C-43, an Act respecting the Canada-Nova Scotia Agreement on Offshore Oil and Gas Resource Management and Revenue Sharing and to make related and consequential amendments—Chapter No. 29.

Bill C-30, an Act to amend the Bank Act—Chapter No. 30.

Bill C-24, an Act to amend the Financial Administration Act in relation to Crown corporations and to amend other Acts in consequence thereof—Chapter No. 31.

Bill C-51, an Act to implement a convention between Canada and the United Kingdom of Great Britain and Northern Ireland providing for the reciprocal recognition and enforcement of judgements in civil and commercial matters—Chapter No. 32.

Bill C-54, an Act to amend the Public Service Superannuation Act—Chapter No. 33.

Royal Assent

Bill C-53, an Act to establish a National Park on the Mingan Archipelago—Chapter No. 34.

Bill S-11, an Act to implement conventions between Canada and the Republic of Tunisia, Canada and the People's Republic of Bangladesh, Canada and the United Republic of Cameroon and Canada and the Democratic Socialist Republic of Sri Lanka, an agreement between Canada and Kenya and conventions between Canada and the Arab Republic of Egypt, Canada and the Republic of the Ivory Coast and Canada and Sweden for the avoidance of double taxation with respect to income tax—Chapter No. 35.

Bill C-252, an Act to grant access to records of the Special Committee on the Defence of Canada Regulations—Chapter No. 36.

Bill C-32, an Act to establish the Canadian Institute for International Peace and Security—Chapter No. 37.

Bill C-33, an Act to amend the Western Grain Stabilization Act—Chapter No. 38.

Bill C-34, an Act to amend the Canada Labour Code and the Financial Administration Act—Chapter No. 39.

Bill C-58, an Act to correct certain anomalies, inconsistencies, archaisms and errors and to deal with other matters of a non-controversial and uncomplicated nature in the Statutes of Canada—Chapter No. 40.

Bill S-16, an Act to revive Stadacona Mines (1944) Limited and to provide for its continuance under the Canada Business Corporations Act.

It being five o'clock p.m., pursuant to Standing Order 2(1) this House stands adjourned until Monday, September 10, 1984, at eleven o'clock a.m.

May you have a good summer!

The Thirty-second Parliament was dissolved on Monday, July 9, 1984, by proclamation of Her Excellency the Governor General.

END OF VOLUME IV